

**ABC Submission to the  
Department of  
Communications and the  
Arts Review of the Viewer  
Access Satellite Television  
(VAST) Service Issues  
Paper**

**June 2018**



# Introduction

The ABC appreciates the opportunity to respond to the Department of Communications and the Arts Issues Paper, which identifies the matters to be considered in the Department's review of the Viewer Access Satellite Television (VAST) service.

The ABC utilises VAST to provide both ABC Television and Radio networks across Australia. The provision of these services on VAST aligns with the ABC's responsibility as a public broadcaster to ensure that the functions of the Corporation are performed with the maximum benefit to the people of Australia.

While the majority of Australians continue to access ABC services through terrestrial transmissions, the availability of VAST ensures that members of the public who live outside terrestrial coverage or who have poor terrestrial signals can also receive ABC services. In a country like Australia, with an extensive landmass, highly concentrated populations in metropolitan and coastal areas, but also many communities established in isolated and remote parts of the continent, VAST serves a vital function in ensuring these communities have access to news, information and entertainment.

# Feedback on VAST

## Q 1. In what ways is the VAST service appropriate for delivery of television in areas without reliable terrestrial coverage?

The ABC's terrestrial television coverage is delivered through 421 transmitters, serving 98.49% of the population. The ABC's terrestrial analog Local Radio services are delivered through 242 transmitters, serving 99.58% of the population. In areas without terrestrial coverage, the VAST service is a reliable delivery method for both ABC Television and Radio services.

## Q 2. Are the current range of TV and radio services offered appropriate?

The ABC currently provides the full suite of its television and radio networks on the VAST platform to ensure that Australians, no matter where they live, have access to the same offering of ABC services. This includes the provision of numerous digital-only national radio services that are otherwise only available via terrestrial DAB+ in capital cities, and through mobile apps and online streaming across the country.

## Q 3. To what extent are VAST set-top boxes meeting the needs of viewers?

There are a large range of VAST set top boxes available on the retail market. According to Optus, approximately 600 new VAST set top boxes are activated on a weekly basis. This would indicate that VAST is still in demand and meets viewer requirements.

Many VAST users are travellers who use the service in their caravans. For these and other users who may live in areas with broadband connectivity, it may be useful if set top boxes offered IP inputs and additional functionality such as iView and Freeview. This type of functionality would allow VAST users to enjoy access to non-linear on-demand television.

# Feedback on VAST

**Q 4. To what extent do the regional commercial news arrangements on VAST meet the needs of viewers?**

Not applicable to the ABC.

**Q 5. Specifically, how could the current VAST service be improved?**

The VAST service could be improved if broadcasters such as the ABC could download content into secure hard-drives so that viewers could access content at a time convenient to the viewer.

# Changes in the media landscape

## Q 6. How has the increasing availability of online TV content changed the way viewers access and consume content in areas unable to receive terrestrial FTA TV transmission?

There are two markets of viewers accessing VAST services - people living in remote regions and those travelling. To date, both markets have limited access to online TV content. For those living in remote regions of Australia, viewers would only receive broadband through the NBN's satellite service (Sky Muster), while travellers would be able to access online content through available mobile networks in regional areas.

Sky Muster NBN plans have download limits and until recently all mobile plans had download limits. It is difficult to gauge whether limited broadband capabilities and data limitations have influenced consumption of online television content in areas outside terrestrial coverage, however NBN indicate that by April 2018, approximately 87,000 households of the potential 400,000 households within the footprint were connected to Sky Muster. This compares to approximately 200,000 households that utilise VAST.

# Changes in technology and distribution networks

## Q.7 To what extent should future delivery models allow flexibility to utilise new technology to provide access to terrestrial television services?

Since VAST was launched, there have been advances in new technology as more efficient video compression technology has emerged. However, the current VAST set top boxes are not future-proofed to allow the platform to take advantage of these new technologies. Future delivery models should ensure set top boxes can be updated over the air, so that the platform can exploit new technologies. New set top boxes should have IP connectivity and secure hard-drives so that broadcasters can download content for audiences to view at their convenience.

One option for Government consideration could be to work with the NBN and broadcasters to allow multicasting on NBN, to enable efficient delivery of television similar to NBN's current Sky Muster multicast technology trial for rural students. The ABC would welcome the opportunity to conduct a similar trial with the NBN.

There are various other technologies being tested to deliver screen content to the home. As an example, in New Zealand Chorus is conducting a proof of concept trial using its fibre network to provide a direct 4K broadcasting service to consumers' homes. As consumer demand for 4K and 8K broadcasting increases, the Government will need to consider the most appropriate platforms to deliver this content to the public.

# Conditional access

## Q.8 How could the process for viewers to apply for and access VAST be improved? Does the process remain appropriate?

For viewers wishing to access both commercial and national broadcaster content, the current process is for viewers to apply to the relevant regional broadcasters. This ensures that only viewers who live outside terrestrial coverage areas can receive commercial television services on VAST.

Optus provides a web portal which allows viewers who only want to access ABC and SBS content to self-register and receive VAST. This facility ensures that all viewers irrespective of where they live, can access the VAST services of the national broadcasters.

## Q.9. What are the key reasons for maintaining the conditional access arrangements beyond 2020?

Normally, all the ABC's content on VAST is available to all viewers on the platform. For example, this means that viewers in Queensland can watch ABC's programming for ABC's main channel for Western Australia. The ABC only "blocks" out access to markets using conditional access during legal cases, where by the ABC is only permitted to report on a court case in some markets.

# Funding

## **Q.10 What are the main factors that would most influence industry investment in the delivery of FTA TV services in areas unable to receive a reliable terrestrial transmission? Why?**

The VAST platform is an extremely reliable way to deliver television and radio services to people who cannot access these services through terrestrial transmission. However, the satellite capacity used to deliver VAST is the most expensive satellite capacity provided by Optus.

VAST is provided using satellite capacity on Optus C1 and Optus D3 satellites. Since all Foxtel satellite viewers and VAST viewers have dishes pointed to these two satellites, capacity on these satellites are sold at a premium. Additionally, the satellite costs increase by CPI each year.

In 2010, the Government mandated that all broadcasters that provide services into remote Australia use the Optus VAST platform. Given that this satellite capacity is not currently offered at a competitive price, options should be considered to provide the VAST service in a more cost-effective manner.

Options to consider could include the Government re-negotiating better terms for a whole of industry position with Optus. Other options to consider would be to move the VAST services to another Optus satellite which is less expensive, moving services to another satellite provider or providing broadcasters with funding to remain on the current satellites.

Considering the ABC's budgetary position, with a fixed funding envelope and paused indexation from 2019-20 to 2021-22, the Corporation must consider all options, including the ongoing capacity to provide the existing range of services on VAST.