

Study Group on Current Status and Issues on a Fair Receiving Fee
Structure Summary of Minutes (Fifth Meeting)

1. Date and Time: Monday, September 3, 2007, 10:30 to 12:00

2. Location: Special Conference Room 1 at MIC, 8th floor, No. 2 Joint Government Building

3. Attendees

(1) Members of the study group (honorifics omitted; in the order of the Japanese syllabary)

Akio Torii, Kiyoshi Nakamura, Ikufumi Niimi, Yasuo Hasebe, Eriko Hida, Masayuki Funada, Hirotaka Yamauchi, Haruko Yamashita (8 members)

(2) Ministry of Internal Affairs and Communications (MIC)

Ogasawara (Director-General of Information and Communications Policy Bureau), Kawauchi (Deputy Director-General of Minister's Secretariat), Imabayashi (Director of General Affairs Division), Yoshida (Director of Broadcasting Policy Division), Takeda (Director of Satellite and International Broadcasting Division), Nagashio (Senior Planning Officer of Broadcasting Policy Division), Osawa (Assistant Director of Broadcasting Policy Division)

4. Agenda

(1) Opening

(2) Items on the agenda

Organized points under discussion

(3) Closing

5. Outlines of Proceedings

The secretariat explained the organized arguing points with reference to materials.

(1) The key questions and opinions voiced by the study group members were as follows:

[Concerning the method of estimating the number of households or the like that becomes the population parameter for calculation of the contract ratio and the like]

- If the statistical basis of the estimation is changed, the cost and trouble must be considered to determine which would be practical.
- The household growth rate based on the Basic Resident Register differs from the household growth rate based on the projected number of households in Japan. It might be possible to judge which figure is more reliable by checking how those figures have changed.
- The question seems to be which of the national census or the Basic Resident Register

- demonstrates the true state and should be used as the statistical basis for the estimation.
- In regard to option 2, it might be better to state additional merits of using the Basic Resident Register.
 - Option 1, using the public statistics figures, is easier for general viewers to understand.
 - The figure estimated from the national census differs from the figure estimated by the conventional estimated method by 430,000. Because the estimation error is at least 300,000 to 400,000, the difference is not so great. Therefore, it may not be necessary to change the current estimation method.
 - If the contract ratio varies significantly with the region, the regional disparity is a very important matter in fairness. However, it is doubtful whether NHK has carried out a survey on the regional disparity. It may be necessary to recognize the regional disparity first.

[Concerning the review of the NHK receiving fee structure]

- The descriptions of items (a) to (d) of the receiving fee structure review are acceptable. However, “whether the introduction of a discount for some users could increase the burden of the other users must be checked” in item (b) means basically the same as “the introduction of a discount would reduce the receiving fee revenue” in the first part of item (c).
- In regard to item (c), “NHK will not necessarily reject the introduction of a discount even if it would decrease the receiving fee revenue.” Although that approach of NHK may be basically right, if they insist on it, a logical explanation stronger than the reason of item (c), such as the protection of the weak, would be needed.
- A basic precondition for the introduction of a discount is that the revenue will not fall below zero.
- Whether to make a discount for corporate subscribers is a trade-off. In consideration of the concept of public broadcasting, it would be fair to charge a large number of people low receiving fees.
- Although the population has been decreasing, the number of households is rising, increasing the fee to be paid by each member of the current households. Whether it is fair to charge the current receiving fee from now on even though the past large-household community changes is questionable.

[Concerning the satellite broadcasting receiving fee structure]

- Concerns about the “free riders” are a question of policy decision.
- For example, general consumers may not keep the receipts for receivers they have bought. The requirements for confirmation might be eased a little so that something other than a public document can be used.

- What is needed first are streamlining and efforts to make the satellite broadcasting attractive. Practical business procedures such as forcing the viewer to present a document could increase unnecessary trouble. It should be admitted that the receiving-fee collection went too far. An apology should initially be made to those who have facilities but do not view the broadcasting.
- It is very sensitive to allow a terrestrial contract to be made instead of a satellite contract when an external condition changes in a living environment or the like. This measure means that the receiving contract becomes optional. It also means that the broadcasting comes closer to pay broadcasting.
- One-segment broadcasting, PCs and other “free riders” could be a much greater problem in the future. The issue of the “free riders” should be expanded to include technological innovations.
- From the standpoint of the viewers, the practical business procedures are troublesome. However, proposals like this might be unavoidable in these circumstances. If the viewer can save 945 yen per month by providing the confirmation, the viewer would be happy about the economic advantage.
- When buying a television set, the user does not have the option to leave a satellite tuner out. The line of reasoning in which the purchaser of a BS/CS/terrestrial common receiver is asked to pay a satellite receiving fee later is incomprehensible. The system should be changed in the future to give the option when the user buys a television set.

(2) Others

It was decided to hold the next meeting (sixth meeting) from 18:00 on Friday, September 21, 2007, and to review the collected draft.