

Australasian Railway Association

Submission

The Australian Communications and
Media Authority (ACMA)

Expiring spectrum licences, stage
4 – updated preliminary views on
pricing

27 February 2026

ABN: 64 217 302 489



The ARA

The Australasian Railway Association (ARA) is the peak body for the rail sector in Australia and New Zealand, and advocates for more than 220 member organisations across the industry.

Our membership covers every aspect of the rail industry, including the:

- passenger and freight operators that keep essential rail services moving;
- track owners, managers, and contractors that deliver a safe and efficient rail infrastructure network; and
- suppliers, manufacturers, and consultants that drive innovation, productivity, and efficiency in the rail industry.

Our members are driven to support vibrant, sustainable and connected communities through greater use of rail across Australia and New Zealand. We bring together industry and government to help achieve this ambition.

Our advocacy is informed by an extensive research program to ensure we offer solutions that are grounded in evidence and focused on delivering tangible value in our daily lives.

The rail industry has a crucial role to play in the region's sustainable development and growth and offers meaningful and rewarding careers for tens of thousands of people in the regions.

Our significant program of work is focused on supporting a strong advocacy agenda, and creating opportunities for the rail industry to network, collaborate and share information, and maximise the benefits we have to offer the wider community.

The ARA thanks the Australian Communications and Media Authority for the opportunity to make this submission, which has been developed in consultation with ARA member organisations.

Any questions regarding this submission should be directed to Joanne Wilson-Ridley, Executive Officer – Projects & Membership via JWilsonridley@ara.net.au

Australia's Rail Industry

Rail is a significant industry in Australia, creating economic activity through its operations and capital investments. It is an industry with activities across every major metropolitan and regional area and is supported by the full spectrum of skills in the Australian workforce.

In 2024, the rail industry contributed around \$39 billion to the Australian economy and employed more than 196,000 workers (directly and indirectly in full-time equivalent terms, FTE). There is currently \$162 billion of investment in rail civil construction and maintenance projects forecast over the next 10 years.

Railway response

The ARA welcomes the opportunity to provide the following information to the ACMA's consultation – *Expiring spectrum licences, stage 4 Updated preliminary views on pricing*.

The ARA's members indicated they welcome the price relief proposed for 1800 MHz rail licences under the apparatus licensing framework, should rail entities elect to transition to that arrangement.

On spectrum pricing more broadly, some ARA members expressed views concurring with ACMA's position that spectrum is a public resource and that licensees should pay a fair price that appropriately reflects the value of the spectrum licences they hold.

However, members did raise concerns that the proposed pricing framework continues to be primarily informed by commercial mobile broadband benchmarks, with insufficient differentiation for public-sector, safety-critical and non-commercial spectrum use, such as metropolitan rail communications in the 1800 MHz band.

Members highlighted the differences, that rail communication networks are not demand-driven, competitive services. They are engineered to meet legislated safety, reliability and redundancy requirements and are not economically substitutable with alternative bands or technologies.

Specific comments included:

Benchmarking methodology and market alignment:

Some members noted pricing remains anchored to international and domestic benchmarks reflecting market value derived from mobile broadband use. While adjustments are proposed to account for renewal status and reduced flexibility, these do not adequately reflect the functional constraints and public-interest nature of rail spectrum use. It was suggested the ACMA consider adopting a distinct valuation pathway for rail safety-critical use, rather than applying commercial benchmarks with discretionary discounts.

Updating benchmark data over time

It was noted the ACMA proposed to update benchmark datasets prior to renewal windows to maintain contemporaneity. While members understood this rationale, this introduces pricing volatility and forward budget risk for long-term infrastructure operators. It was recommended that the ACMA provide price stability mechanisms (e.g. caps, smoothing or fixed reference dates) for rail users to enable multi-year capital and operating planning.

Payment timing and financial exposure

It was noted the ACMA proposes adjustments to spectrum access charges based on payment timing. Members highlighted Government entities are subject to appropriation, budgeting and approval cycles that differ from

commercial operators. Members requested payment timing arrangements accommodate public-sector financial governance, without penalty or implied valuation uplift.

Members raised some questions for ACMA's consideration including:

1. How will the ACMA ensure pricing proportionality for spectrum used exclusively for public transport and safety-critical rail functions?
2. What safeguards exist if benchmark data reflects scarcity premiums driven by mobile broadband demand, not rail utility?
3. To assist in understanding the AMCA's pricing and methodology in practical terms, and to support planning and budgeting purposes, could we request that the ACMA provide worked examples of both spectrum and apparatus licence pricing based on the current coverage areas and the pricing plans provided?

In addition, some ARA members wished to draw ACMA's attention to the GSMA ¹ [Global Spectrum Pricing](#) published in May 2025. The report concludes that spectrum pricing has a direct and measurable impact on connectivity outcomes. It finds that higher spectrum prices are associated with lower network coverage and reduced download speeds, which in turn can undermine broader public policy objectives, including digital inclusion, regional connectivity, and equitable access to essential services.

Some ARA members also encourage the ACMA to consider recent international regulatory developments, including Ofcom²'s decision in the United Kingdom to reduce annual licence fees, with reductions of up to 26 per cent for the 1800 MHz band. This decision reflects a deliberate policy choice to balance the recovery of fair value for public assets with the need to support sustained investment in network infrastructure and the delivery of wider public benefits.

¹ Global System for Mobile Communication Association (GSMA) – association brings together numerous mobile carriers from around the world and more than 400 companies involved in the mobile ecosystem.

² Ofcom is the regulator for the communications services in the UK.