

Submission

12 May 2023

The Manager
Spectrum Licensing Policy Section
Australian Communications and Media Authority
PO Box 13112
Law Courts
Melbourne VIC 8010

Re: Draft Five-year spectrum outlook 2023–28

The Australian Communications Consumer Action Network (**ACCAN**) thanks the Australian Communications and Media Authority (**ACMA**) for the opportunity to comment on the 2023-2028 draft five-year spectrum outlook (**the FYSO**).

ACCAN is the peak body that represents consumers on communications issues including telecommunications, broadband, and emerging new services. ACCAN provides a strong unified voice to industry and government as we work towards communications services that are trusted, inclusive and available for all.

ACCAN supports the FYSO's goals to:

- Refarm existing 3G/4G spectrum resources to support future 5G developments.
- Close the gap, supporting initiatives to assist in promoting digital inclusion.
- Invest further into spectrum management tools, including a modernised spectrum licensing system and online auction capabilities.
- Continually evaluate spectrum class license agreements.
- Reduce regulatory burden by transitioning to spectrum class licenses.
- Continually optimise existing spectrum planning arrangements.
- Continue consulting on radiocommunications instruments sunseting.¹

Spectrum is a finite resource, needing to be allocated efficiently to provide the best service outcomes for consumers. Spectrum licensing is undertaken to limit interference and congestion and ensure that consumers, businesses, and government can reliably utilise their spectrum.

ACCAN recognises the ACMA's key priority to support wireless broadband uses.² ACCAN is aware that for some remote or isolated locations, the inability to access spectrum remains a barrier to investment by private individuals and small and medium businesses.

The policy rationale for allocation of spectrum via licensing is to manage the negative externalities arising from congestion and interference. Where there are no negative externalities, there should be no restrictions imposed on the use of spectrum. Noting that congestion and interference is not an

¹ ACMA. 2023. Five-year spectrum outlook 2023–28 and 2023–24 work program Draft for consultation. Available at: <https://www.acma.gov.au/consultations/2023-03/draft-five-year-spectrum-outlook-2023-28>

² Ibid p.10.

issue for isolated operations and homesteads, the reform of licensing arrangements should be examined closely to make best use of available spectrum.

Existing license holders may argue that creating more flexible licensing arrangements may diminish the value of their holdings. ACCAN contends that much of the spectrum in question is not being used and is not likely to be used in the medium term. As the value of spectrum is derived from its use by consumers and businesses, facilitating increased utilisation will promote improved economic and social outcomes in isolated locations.

While spectrum holdings may have an option value where there is planned or potential investment in infrastructure, in many remote areas communications providers do not have the incentive or intention to invest in further capacity. In contrast, private individuals and businesses have strong incentives and the intent to undertake private investment, but do not undertake these projects due to the difficulties and costs associated with accessing the available spectrum.

The FYSO should examine opportunities for the reform of licensing arrangements for isolated and ultra-remote areas. The ACMA might consider establishing a show-cause mechanism, whereby licensees must provide evidence as to the planned or expected use of spectrum in a remote or isolated area. In the absence of any evidence as to planned investment by carriers, congestion or interference risks, a sub-license could be offered to prospective applicants at prevailing license fee costs.

Some remote locations do not suffer from spectrum constraints and face low or no risks of interference due to their isolated nature. In cases where there is little risk of spectrum interference and limited or no use of available spectrum, spectrum licensing may not always provide the most efficient outcome for consumers and may introduce an unnecessary administrative burden. Flexible licensing arrangements may reduce administrative costs and encourage greater investment by telecommunications providers in regional, rural, and remote areas.

We thank the ACMA for the opportunity to comment on the FYSO. Should you wish to discuss any of the issues raised in this submission further, please do not hesitate to contact me at gareth.downing@accan.org.au.

Yours sincerely,

Dr Gareth Downing
Deputy Chief Executive Officer

The Australian Communications Consumer Action Network (ACCAN) is Australia's peak communication consumer organisation. The operation of ACCAN is made possible by funding provided by the Commonwealth of Australia under section 593 of the Telecommunications Act 1997. This funding is recovered from charges on telecommunications carriers.

ACCAN is committed to reconciliation that acknowledges Australia's past and values the unique culture and heritage of Aboriginal and Torres Strait Islander peoples. [Read our RAP](#)
