

AUSTRALIAN TELECOMMUNICATIONS ALLIANCE

SATELLITE SERVICES WORKING GROUP

SUBMISSION

To: Australian Communications and Media Authority

Re: Radiocommunications pricing consultation paper -
2.69 GHz to 5 GHz band pricing review, and proposed 2026
updates to apparatus licence taxes

1 December 2025

—	—	—	—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—	—	—	—

TABLE OF CONTENTS

1. AUSTRALIAN TELECOMMUNICATIONS ALLIANCE	3
2. RESPONSES TO THE CONSULTATION.....	4
<hr/>	
2.1 Demand Analysis Approach	4
2.2 Measures of Total Bandwidth Consumption	4
2.3 Preliminary Demand Analysis.....	4
2.4 Proposal To Review 520 MHz to 5 GHz.....	7
2.5 Proposed Population-based Tax Updates.....	8

1. AUSTRALIAN TELECOMMUNICATIONS ALLIANCE

The Australian Telecommunications Alliance (ATA) is the peak body of the Australian telecommunications industry. We are the trusted voice at the intersection of industry, government, regulators, and consumers. Through collaboration and leadership, we shape initiatives that grow the Australian telecommunications industry, enhance connectivity for all Australians, and foster the highest standards of business behaviour. For more details, visit www.austelco.org.au.

For questions on this submission, please contact Mike Johns, m.johns@austelco.org.au.

2. RESPONSES TO THE CONSULTATION

The Australian Telecommunications Alliance (ATA) Satellite Services Working Group (SSWG) welcomes the opportunity to provide this submission in response to the Australian Communications and Media Authority's (ACMA's) Radiocommunications pricing consultation paper on the *2.69 GHz to 5 GHz band pricing review, and proposed 2026 updates to apparatus licence taxes*.

The SSWG supported the ACMA's decision as a result of the Spectrum Pricing Review (SPR)¹ to reduce the taxes on Space and Earth station licences (both transmit and receive) in the frequency range of greater than 8.5 to 17.3 GHz by 50% and greater than 17.3 to 31.3 GHz by 90%. At that time, the ACMA made no tax pricing changes to the satellite bands below 5 GHz, but proposed a further review of price settings in the 2.69 GHz to 5 GHz band in 2024–25, which is the subject of the paper being responded to here.

The SSWG would like to provide the following responses to the questions posed in the Consultation Paper. Each issue raised by ACMA is produced under the corresponding heading in italics, followed by the SSWG response as numbered paragraphs.

2.1 DEMAND ANALYSIS APPROACH

Issue for comment 1: Do you have any comments regarding our total bandwidth metric and approach to demand analysis?

- 2.1.1 Using the apparatus licence assignment volume, apparatus licence volume together with the total bandwidth metric is useful to check consistency of trends.

2.2 MEASURES OF TOTAL BANDWIDTH CONSUMPTION

Issue for comment 2: Do you consider measures of total bandwidth consumption and spare bandwidth to be useful for informing price settings for apparatus licence tax?

- 2.2.1 Using the total bandwidth metric seems practical for determining demand. It is also aligned with the licence tax calculations which is based on the per kHz charging. However, as the consultation paper mentions, demand analysis should not be the only consideration for determining spectrum pricing. The response to the next question highlights that if the current base-line spectrum price for the 960 to 2690 MHz and 2.69 to 5 GHz bands has not been appropriate for a number of years, only considering demand for price setting will not correct the situation.

2.3 PRELIMINARY DEMAND ANALYSIS

Issue for comment 3: Do you have any feedback on our preliminary demand analysis in the 2.69 GHz to 5 GHz band?

¹ ACMA's 'Response to implementation of the Spectrum Pricing Review Consultation follow-up and consideration of submissions DECEMBER 2020. <https://www.acma.gov.au/consultations/2020-12/response-implementation-spectrum-pricing-review-consultation-392020>.

2.3.1 There is a general trend observed in Figure 5 and 6 of the consultation paper that total bandwidth consumption reduced in the 2.69 GHz to 5 GHz band during 2018-2024. This alone would support the view that tax rate could be reduced in the 2.69 to 5 GHz band to stimulate usage. Of greater significance is the disparity in the tax rates for space system licences in both the 960 to 2690 MHz and 2.69 to 5 GHz bands where the tax rates are significantly higher than the adjacent bands especially in the Australia-wide, low density and remote density geographic areas as seen in Figures 1 to 3 below.

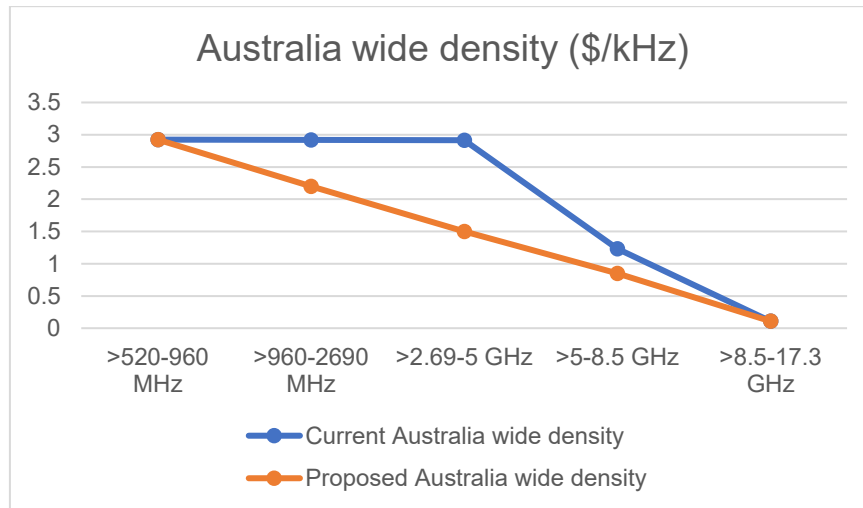


Figure 1: ACMA's Space system licence tax - Australia-wide location

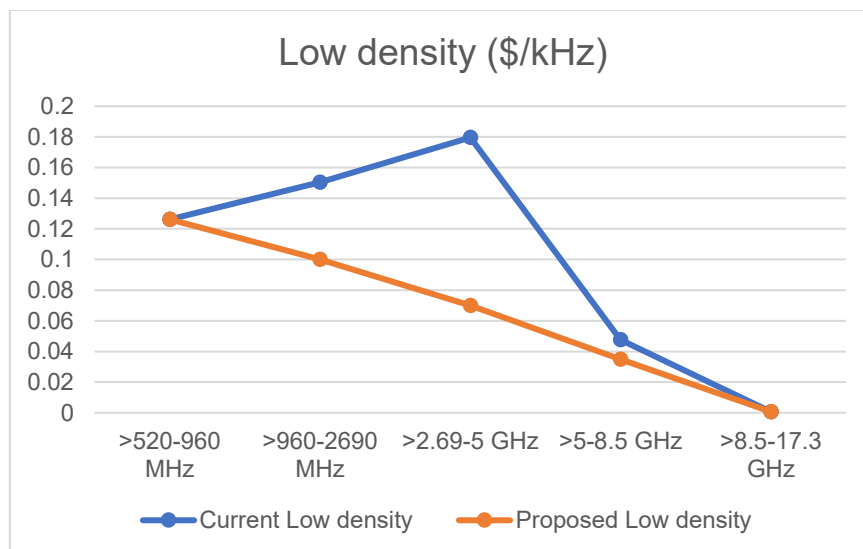


Figure 2: ACMA's Space system licence tax – Low density location

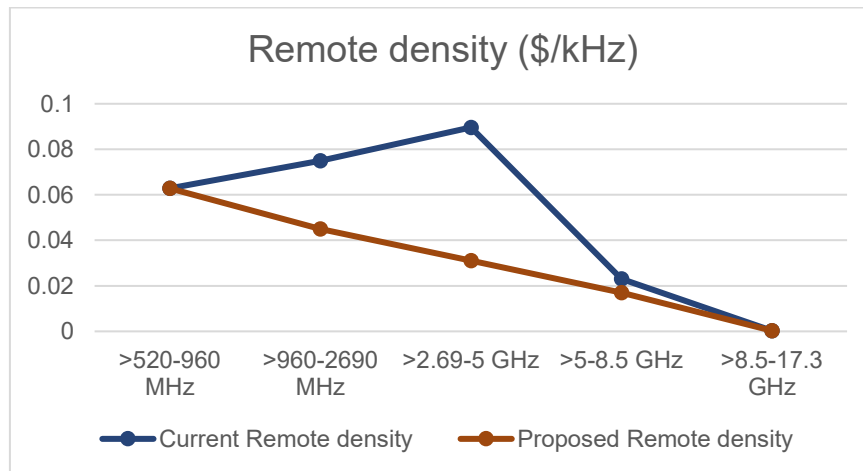


Figure 3: ACMA's Space system licence tax – Remote density location

2.3.2 Much of this disparity was as a result of ACMA reducing the tax rates for apparatus licences above 5 GHz by 50% for the Ku-band and 90% for the Ka-band in 2021, while keeping the fees for licences below 5 GHz unchanged. One of the main reasons provided by ACMA for reducing the licence tax for Space Systems operating above 5 GHz was to align these prices with other jurisdictions². The SSWG would however remind ACMA of the research carried out for them in 2016 by Plum Consulting on an international comparison of satellite earth station licensing fees. In the report it was identified that Australia had significantly higher fees for not only Ku-band and Ka-band but also C-band as seen in Figure 4 below reproduced from the ACMA consultation paper³. As ACMA aligned/baselined the licence taxes for above 5 GHz to be closer to other international jurisdictions, the SSWG would strongly propose that these licence tax anomalies should be corrected in the next issue of the Apparatus licence fee schedule for the 960 MHz to 5 GHz bands.

² See Appendix A: ACMA's 'Response to implementation of the Spectrum Pricing Review Consultation follow-up and consideration of submissions DECEMBER 2020'. <https://www.acma.gov.au/consultations/2020-12/response-implementation-spectrum-pricing-review-consultation-392020>.

³ 'ACMA's Review of Taxation Arrangements for Satellite Services Consultation Paper (Aug. 2016)' (IFC 19-2016)

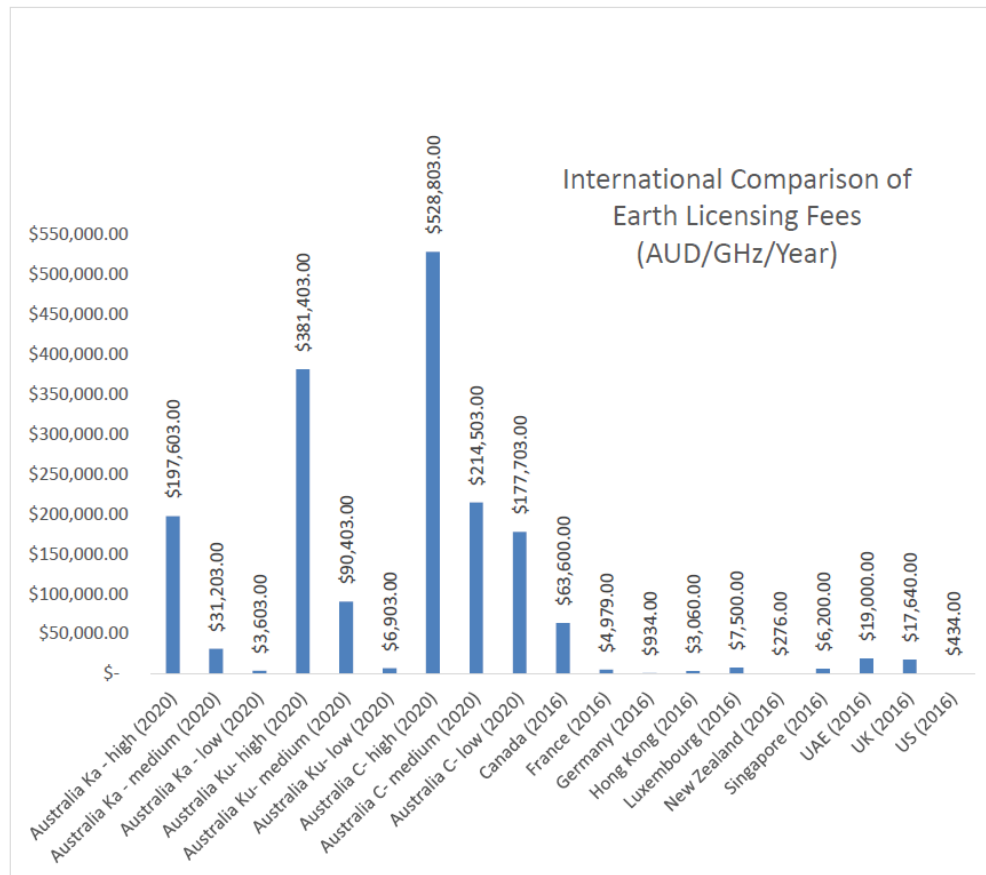


Figure 4: International comparison of earth licensing fees⁴

2.4 PROPOSAL TO REVIEW 520 MHZ TO 5 GHZ

Issue for comment 4: Do you have any feedback on our proposal to broaden the band pricing review to the 520 MHz to 5 GHz range for the purposes of assessing and potentially adjusting relative prices for apparatus licences?

- 2.4.1 Reasons given in the consultation document to extend the frequency range for demand analysis from 2.69 to 5 GHz to 520 MHz to 5 GHz are not particularly convincing. It could be argued that comparing apparatus licences in the band 2.69 to 5 GHz with the band 520 MHz to 960 MHz is like comparing apples with oranges as their usages are quite different especially in the space industry. The SSWG would suggest that the demand analysis for the 520 MHz to 960 MHz band should be considered separately. As noted in the previous question response, the 960 to 2690 MHz and 2.69 to 5 GHz bands should have their tax rates reduced for space system licences to align with the trend in the licence taxes currently in adjacent bands.

⁴ See Attachment E to ACMA, IFC 19-2016, Review of Taxation Arrangements for Satellite Services: Consultation Paper (Aug. 2016).

2.5 PROPOSED POPULATION-BASED TAX UPDATES

Issue for comment 5: Do you have any comments on the proposed population-based tax updates?

- 2.5.1 Using the proposed population-based tax updates seems to align with most terrestrial based services as population densities and numbers of users are correlated. However, locations for frequency assignments for satellite services, especially FSS (backhaul and gateways) do not have the same correlation with population density and are often located away from major population areas. Having said this, Australia's annual consumer price index (CPI) which was used historically for determining the annual adjustments to apparatus licence tax rates seems even further removed from a reasonable metric to determine tax updates. Noting that the annual CPI for September 2025 was 3.2%, the proposed annual population-based tax increases seem reasonable.

Ends

