



16 December

Committee Secretary
Senate Standing Committees on Environment and Communications
PO Box 6 100
Parliament House
Canberra ACT 2600

By email: ec.sen@aph.gov.au

Re: National Broadband Network Companies Amendment (Commitment to Public Ownership) Bill 2024

Internet Australia, a national Chapter of the Internet Society, appreciates the opportunity to comment on the Senate Standing Committees on Environment and Communication's proposed Online Safety Amendment (Social Media Minimum Age) Bill 2024.

Internet Australia is a non-profit society founded in 1996, which promotes the Internet development in Australia for the whole community. Internet Australia is a chapter of the worldwide Internet Society and is a peak body organisation, representing the interests of Internet users in Australia.

Internet Australia's fundamental belief is that the Internet is for everyone. We provide a broad-based representation of the Australian Internet community, both nationally and internationally, from a user perspective and a sound technical base. We have a longstanding and ongoing commitment to effectively representing these interests in self-regulatory processes in the telecommunications, domain name, and Internet-related services industries.

We also consistently promote the availability of access to the Internet for all Australians.

Internet Australia strongly supports the passage of the proposed legislation that would ensure that the National Broadband Network remains in public ownership.

Our specific comments follow.

Holly Raiche
Chair, Policy Committee
Internet Australia

Wording of Proposed Amendments

We support the intention behind the Federal Member for Kennedy Bob Katter’s proposed amendments. Our one concern is their title ‘universal service obligation’. Until now, that term has been used in the telecommunications context to mean the provision of universal service on a retail basis to all Australians. Under Section 9 of the *National Broadband Network Companies Act*, NBN Co must only supply services on a wholesale basis to carriers or carriage services, with limited exceptions in sections 10 to 16. NBN Co cannot supply carriage services to retail customers. The continuing use of the term ‘universal service obligation’ in this context could be confusing and another term such as ‘Universal Carriage Obligation’ or ‘Universal Connectivity Obligation’ would be less confusing.

Recommendation: Replace the term “universal Service Obligation in Katter’s proposed amendments with the term ‘Universal Carriage Obligation’ or ‘Universal Connectivity Obligation’.

Upgrading The Network

One of the strongest reasons for the NBN Co to remain in Government ownership is increasing demand, particularly in rural and remote communities, particularly Aboriginal communities, for broadband services. Increasingly, services such as education, health, and banking are delivered online. Increasingly, as well, the demand is not simply for a fixed connection to premises, but mobile connection to broadband services, to connect the rural and remote communities where they live and work. And increasingly, the demand is beyond the capability of mobile broadband to support the development of community networks and the emergence of new communications technologies.

The latest Regional Telecommunications Independent Review Committee (RTIRC) Report Recommendations reflect the increasing need for broadband services, noting the existing issues with communications technology now available:

- the ‘patchwork quilt’ of connectivity
- reliability, resilience and redundancy
- the demand for data
- connectivity literacy and digital inclusion.¹

The patchwork quilt refers to the mixture of federal, state, territory and local services that are not well coordinated. The reliability issue highlights the inadequacy of existing infrastructure that does not support broadband and increasing demand for access to data services.

¹ RTIRC, 2021, p. 4

NBN Co is the Structural Infrastructure Provider (SIP) for the whole of Australia². Under the current regime, all SIP providers must supply service to carriage service providers that allow those providers to provide minimum broadband speeds to their customers of peak speeds of at least 25 Mbps for downloads speeds and 5 Mbps for uploads.³

The current legislation does include higher targets for NBN. Specifically, for fixed line carriage customers, the target is for download transmission speed of at least 50 megabits per second and unload speed of at least 10 megabits per second for 90 per cent of the customers. The broader target for fixed line customers is to reach 92% of the premises.⁴

What is missing from those targets are pathways to mobile broadband, and to accommodate and support advanced communications technologies as they emerge. Such advances will be expensive with outcomes that, at first at least, may be piecemeal, and with outcomes that are not clear. It is for that reason that that NBN must stay in Government ownership, to take the risks on advancing technologies, for increasingly effective communications across Australia - risks - particularly financial risks - that a privately owned NBN Co would not take.

Our other major concern with a sale of NBN Co is the amount that would be returned to Government from the sale of the NBN. Over its lifetime, the NBN cost was estimated under the Rudd government at \$4.7 billion. Under the Liberal Party's election promises in 2013, it would cost \$29.5 billion. The estimated cost has risen since then from \$51 billion (*Financial Review* 31 August 2018) to \$57 billion (*The Guardian* 10 November 2021) or \$56 billion (*Financial Review* 6 December 2022). The truth is, the total cost of the NBN to the Australian taxpayer is not in public knowledge. The very real possibility, therefore, is that a very expensive, publicly funded asset will fall into and generate revenue for the private sector - at a significant loss to the Australian public.

Ends

² *Telecommunications Act 1997* s. 360F which designates the 'general service area' was Australia and s. 360G which makes NBN Co the SIP provider for the general service area. Other SIPs can be designated for specific areas within Australia.

³ See <https://www.acma.gov.au/sip-rules-and-obligations>

⁴ *Telecommunications Act 1997* s. 360S