



nbn's submission: ACMA Implementation of proposed changes to apparatus licence pricing

28 September 2023

Final



Thank you for the opportunity to comment on the proposed tax rates to apply adjustments to changes in population rather than consumer price index (CPI) adjustments as set out in the 'Implementation of proposed changes to apparatus licence pricing' consultation paper dated August 2023 (Consultation Paper).

nbn was established in 2009 as a Government Business Enterprise (GBE), to provide fast, reliable and affordable connectivity and to enable Australia to seize the economic opportunities before it and service the best interests of consumers. It remains the principal responsibility of **nbn** to operate, and continue to build and upgrade, the **nbn** network in accordance with the Government's expectations, as set by the Shareholder Ministers' Statement of Expectations (SoE) and its obligations as the default Statutory Infrastructure Provider (SIP).

nbn is upgrading its fixed wireless (FW) network through the implementation of the **nbn** FW and Satellite Upgrade Program. This program involves an investment of \$750 million, of which the Australian Government has contributed \$480 million. The program will expand **nbn**'s FW footprint coverage and improve FW typical wholesale busy hour speeds as well as FW peak wholesale speeds. For **nbn**'s satellite customers, **nbn** has enhanced the existing product offerings and recently released Sky Muster Plus Premium which features uncapped data usage (Fair Usage Policy and shaping apply).¹ This investment forms part of the Federal Government's and **nbn**'s response to the 2021 Regional Telecommunications Review, which recommended enhancements to **nbn** FW and satellite services given the step-change in demand for data and broadband in rural and regional areas. The benefits of this investment could be up to an additional \$6.1 billion in regional GDP over FY2022-26.²

nbn generally supports the ACMA's proposed update to apparatus licence taxes in reference to changes in geography-specific population as outlined in Table 1 and Appendix A of the Consultation Paper. We agree that annual adjustments that are made consistently at the same time of the year would assist industry in providing predictability and assist in managing related internal governance and approval processes.

We acknowledge that satellite licence taxes were recently reduced as part of the 2020 reforms but would like to reiterate our view that further consideration of satellite licence taxes is warranted. **nbn** is required to acquire Australia-wide licences for our Ka space stations under the satellite class licensing regime noting our role as default SIP for all of Australia. Further, there is generally very minimal, if any, spectrum denial associated with the use of satellite receivers to deliver **nbn**'s satellite products as is evidenced by the successful sharing between satellite receivers and FW services in the 28 GHz band in Australia. Our role as default SIP for all of Australia means we need to be able to use our satellite network to service premises in Australia where other **nbn** technologies are not available. For example, in some circumstances, **nbn** services premises within **nbn**'s FW footprint using **nbn**'s satellite network due to the terrain and other geographic conditions affecting access. The need to offer a satellite service in these circumstances is established only following an order for a **nbn** service and a technical on-site assessment of the availability for a **nbn** FW service.

We support the views of the Communications Alliance Satellite Services Working Group that the cost of Australia-wide licensing should be discounted, to align with international benchmarks and in line with the ACMA's stated intent to take into account the Government's policies and priorities. Specifically, by supporting opportunities for

¹ <https://www.nbnco.com.au/corporate-information/media-centre/media-statements/nbn-unveils-nbn-sky-muster-plus-premium-offering-even-more-connectivity-options-for-australia>, <https://www.nbnco.com.au/learn/network-technology/sky-muster-explained/sky-muster-plus-explained#accordion-46ad7a378a-item-07f7e3f714>

² <https://www.nbnco.com.au/utility/nbn-fixed-wireless-and-satellite-upgrade-program>, <https://www.nbnco.com.au/corporate-information/media-centre/media-statements/750-million-investment-to-5G-enable-nbn-fixed-wireless-to-deliver-faster-speeds-to-regional-australia>



better telecommunications services in regional and remote Australia through the ACMA's spectrum and licensing allocation processes and supporting innovations to improve service delivery.³

³ <https://www.acma.gov.au/sites/default/files/2023-03/ACMA-Statement-of-Intent.pdf>