



Communications convergence and regulatory challenges

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Presentation outline

- ACMA role & regulatory responsibilities
- Convergence of communications and media
 - Stages 1, 2 & 3
- ACMA research drivers & activities
- Regulatory challenges
- References



Australian Communications and Media Authority role

- Regulates broadcasting, telecommunications, radiofrequency spectrum management and internet content
- Undertakes activities at the direction of the Minister and provides advice to the Department of Broadband, Communications and the Digital Economy, as well as the Minister
- Commitment to be an evidence-based regulator

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ACMA's regulatory responsibilities

- Strategic intent to make communications and media work in Australia's public interest
 - In a spirit of co-regulation, while promoting industry self-regulation
 - Maintaining safety-net for consumer, community and national interests
- ACMA administers 523 legislative instruments and a broad range of legislation including:
 - Radiocommunications Act 1992
 - Telecommunications Act 1997
 - Telecommunications (Consumer Protection and Service Standards) Act 1999
 - Broadcasting Services Act 1992
 - Spam Act 2003
 - Do Not Call Register Act 2006
 - Interactive Gambling Act 2001

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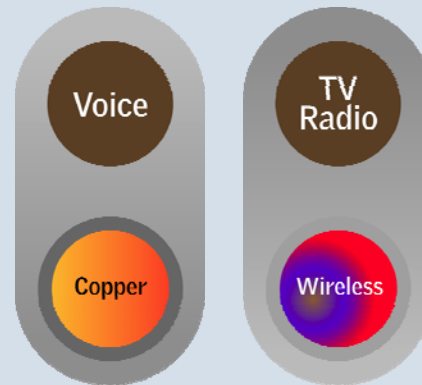
Australian Government
Australian Communications
and Media Authority

Stage 1 – Business Model

Payment



Investment



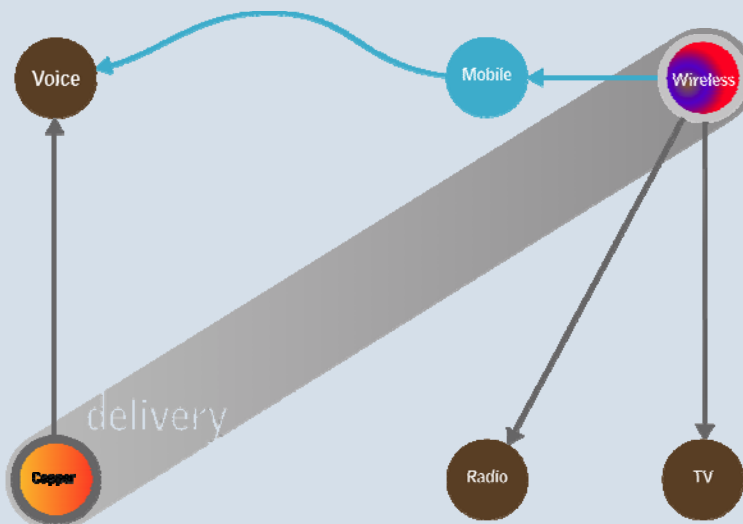
Regulatory
Goodies

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Australian Government
Australian Communications
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Stage 2 – The Road to Now

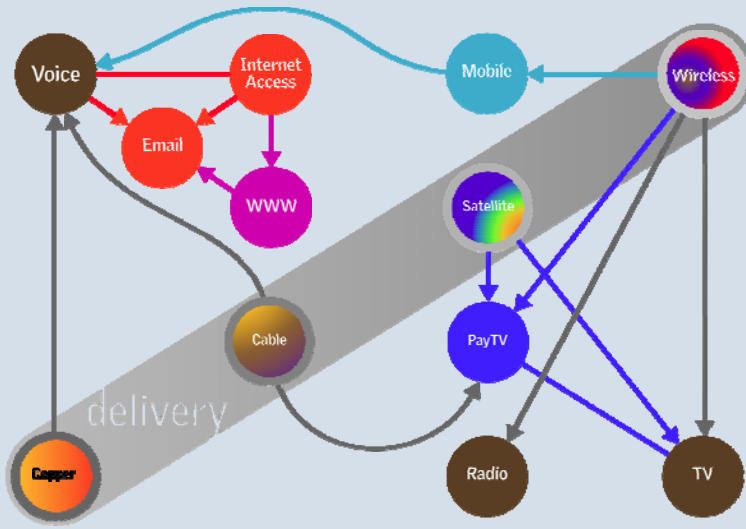


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Stage 2 – The Road to Now

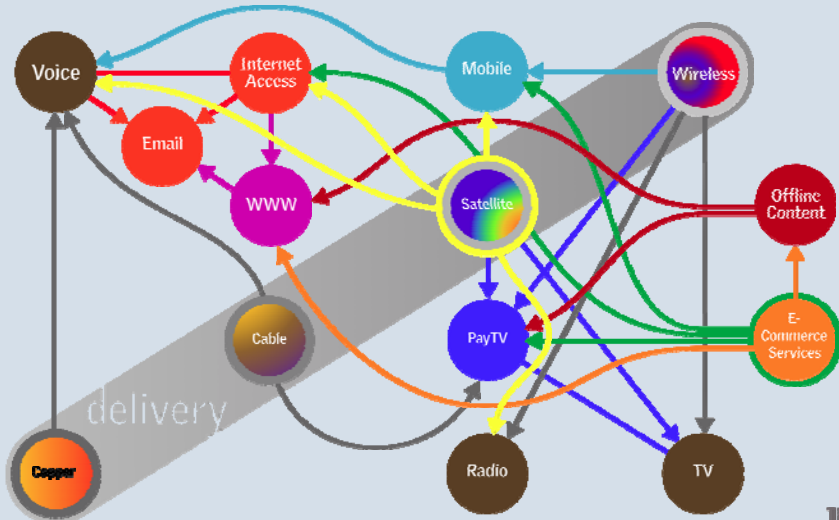


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Australian Government
Australian Communications
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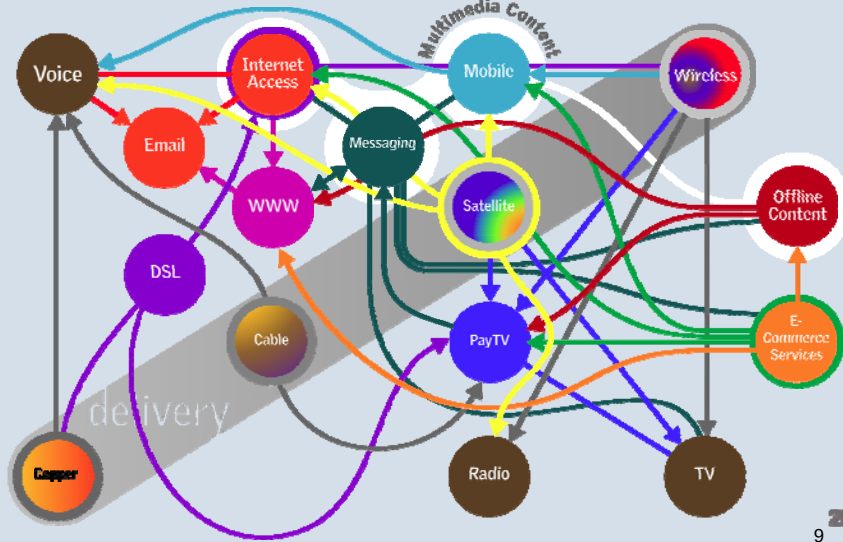
Stage 2 – The Road to Now



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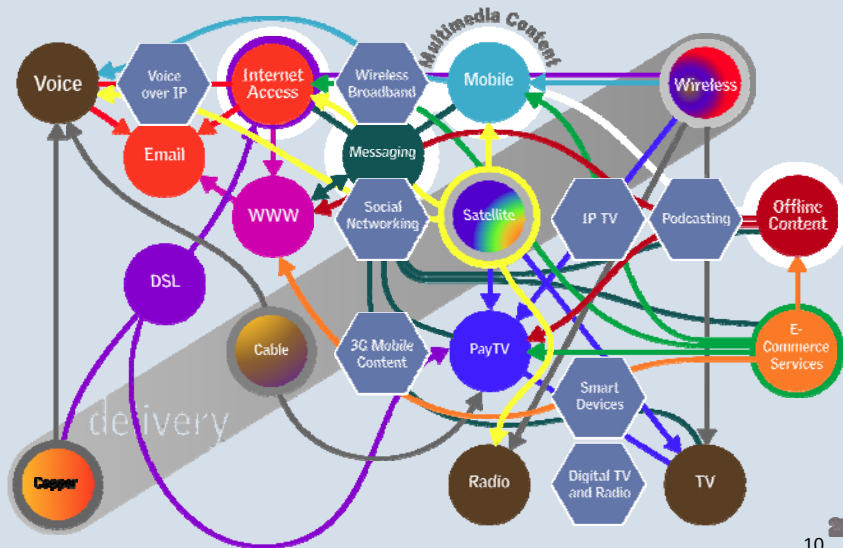
Stage 2 – The Road to Now



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Stage 2 – Circa Now

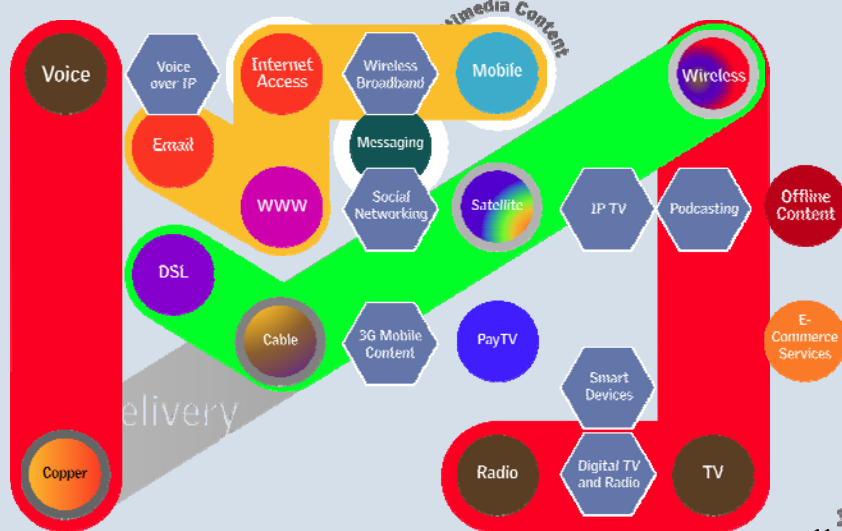


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Australian Government
Australian Communications
and Media Authority

Stage 2 – Now

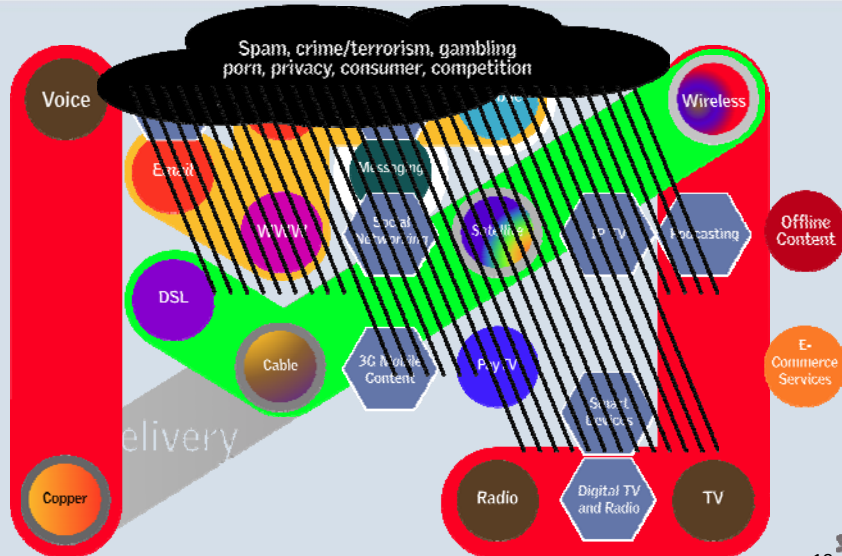


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Australian Government
Australian Communications
and Media Authority

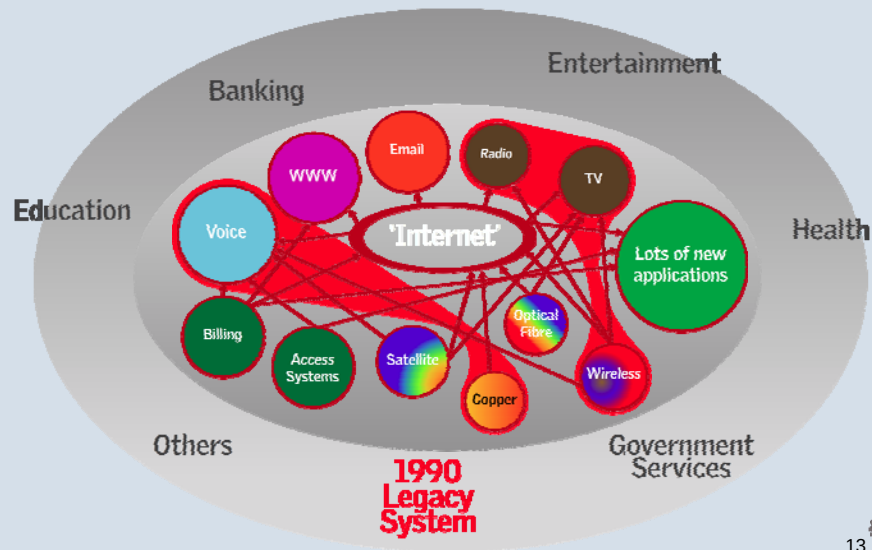
Stage 2 – Now



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Stage 3 – ‘The end game?’



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Role of research in ACMA

Research is at the core of a range of ACMA regulatory functions:

- Report and advise the minister in relation to the telecommunications industry and matters affecting consumers of carriage services (section 8 ACMA Act)
- Make available public information about matters relating to the telecommunications industry (section 8 ACMA Act)
- Monitor and report to the minister on significant matters relating to the performance of telecommunications carriers and CSPs (section 105 Telecommunications Act)

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Role of research in ACMA *(continued)*

- Conduct or commission research into community attitudes on issues relating to programs and datacasting content (section 10 ACMA Act)
- inform itself and advice the minister on technological advances and service trends (section 10 ACMA Act)
- Conduct research into issues relating to internet content and internet carriage services and conduct or commission research into content services (Schedule 7 Broadcasting Services Act)

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Evidence-based regulation

- Origins of evidence-based policy
 - Medical model
 - Modernising public administration

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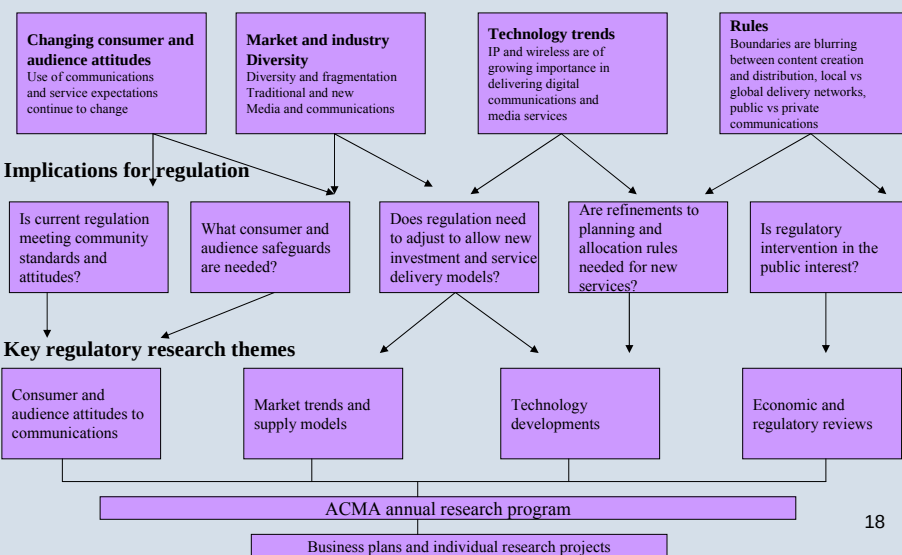
Evidence-based regulation

- ACMA context
 - Instrumental research to feed into policy and decision making
 - Conceptual research to offer new understanding about changing media and communications environment
 - In practical terms, focus on research and statistics, policy evaluation, economic modelling

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External drivers of change in communications and media



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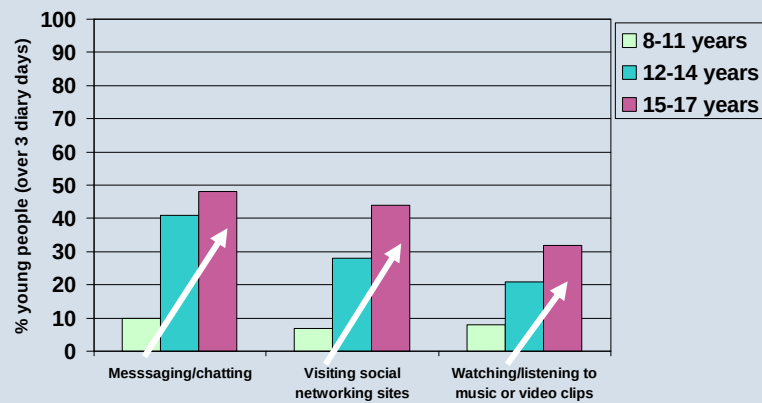
Community and audience research: media literacy

- Literature review
 - To evaluate media literacy levels in Australia
 - Ability to access, understand & create communications in a variety of contexts
- *Media Literacy - Concepts, Research and Regulatory Issues (Penman & Turnbull, 2007)*
 - ACMA commissioned research, released May 2008
- *International Media Literacy Research Forum*
 - Established by UK regulator Ofcom May 2008
 - ACMA invited as founding member

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Community and audience research: media & communications in Australian families



Internet use (by age)

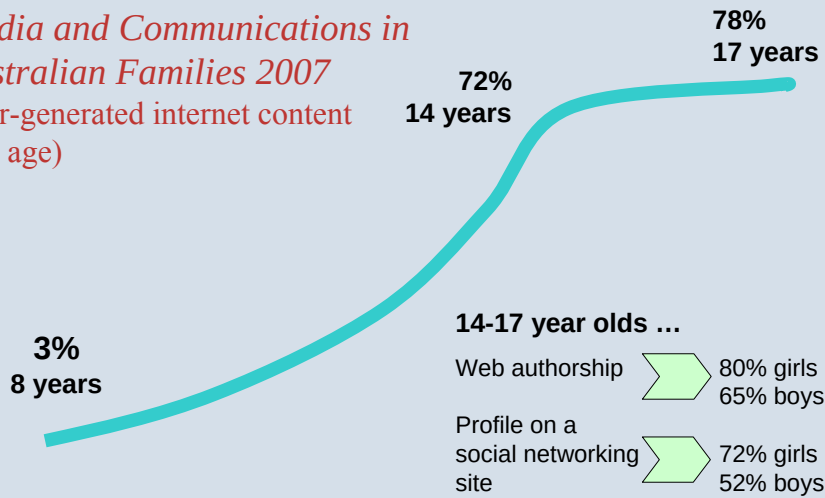
Media and Communication in Australian Families 2007

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Media and Communications in Australian Families 2007

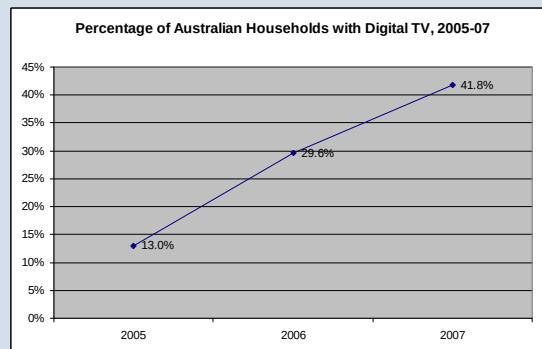
User-generated internet content
(by age)



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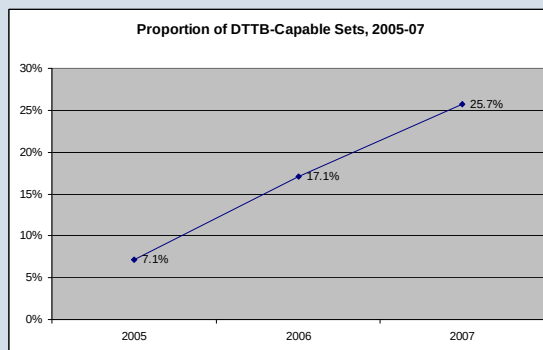
Community and audience research: digital television in Australian homes 2007



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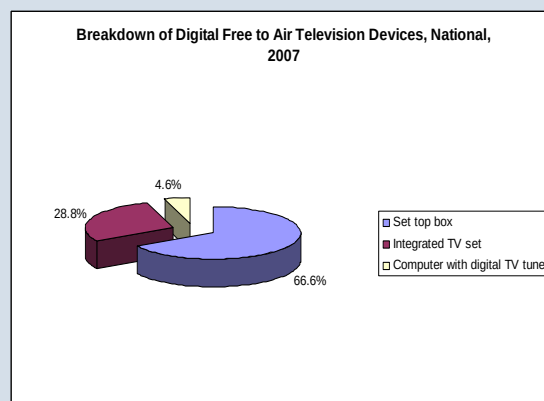
Community and audience research: digital television in Australian homes 2007



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Community and audience research: digital television in Australian homes 2007



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Community and audience research

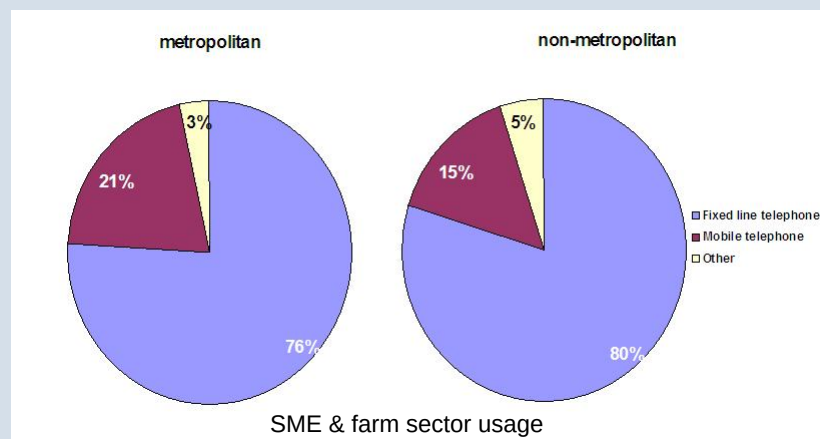
Telecommunications service use is changing (2006-07)

- ↑ Mobiles - 21.26 million (19.76m)
- ↑ Broadband internet – 4.33 million (3.16m)
- ↓ Fixed line telephones – 10.92 million (11.26m)
- ↓ Payphones – 49,862 (58,230)
- ↓ Dial up internet – 2.09 million (2.78m)

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Business take-up and usage trends

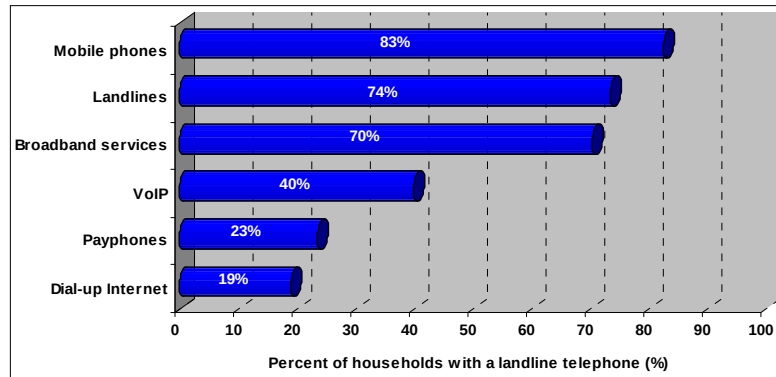


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Consumer attitudes - importance of communications

- ACMA research asked consumer what they regard as important for the future:

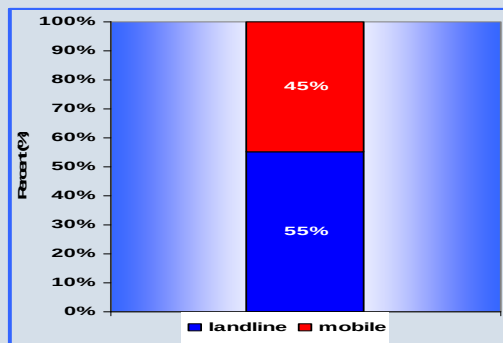


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Consumer attitudes

Fixed phone and mobiles - complementary not substitute services



Main use by households: landline or mobile phone

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Market overview

Australian communications industry suppliers

- 169 telecommunications carriers
- 1231 carriage service providers
- 334 fixed voice providers
 - 242 VoIP
 - 166 offering services over fixed line network
 - 74 combined offers over fixed line network (PSTN) and VoIP
- 4 mobile carriers
- 659 internet service providers
- 274 commercial radio licensees
- 84 community tv licenses
- Digital tv available in all capital cities and most major regional centres

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Emerging services research

Convergence in the Australian market

- IPTV market identified
 - Fewer than 5 IPTV providers and 15 internet video service providers operating in Australia
 - IPTV is a carrier led and controlled platform and network upgrades are a critical step in development of the business;
 - Cost of backhaul, bandwidth and sourcing content all potential barriers to further IPTV development.
- VoIP market identified;
 - Rapid growth in the market and bundling an important strategy
 - But limited consumer take up at this point (15 % residential users and 13% SMEs have used VoIP)
 - Influence of factors such as age, gender and income in the case of consumers, and industry and business size in the case of SMEs on take up of VoIP.

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Technology trends

- 6 key themes from technology research
 - Accelerating pace of change
 - Diversity in the development of physical infrastructure
 - Spread of distributed connectivity
 - Enhanced content and network management capabilities
 - Emerging social web
 - Continuing scientific and technological innovation
- Capacity for Australians to access these new services and applications, and understand and create communications is an emerging issue in the regulation of communications.

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Reviews

- ACMA's approach to the regulation of VoIP services (announced on 16 April)
- Spectrum:
 - - Wireless access services
 - - 400 MHz
 - - Digital dividend
 - - Independent Review of Government Spectrum Holdings
- Continue to work with Department and industry on a longer term strategy to deal with the transition to next generation network (NGN) services.

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Challenges for ACMA

- Research highlights
 - diversity of communication and information needs in the Australian market
 - multiple models of service provision
 - continuing technology and service developments
- ACMA's challenges
 - regulating in a multi-provider, multi-choice environment where regulatory tools were developed in a single-provider/single-service model
- Continuing role for research in understanding what is important to Australian communications users.

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References

www.acma.gov.au

- *Media Literacy - Concepts, Research and Regulatory Issues* (Penman & Turnbull, 2007)
- *Media and Communication in Australian Families 2007*
- *Digital television in Australian homes – 2007*
- *Telecommunications today: Consumer attitudes to take-up and use – September 2007*
- *IPTV and Internet video services April 2008*
- *Top Six Trends in Communications and Media Technologies, Applications and Services – Possible Implications*
- *Five-year Spectrum Outlook 2009-2014*
- *Independent Review of Government Spectrum Holdings*

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Thank you

- Questions ?