



22 March 2016

The Hon Bronwyn Bishop MP
Chairman
Standing Committee on Communications and the Arts
PO Box 6021
Parliament House
CANBERRA
Canberra ACT 2600

By email: communications.reps@aph.gov.au

Dear Chairman

**OPTUS SUPPLEMENTARY SUBMISSION TO THE INQUIRY INTO THE IMPORTANCE OF PUBLIC AND
COMMERCIAL BROADCASTING, ONLINE CONTENT AND LIVE PRODUCTION TO RURAL AND
REGIONAL AUSTRALIA**

At the House of Representatives Standing Committee on Communications and the Arts (Committee) hearing on 7 March 2016, Optus took a number of actions to provide further information.

Specifically we took on notice the following questions, and have responded as follows:

1. Is there anything in a legislative sense from a government perspective that is an issue for you or that you want to make us aware of?

As noted in our original submission, it is important to note that the availability of the NBN's "Sky Muster" satellite in 2016 will have an important impact on the delivery of services to some of the more remote parts of Australia. Optus will continue to watch with interest as NBN Co considers offering corporate and government services, in addition to their primary consumer internet services. Getting the mix right between capacity, contention ratios, service levels, fair-use policies and pricing, when offering services to both consumers and corporates, will be critical to ensuring a satisfactory customer experience.

Optus welcomes competition in the corporate and government space, but expects that any NBN corporate service would be offered on a commercial basis, and will not compete in the marketplace by offering tax-payer subsidized capacity. Further, any offers must remain consistent with NBN Co's wholesale-only status and should not be delivered direct to market.

2. Is the contract subsidised in any way by government or is it just a commercial transaction?

Optus is contracted by the broadcasters to provide the VAST services until June 2020.

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Given that our contractual arrangements are with the broadcasters directly, we are not in a position to advise the Committee of any government subsidies which individual broadcasters may receive.

The Committee may however be aware of two government funded schemes which concluded in January 2014: the Satellite Subsidy Scheme and the Household Assistance Scheme.

3. *[Is] there any further information...about the way in which satellites could be used more efficiently and effectively to deliver the services into regional areas that we are talking about and that we can explore?*

As noted in our original submission, Optus Satellite as a satellite technology enabler can ensure that rural and regional customers and businesses are able to access a wide range of online content. Satellite technology is an efficient and holistic solution to bridging the divide between metropolitan and rural access and we are proud to deliver the VAST service.

Yours sincerely,

Mr Paul Sheridan
VP, Satellite, Optus Satellite