

CHRIS DALY

Dear Rick,

This is pretty close to what I will read from on Monday

Many Thanks /
Chris

Dear Sir,

[1] Thankyou for this opportunity to speak at the second round of Broadcasting Inquiry hearings,

[2] My submission today is in two parts , the first part discusses The ingress of Digital techniques History, Manufacture Social integration and Consumer spending. The second part discusses Community radio and its special needs.

[3] Digital (Alec Reeves 1932) as a means of carrying information was proposed firstly as Pulse Code Modulation. It enabled the binary sequencing of analog information and along with sampling (Nyquist) to retrieve that information at sufficient rate to not be corrupted. The means that enables multiple information to be carried is Multiplexing (Armstrong 1932) Alec Reeves died in 1971and left unrewarded for his patents to reach fruition. 6 months later in early 1972 Philips and Sony and later in the 70's Denon contributed toward PCM as a means of recording audio leading toCompact Disc being released in 1983.

[4] Digital Broadcasting to the best of my knowledge can be attributed to Armstrong who in 1933 enabled a Fax and three other sources to be multiplex broadcast from the Empire State Building .

[5] The Manufacture of DAB and HDTV products is an absolute disgrace to Australia. In 1999 we still have no semiconductor manufacture rather all we have is manufacturers representation who represent themselves to sell via distributorships best sell lines and have no knowledge of individual components. It is a disgrace because an opportunity to employ people and grow a potentially vast industry is ignored by our politicians. Rather we are to become spenders. At an estimated cost to consumers of a HDTV at \$3000 .00 and a radio for the car at \$1000.00 and possibly a home radio at \$1500.00 once prices have stabilised- some \$5500.00 will be spent by an estimated 1/3rd of the population in the first three years I calculate this at \$35,750,000000 which seems astronomic I know (1/3rd population at 6.5 million) With most manufacture returning on average $\frac{3}{4}$ to its origin whilst $\frac{1}{4}$ is spent on actual product probably in the first year $\frac{1}{2}$ and $\frac{1}{2}$ due to tooling costs and marketing overseas manufacturers will open their pockets to Australians savings with smiling faces.

[6] A site I looked at had HDTV Sony for \$9000 US another had a Grundig brand add on convertor for cars at 499 pounds.

[7] The social uptake of this is added consumer spending which benefits Banks, Lending Institutions and Government with direct taxation such as GST. Although Taxation is a means of affording the welfare of society and in an ideal society should be regarded as commonplace- in this case where no direct employment or long term benefit is accorded to Australians such taxation is misplaced. This is not to say that such items should not be taxable rather direct manufacture within Australia is required, before setting up the infrastructure to provide HDTV and DAB.

[8] There are many benefits of getting involved as manufacturers rather than consumers, our expertise invested in Universities and institutions such as the CSIRO would have a real platform to extend their talents. Likewise the manufacture of DAB and HDTV may well lead to diversification into new commodities for export.

[9] There is quite a lot of evidence that Government in recent times has lost its way, Consumer Debt appears almost to be encouraged one only has to look at the size and arrogance of Banks Insurance and Telco's. The high number of commercial properties unoccupied within cities that could be sheltering the homeless. The alarming decrease in public owned assets does little to make me feel encompassed by a government that is in control of the destiny of its own people.

[10] I shall leave the summary of these points after my second point that of Community Radio and its special needs.

[11] Community Radio has on two occasions petitioned government for funding for DAB. The first occasion was on the part sale of Telstra and the second on the sale of the NTA to NTL. In the second case government sold the NTA (National Transmission Authority) for 650million . The CBAA in its petitions for funding asked 20 million be set aside for the development of digital for Community Radio. On both occasions the petition was refused. I consider this further evidence of a government who has lost its way and is either so weak to be uncommittal or plainly doesn't value community radio.

[12] In my first speech to the Productivity Commission I outlined the physical differences between the Community and Commercial Radio and Government networks ie ABC and SBS. These differences usually involve the location of transmitters and the attendant costs of transferring stations output to the broadcast location. In Hobart -hopefully this typifies other states in Australia the 3 community stations and two external community stations have been unable to afford to get to the top of MT Wellington. Rather they broadcast either direct from their studio site (Cadence FM 99.3) or pay in the form of equipment or existing networks (92.1 THE FM) to transfer their signal to a site such as MT Nelson (103.3 and 92.1) for rebroadcast. DAB is an extreme use of Multiplexing(Armstrong) which invites the transmission of numerous stations from the one site. As such it will call I predict from rulings by bodies such as ABA and ACA that stations must transfer their outputs to central locations, and broadcast from there. Community radio I plea with you should be allowed to broadcast its own digital signal from its existing network. It is highly likely that through oversight here approximately 50% of Community stations will be forced to close. due to the added expenditure of paying up to broadcast at a central site.

[13] It remains to be seen the public's acceptance of paying for digital equipment - I have no doubt the commercial stations both TV and Radio will be trying their level best to " Make it SO " They have the money and Community Radio doesn't. I appreciate the CBAA's wishes to embrace this new technology . Community Stations should be given their choice to run with Digital or Analog or both as such Outstanding Analog allocations of frequency should remain for Community Radio so as not to make present radios and the enjoyment to their present owners obsolete.

[14] In closing I embrace this new technology however It is socially irresponsible for the Digital delivery of Radio and Television in Australia whilst no employment results to its people in direct manufacture of products and no infrastructure exists for contribution by its people to future and related technologies that would lead to export from Australia.