

#### 4.5 (cont'd)

MDS, or satellite, or both. Cable delivery is expected to be too costly in Australia, given likely prohibition on aerial construction of cable systems.

It is much harder to predict the structural/regulatory environment under which pay television would operate. Policy decisions in this area will be crucial to developing a viable industry. They will have a major bearing on the cost of providing service, the price to consumers and hence on consumer demand.

Given a policy outcome which does not impose excessive cost burdens on a pay television industry, the Strategic Technology Management study projects that there could be between 1.0 and 2.5 million subscribing households by 1995. This would represent a substantial market for subscriber reception and decoding equipment.

#### NOTES

1 "Australian telecommunications services: a new framework" Statement by the Minister for Transport and Communications, 25 May 1988, Australian Government Publishing Service, Canberra.

2 The Australian Telecommunications Corporation Bill, the Telecommunications Transitional Provisions and Consequential Amendments Bill and the Telecommunications Fees Bill.

3 "New Industry Development Arrangement - Customer Premises Equipment" Department of Industry, Technology and Commerce and Department of Transport and Communications, 22 February 1989 - see Appendix B.

4 "Cable and Subscription Television Services for Australia", Report of the inquiry by the Australian Broadcasting Tribunal into Cable and Subscription Television Services and Related Matters, August 1982, Australian Government Publishing Service, Canberra.

5 "Future Directions for Pay Television in Australia" Department of Transport and Communications, Communications Technology Division, February 1989, Australian Government Publishing Service, Canberra.