

# **Telecommunications Reform Package**

Submission by the Australian Communications Consumer Action Network to the Department of Communications and the Arts

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#### About ACCAN

The Australian Communications Consumer Action Network (ACCAN) is the peak body that represents all consumers on communications issues including telecommunications, broadband and emerging new services. ACCAN provides a strong unified voice to industry and government as consumers work towards availability, accessibility and affordability of communications services for all Australians.

Consumers need ACCAN to promote better consumer protection outcomes ensuring speedy responses to complaints and issues. ACCAN aims to empower consumers so that they are well informed and can make good choices about products and services. As a peak body, ACCAN will represent the views of its broad and diverse membership base to policy makers, government and industry to get better outcomes for all communications consumers.

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### 1. Executive Summary

ACCAN thanks the Department of Communications and the Arts for the opportunity to comment on its Telecommunications Reform Package; the two proposed draft bills.

Currently, the range of legislative requirements, regulation and carrier licence conditions on networks complicates and potentially hampers the level of investment in telecommunications. This situation does not benefit consumers in the long term, as demand for services may not be met, there may be delays in connection and discrepancies in the level of service that premises in different areas receive. The proposed legislative changes to Part 7 and 8 of the Telecommunications Act aim to address shortcomings in the current arrangements and streamline the overarching rules that apply. ACCAN is therefore, generally supportive of the proposed amendments.

Furthermore, we are supportive of establishing a Statutory Infrastructure Provider (SIP) to guarantee access to a broadband network to all premises. As we transition to superfast broadband networks, it is vital that the governing legislation ensures the interest of consumers. This is particularly important given that nbn, the primary SIP and the company delivering the National Broadband Network, may be sold in the future. The SIP legislation therefore should have as its core guiding principal to establish a regulatory system that will deliver for consumers; that ensures networks meet consumer needs, are transparent, accountable and meet targets. Unfortunately, we do not believe the current draft legislation achieves this. Rather the draft legislation is continuing the current regulatory system which allows nbn to oversee itself and set its own targets within the limited direction that has been provided through the Statement of Expectations. This is not, and will not, deliver for consumers. The draft legislation needs to ensure that all premises will have the protection that comes from having a SIP and obligate network standards, service levels and service level rebates. We believe the following additions are required in the legislation:

- ACCAN does not consider the power to exempt an area to be advantageous and if used in the future is very likely to put consumers at risk. Therefore the section allowing for SIP exemption in areas of high competition should be removed.
- Network standards should be established in the legislation, which at the very least are consistent with the current statement of expectations. Therefore, the qualifying definition should be amended to ensure that all premises can access 25Mbps download and 5Mbps upload speeds or more.
- Furthermore, broadband services are dependent on more factors than the download and upload speeds. The underlying network standard must be independently established, monitored, reviewed and updated when required, to ensure services are usable. Therefore, we believe the Minister should direct the ACMA to determine a standard establishing the technical features of the network (such as fast response times and guaranteed speeds at the network level and other features which the ACMA sees fit).
- Consumers' need clearly stated service levels and rebates when these service levels are not met. It is not satisfactory to leave this to an agreement between the wholesaler and retailer, which will not have the interest of the consumer at heart. Therefore, the Minister should direct the ACMA to determine a standard which establishes service levels and service level rebates from nbn to the RSP and ultimately to consumers. ACCAN urges the Minister to use the powers to establish standards, rules and benchmarks as soon as possible.
- As current proposals envisage nbn being leveraged off to deliver voice services to premises, ACCAN believes that the network needs to ensure that voice standards or equivalent for consumers who have disability needs, forms part of the SIP legislation.

All Australians should be able to access broadband services and there are national economic and societal benefits by having everyone connected. Therefore ensuring that broadband services in regional, rural and remote Australia are sustainably funded into the future is important. The current arrangement for funding non-commercial nbn services (where nbn funds the losses), is not transparent, sustainable or equitable. Establishing an equitable and sustainable arrangement into the future will ensure that everyone can access services, which are adequately maintained and upgradable in the future to meet consumer needs. A number of funding models could meet this objective. ACCAN is generally supportive of the Regional Broadband Scheme as it appears to deliver this. One potential negative of this option (and also of the current funding arrangement of nbn non-commercial services) is the potential for low income consumers to be negatively impacted in the desire to ensure services are delivered equitably across geographical areas. To counter this, and ensure all consumers can access services, ACCAN recommends that measures that address affordability barriers for low income consumers, including a review of the Centrelink Telephone Allowance, are examined as a priority.

## Draft Telecommunications Legislation Amendment (Competition and Consumer) Bill 2017

#### 1.1. Amendments to Parts 7 & 8 of the Telecommunications Act 1997 and Part XIC of the Competition and Consumer Act 2010

Over the last number of years there have been, and continue to be<sup>1</sup>, a number of reforms in Australia that affect how communications and networks deliver services, including;

- the structural separation of Telstra<sup>2</sup>,
- the establishment of NBN Co<sup>3</sup>,
- enacting legislation (Parts 7 & 8) to ensure networks competing with NBN Co offer services to any retail service provider and do not act as a retail service provider themselves<sup>4</sup>, and
- the Australian Competition and Consumer Commission (ACCC) setting out the terms and conditions that a superfast network should make services available to retail service providers<sup>5</sup>.

The range of reforms has resulted in a situation where similar networks may be operating under a variety of different regulations and requirements. This has caused confusion and inconsistencies as in certain situations consumers may receive a different standard of service depending on the network that they receive. Furthermore, it was considered that some of the regulations may be overly restrictive and likely to stifle competition.<sup>6</sup> The proposed changes appear to clarify the regulation governing networks and services and empower the ACCC to enforce these regulations. ACCAN is supportive of the proposed changes as the amendments will streamline and clarify the regulations that networks must comply with.

<sup>&</sup>lt;sup>1</sup> For example the Draft *Carrier Licence Conditions (Networks in New Developments) 2016* and Draft *Carrier Licence Conditions (Networks supplying Superfast Carriage Services to Residential Customers) Declaration 2014)* are still in consideration and the Universal Service Obligation is being reviewed by the Productivity Commission.

<sup>&</sup>lt;sup>2</sup> Telstra's Structural Separation Undertaking 2012 with variations. <u>https://www.accc.gov.au/regulated-infrastructure/communications/industry-reform/telstras-structural-separation-undertaking</u>

<sup>&</sup>lt;sup>3</sup> Under Telecommunications Legislation Amendment (National Broadband Network Measures – Access Arrangements) Act 2011 and National Broadband Network Companies Act 2011

<sup>&</sup>lt;sup>4</sup> Level Playing Field Rules introduced in 2011 <u>https://www.communications.gov.au/policy/policy-listing/telecommunications-act-parts-7-and-8-requirements-and-exemptions</u>

<sup>&</sup>lt;sup>5</sup> In 2012 through the Local Bitstream Access Service (LBAS) and in 2016 through the Superfast Broadband Access Service (SBAS)

<sup>&</sup>lt;sup>6</sup> Independent cost-benefit analysis and review of regulation (2014), Volume 1 – National Broadband Network Market and Regulatory report.

# 1.2. Introduction of a Statutory Infrastructure Provider Regime into the Telecommunications Act 1997

Currently there is no guarantee that Australian premises can access broadband services. We do not believe that the expectation that requires nbn to rollout the network offers sufficient protection for consumers. The proposed introduction of a Statutory Infrastructure Provider (SIP) provides a greater level of certainty, as its objective is to ensure that all premises will have a network obligated to provide access. ACCAN is supportive of legislatively guaranteed access to broadband networks in that it supports the delivery of services to consumers.

ACCAN has the following comments on the proposed legislation:

#### 1.2.1. Retail Service Provider

One element that is removed, and different from previous and current legislation which is aimed at ensuring service availability (Universal Service Obligation), is the need for a retail service provider to evoke this access obligation. The Productivity Commission was asked "to what extent....Government policies may be required to support universal access to a minimum level of retail telecommunications services".<sup>7</sup> In its Draft Report, it has determined that retail presence is unlikely to be an issue over NBN due to the level of competition and uniformity of wholesale access pricing.<sup>8</sup> We have reservations about this approach; we consider that it leaves a gap in how services can be accessed and that it does not provide sufficient reassurances to consumers.

For example, ACCAN is aware of a consumer who faced difficulties in connecting to NBN due to inaccurate network information.<sup>9</sup> The requests for services that the consumer placed with Retail Service Providers (RSPs) were cancelled or disputed due to the difficulty and time taken in getting a connection. The consumer approached ACCAN for assistance but as there was no active request for service NBN was unable to investigate and address the underlying network issue. Even following a further service request with an RSP it took months to investigate the underlying access issue. In these kinds of circumstances an RSP knowing that the connection is complicated, and may result in complaints and compensation requests against them as the contracted provider, may refuse to act as an RSP, resulting in the consumer being unable to get a connection to NBN. As nbn does not deal directly with consumers we are concerned that competition is not a sufficient criterion to ensure consumers' will be able to access a SIP network provider.

#### 1.2.2. SIP, Special Access Undertaking and other network regulations

While current reforms are aiming to streamline and clarify regulations that apply on networks across Australia, we note that there may still be a varying level of regulation on networks. ACCAN supported the Carrier Licence Conditions [CLC] (Networks in New Developments), in particular the principal "to ensure infrastructure...meets consumer expectations, networks should meet minimum

<sup>&</sup>lt;sup>7</sup> Treasure, Terms of Reference to the Productivity Commission on the Telecommunications Universal Service Obligation, 28 April 2016. <u>http://www.pc.gov.au/inquiries/current/telecommunications/terms-of-reference</u>

<sup>&</sup>lt;sup>8</sup> Productivity Commission, Draft Report on Telecommunications Universal Service Obligation, December 2016. <u>http://www.pc.gov.au/inquiries/current/telecommunications/draft</u>

<sup>&</sup>lt;sup>9</sup> Consumer contact September 2016 - ongoing

quality standards."<sup>10</sup> <sup>11</sup> We believe that this principal should be the core guiding principal to regulation of all networks, including SIP.

Appendix 1 provides a comparison of the various regulation and legislation that is expected to govern networks from July 2017 (excluding the different arrangements that may apply to networks and arrangements that operate under grandfathered regulation). We acknowledge that there are fundamental differences in establishing conditions on networks in new developments and the statutory infrastructure provider serving all Australia, including non-commercial areas. However, we believe that there should be a degree of consistency between the rules around networks, so as not to disadvantage some consumers. In particular we note that networks serving new developments may be required to meet a much higher level of service in commercial areas (50/10Mbps) than nbn would be expected to achieve in similar areas (25Mbps, with no upload speeds set out).

Furthermore, networks in new developments need to meet comparable targets to those of nbn (for example in jitter, reliability). However, these are not set out for nbn in independent conditions, codes or legislation. We do not believe that the Wholesale Broadband Agreement and associated targets and service levels that guide nbn services is sufficient. Retailers are restricted in what they can offer consumers due to the lack of service levels warranties. Furthermore, RSPs are not in a position to add quality of services when delivered over a network for which it has not control over. Independent reporting on performance and availability achieved, connection and fault repair timeframes and compensation to RSPs, and ultimately end users, is required.

#### 1.2.3. No SIP in areas of high competition

As guaranteed access to a broadband network is important for all consumers, it is unclear why the Minister would need the ability to declare an area exempt on the basis of a high level of competition in an area. Many premises and areas will access networks without an obligation placed on the provider to do so; however an underling obligation that protects consumers' access to the service is unlikely to be of any harm to a network provider. On the other hand without the obligation a number of premises, in what appear to be highly competitive areas, may suffer. There are three situations which we believe demonstrate the detrimental impact that this exemption may have for consumers.

#### 1. Boundaries: division of premises and multi – use premises

Premises and their uses are not static; some are also home offices, the main location of a small business or converted from single dwelling units to multi dwelling units. In these circumstances a premises that might have originally only required one service may need multiple services to the same location. Under the current definition of network boundary the responsibility for installing additional services may fall onto the consumer and not the network provider. In the case of a single dwelling unit that is converted to a multi dwelling unit, it may be unclear who is responsible for installing a Main Distribution Frame (MDF) as the network boundary point may remain on the outside of the building with the consumer responsible for inside the building. Having a Statutory

<sup>&</sup>lt;sup>10</sup> ACCAN submission to the Department of Communications and the Arts on the Draft Carrier Licence Conditions in new developments. <u>https://accan.org.au/our-work/submissions/1170-broadband-in-new-developments</u>

<sup>&</sup>lt;sup>11</sup> Carrier licence Condition draft regulatory impact statement. <u>https://www.communications.gov.au/have-your-say/carrier-licence-conditions-telecommunications-new-developments</u>

Infrastructure Provider in all areas will delegate responsibility for addressing these issues to the network provider to establish access.

If an exemption is applied to an area, a re-examination of network boundaries will need to be undertaken to ensure that premises can access the number of services required.

#### 2. Complicated premises

A high degree of competition may not ensure that all premises in an area will be seen advantageously by network providers. A premises that has added complexities in its design may be bypassed by a network or not connected in a timely manner. Occurrence of this is evident in the recent past when multiple lucrative streets and premises in central areas of big cities were overlooked in Telstra and Optus' rollout of the Hybrid Fibre Coaxial (HFC) network. nbn's examination of these areas and proposed use of some of these networks requires a significant scale of 'infilling' of the areas that were original bypassed.<sup>12</sup> It is likely that within competitive areas there will be difficult to connect premises which competition alone will not address. Therefore, no area should be exempt from the SIP legislation.

#### 3. Lack of funding for non-commercial premises in competitive areas

The proposed funding model for premises that are considered non-commercial (the proposed Regional Broadband Scheme) has been designed to fund areas based on technology definition - rather than actual cost to provide access. So premises that are served by fixed lines have been considered on a whole to be commercial for a network to serve. This, however, may not be true of all premises within the fixed line footprint. For complex premises the cost to the network to connect them may be greater than the return the network can expect to receive. Under the proposed arrangements the network that could serve them, despite occurring a loss for providing access, will be unable to seek funding for doing so (under the Regional Broadband Scheme). If an exemption applied in the area, the network may therefore choose to bypass complicated premises. ACCAN believes that all premises should have an SIP to prevent such circumstances from arising.

In summary, it is imperative that the network that is responsible for providing network access in any area, or across Australia, will provide access to all of the eligible premises. ACCAN does not consider the power to exempt an area to be advantageous and if used in the future is very likely to put consumers at risk.

Recommendation 1: Remove section allowing for SIP exemption in areas of high competition.

#### **1.2.4.** Definition of qualifying fixed-line telecommunications network

ACCAN does not believe a qualifying definition of;<sup>13</sup>

<sup>&</sup>lt;sup>12</sup> For example: Sydney Morning Herald, nbn to deploy fibre to the node within HFC suburbs, <u>http://www.smh.com.au/technology/technology-news/nbn-to-deploy-fibretothenode-within-hfc-suburbs-20160320-gnmx6o.html</u>, March 2016.

<sup>&</sup>lt;sup>13</sup> 360A definitions, pg. 94 and 95

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- 'normally 25Mbps or more' if served by a fixed line, or
- a fixed wireless or satellite service which allows 'end users to download communications'

is sufficient to ensure consumers are able to access the level of network and service that is required now or into the future. Furthermore, the qualifying standard set out is lower than that set out in the Statement of Expectations to nbn that it should deliver **at least 25Mbps 'and proportionate upload rates'** to all premises.<sup>14</sup> The SIP should, at least, ensure that the current network expectations are established in the legislation. Upload speeds in particular are a very important element of the network standards which should not be overlooked and need to be clearly defined. Additionally, all nbn technologies are selling '25/5Mbps' plans, so including this in the definition should not be a cause for concern for nbn.

Recommendation 2: Amend the qualifying definition to ensure that all premises can access at least 25Mbps download and 5Mbps upload speeds.

Furthermore, section 360Q could be strengthened to establish further qualifying standards that must be met by the SIP. These should include other factors which are important in a service; such as response times (latency) and guaranteed speed (committed information rates). This array of technical features ensures that services are suitable and usable. The Productivity Commission in its enquiry into Telecommunications Universal Service Obligation called this the 'intelligibility' of a service; that content of the communication can be heard or read or viewed by the relevant parties. Furthermore, establishing these features in legislation should allow for the measurement and reporting of such features in the future (particularly if nbn is sold at a later stage) by an independent body, such as the ACMA.

Recommendation 3: Minister should obligate the ACMA to create a code (or if a code is developed by industry in a timely manner and which the ACMA deem acceptable) establishing the technical features of the network (such as fast response times (latency) and guaranteed speed at the network level and other features which the ACMA sees fit).

#### 1.2.5. Standards, rules and benchmarks

ACCAN welcomes section 360U which provides the Minister to set standards, rules and benchmarks that need to be complied with. Ensuring that consumers are connected in a timely manner and that networks operate to a high degree of reliability and high performance are important features for consumers. As consumers are often not able to choose the network which they are connected to, and in many circumstances there is little competition at a network level, it is extremely important that these standards are able to be set through legislation and apply uniformly. We believe that section 360U needs to be acted upon as a matter of urgency, as:

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<sup>&</sup>lt;sup>14</sup> Statement of Expectations 24<sup>th</sup> August 2016. <u>https://www.communications.gov.au/publications/nbnstatementofexpectations</u>

- the performance of the network is fundamental to the level of service received by consumers,
- consumers do not deal directly with nbn, as the primary SIP, and
- we strongly believe that the standards set out in the Special Access Undertaking and Wholesale Broadband Agreement are wholly insufficient to protect and provide reassurance for consumers,
- consumers who are served by any broadband network (nbn and non nbn networks) should be protected by the same standards

Recommendation 4: ACCAN urges the Minister to use the powers to establish standards, rules and benchmarks as soon as possible.

Furthermore, we believe that the legislation should go further by establishing service levels, and a mechanism by which compensation should be payable. When the network does not meet its availability, performance and reliability targets it should pay damages to its RSP customers, which are then paid to the end user. The current arrangement, where service levels and rebates are set out under the Wholesale Broadband Agreement dependant on a number of conditions and pre-emptive action on behalf of the RSP, is not satisfactory from a consumer perspective.<sup>15</sup> This is liable to change, is not transparent and could be removed if nbn is sold. Furthermore, consumers' served by a SIP network that is not nbn may not have the same service level or rebate protections. While the wholesaler and the retailer need to have agreements in place that guide the delivery of service, this should not be the basis upon which consumer protections should lie.

Recommendation 5: Minister direct the ACMA to determine a standard which establishes service levels, and service level rebates in cases of non-availability and non-performance.

#### 1.2.6. Voice Service

In light of the proposed changes by the Productivity Commission (PC) on the Universal Service Obligation for nbn to be leveraged off to provide voice services, ACCAN believes there may be implications for the SIP network. In nbn's submission to the PC they stated; "If service levels consistent with the voice CSG were required on nbn's fixed wireless and satellite networks, this would also increase nbn's costs... As nbn has not designed or deployed its Fixed Wireless or Satellite networks with a view to supporting voice services, further detailed analysis would be required to understand the technological, operational and service quality implications of having to do so", and "Any framework that assumes a role for nbn that is in any way different from nbn's current product set and rollout plans will have both operational and cost implications, and will require funding to implement and maintain."<sup>16</sup> Furthermore, if nbn's remit is extended to include the delivery of voice services in fixed wireless (or potentially also satellite areas) then there will be an increased number of consumers who will need to use the service, potentially causing capacity issues for which the

<sup>&</sup>lt;sup>15</sup> Nbn, Wholesale Broadband Agreement, Service Level Schedule. <u>http://www.nbnco.com.au/content/dam/nbnco2/documents/sfaa-wba2-product-catalogue-service-levels-schedule\_20161205.pdf</u>

current design of nbn was not envisaged to meet. ACCAN is concerned that these elements are not currently accounted for in the SIP legislation (or the Regional Broadband Scheme) but possibly should be.

Recommendation 6: ACCAN recommends that the specific need to meet voice standards, or equivalent for consumers who have disability needs, forms part of the SIP.

# 2. Draft Telecommunications (Regional Broadband Scheme) Charge Bill 2017

Regional, rural and remote consumers require access to high quality broadband services. ACCAN recognises that due to vast geographical spaces and low population densities these areas are unlikely to be served by networks without intervention. nbn was designed to provide a network to all premises and to also provide connections to these remote areas, covering the loss of the service through revenue from more commercial areas. This is not a transparent mechanism which we agree needs to be revised.

Funding of non-commercial services is not a new concept. The current universal service obligation, that ensures access to the standard telephone service and payphones, is funded through a levy on industry with eligible revenue and Government.<sup>17</sup> <sup>18</sup> Enacting this Bill, that provides for funding for regional and rural broadband networks, will, in effect, create two separate levy systems with the purpose of providing telecommunications services in Australia.

We note that the 2015 Regional Telecommunications Independent Review Committee (RTIRC) recommended the establishment of a 'Consumer Communication Fund' which would fund 'loss-making regional infrastructure and service and could also separately fund or co-fund priority services where there is a market gap in defined geographies'.<sup>19</sup> The draft Regional Broadband Scheme, while having similar objectives, is a slightly different policy approach to what the RTIRC recommended.

In considering the impact of funding these regional non-commercial services, ACCAN has taken into account the following considerations:

- 1. Regional, rural and remote consumers in areas considered non-profitable by network providers should have access to a high standard broadband network
  - There are economic and societal benefits from having everyone connected. Therefore a sustainable funding mechanism is required to ensure that a network will provide access to these premises.
- 2. The network providing services in regional, rural and remote areas should be efficient and accountable
  - In future these services may be delivered contestably by other networks (other than nbn), therefore, it should be clear how many services there are and the cost to provide these services. Additionally, as technology progresses and develops the requirement and the cost to provide services in some of these areas may change. Ensuring that the network providing the service is incentivised to deliver the service cost efficiently is important. A transparent mechanism that incentivises efficiencies from the provider should be established. One way to do this is to ensure that the provider is the main contributor to the charges.
- 3. Broadband networks should not distort competition

<sup>&</sup>lt;sup>17</sup> ACMA, Telecommunications Industry Levy. <u>http://www.acma.gov.au/Industry/Telco/Carriers-and-service-providers/Universal-service-obligation/telecommunications-funding-arrangements</u>

<sup>&</sup>lt;sup>18</sup> This levy and obligation is being considered separately by the Productivity Commission.

<sup>&</sup>lt;sup>19</sup> Regional Telecommunications Independent Review Committee 2015, pg. 52.

- Distortions from funding non-commercial services should not alter the competitiveness of networks or benefits that arise from competition. Therefore funding arrangements should be non-discriminatory and limit any detrimental effects on competition.
- 4. Consumers should not be disadvantaged, financially, by the network which provides services to their premises.
  - Consumers are generally unable to choose the network which their premises is connected by, without relocating. If the cost of funding these services is only borne by customers on certain networks, then these customers are disadvantaged by paying higher prices than they would if they were served by a network that does not have to contribute. This could create a financial difference in the cost of services and disadvantage those who are unable to move or choose the un-levied network. Therefore the costs should not be borne by one network alone.
- 5. Costs to provide non-commercial services in geographical areas should not reduce the ability of other consumers to access networks and services.
  - Services in regional, rural and remote are not affordable for network providers, given the high cost to connect premises, national retail pricing and consumer willingness to pay for services. However, there are also a number of consumers who may also face affordability barriers in urban areas. Nationally the rate of households with internet is currently 86%, with access falling to just 66% for households in the lowest income bracket.<sup>20</sup> Funding un-economical geographic services through levies on broadband connections is likely to increase the cost of services in commercial areas. In effect it could reduce the ability of low income consumers in commercial areas to afford services. Spreading the cost, by moving from only nbn connections being levied to all superfast broadband connections being levied, is likely to slightly reduce the chance that low income consumers will be unable to afford services. However, by funding the service through other methods, for example direct budget funding which sources money from those with a greater ability to pay, could better ensure that all income groups would not face financial barriers accessing services.

There are positive and negatives associated with all the options that were examined in the Regulatory Impact Statement. No one option meets all of the objectives set out.<sup>21</sup> While there are elements of options other than the Regional Broadband Scheme that ACCAN sees as beneficial, on balance we are supportive of this scheme being adopted. This should be supported by measures to support low income consumers, such as a reviewed Centrelink Telephone Allowance which targets those that need the support the most and is flexible to deal with varying need and costs of services.<sup>22</sup>

Recommendation 7: On balance ACCAN supports the establishment of the Regional Broadband Scheme. Further measures to address affordability barriers for low income consumers should be examined to fully ensure that all consumers can access affordable services.

<sup>&</sup>lt;sup>20</sup> ABS, Household Use of Information Technology, 2014-2015. 8146.0

<sup>&</sup>lt;sup>21</sup> Objectives of: transparency, contestability, competitive neutrality, sustainability, economic efficiency: allocative efficiency, economic efficiency: dynamic / productive efficiency, equity and net financial impact.

<sup>&</sup>lt;sup>22</sup> For further information, see ACCAN and SACOSS research 'Connectivity Costs' <u>https://accan.org.au/our-work/research/1257-connectivity-costs</u>

## 3. Appendix 1: Comparison of regulation

Factors	Draft Statutory Infrastructure Provider Bill	nbn Special Access Undertaking <sup>23</sup>	Draft Carrier Licence Conditions <sup>24</sup>	Draft SBAS and LBAS regulation
Applicable network	Predominantly nbn, or another network which acts as the SIP	nbn. [Variation currently under examination by ACCC.]	Networks serving new developments [draft].	Non-discriminatory superfast networks - other than nbn and those moving to nbn. <sup>25</sup> [final due 2017]
Network capabilities	fixed line (25Mbps +), or fixed wireless or satellite technology	IC.2 of SAU lists the range of offers over the different technologies	3(a) capable of 50/10Mbps	Fixed line capable of 25/5Mbps or more
Overview, review and penalties	DoCA and ACMA notified if failure to comply. Minister can delegate powers to ACMA to make standards, rules and benchmarks.	ACCC accepts and has overview powers under the Competition and Consumer Act, until 2040	DoCA and Minister.	ACCC.
Supported equipment	Medical alarm, monitoring medical condition, equipment for deaf/hearing impairment, speech impairment, payment system, ATM, security alarm, fire alarm, lift alarm, lift phone, monitoring operation of a lift, management of control of road traffic.	n/a	medical alarms or pendants, security alarms, fire alarms, payment systems, devices for hearing impairment, payment systems, ATM, lift alarms, lift phones, traffic lights.	n/a

<sup>&</sup>lt;sup>23</sup> Nbn, Special Access Undertaking, varied on 18<sup>th</sup> November 2013. <u>http://www.nbnco.com.au/content/dam/nbnco/documents/NBN%20Co%20SAU%20-%20Varied%20on%2018%20November%202013%20(clean%20version).pdf</u>

<sup>&</sup>lt;sup>24</sup> Draft Carrier Licence Conditions (Networks in New Developments) 2016

<sup>&</sup>lt;sup>25</sup> It is expected that Telstra South Brisbane will have different pricing controls and be set at 30/1Mbps

Factors	Draft Statutory Infrastructure Provider Bill	nbn Special Access Undertaking <sup>23</sup>	Draft Carrier Licence Conditions <sup>24</sup>	Draft SBAS and LBAS regulation
Voice	n/a	IC.2 of SAU lists the range of offers. Wholesale broadband agreement states that it is unable to deliver assurances associated with a voice services over fixed wireless and satellite.	3(c) supports voice, dependent services, free-to- air broadcasting, subscription broadcasting	n/a
Performance targets	360U -minister can determine standard: terms and conditions, reliability, timeframe to connect and rectify.	Set out in Wholesale Broadband Agreement (currently under review).	3(d) comparable latency, packet loss, jittering to fixed line nbn	n/a
Availability targets	360U -minister can determine standard: terms and conditions, reliability, timeframe to connect and rectify.	Set out in Wholesale Broadband Agreement (currently under review).	3(e) percentage of time over any 12 month period comparable to fixed line nbn	n/a
RSP	n/a	n/a	3(f) arrangements with at least 3 RSPs (including voice)	n/a
Safeguards	360U -minister can determine standard: terms and conditions, reliability, timeframe to connect and rectify.	Set out in Wholesale Broadband Agreement (currently under review).	(12) - timeframes for connection and fault repairs in CSG consistent format	n/a