

Comments on the Funding of universal telecommunications services (Regional Broadband Scheme) Review – NT Government

The NT Government welcomes the opportunity to provide feedback on the current funding of the RBS, and encourages the Australian Government to seize this opportunity to implement a contemporary framework that provides the foundation for access to modern connectivity for all Australians, regardless of where they live, and provides an effective safety net for digital connectivity.

The NT Government's submission to the *Better delivery of universal services* inquiry recommended the amalgamation of voice and data services under the universal services obligation to provide an effective safety net and baseline access for all Australians. A natural progression of this principle is for the funding regimes to also be combined.

With the introduction of new technology, increasing community expectations and growing government service delivery and provision of public information through digital channels, there is an opportunity to rethink the approach to providing telecommunications services in Australia. The delivery of universal telecommunications services should be planned from a starting assumption that all Australians should have access to affordable, high-speed internet.

The NT Government broadly agrees with the key principles and characteristics of a sustainable long-term funding model, as outlined in the discussion paper. For this submission, the NT Government will limit its comments to the broader operation and purpose of the scheme, rather than responding to the detailed review questions.

It is the NT Government's view that the subsidisation of non-commercial access to essential modern connectivity needs to continue either via the Regional Broadband Scheme itself, or another scheme introduced as a result of this review.

There is no competitive market in remote areas of the NT, and Australia more broadly. There has not been, and probably never will be (if it is solely left to the market), "investment by commercial operations" in the areas of Australia under consideration for this scheme. Commercial operators would already be providing services in these areas if there was a potential for a return on investment.

Providing telecommunications services in some of the most sparsely populated and remote regions in Australia on a semi-commercial basis has only been achieved through co-investment programs and significant investment of government funding to ensure underpinning infrastructure can be built to support the delivery of services.

In the NT, much of this essential enabling infrastructure that has been underpinned by government investment is still owned and operated by Telstra and InfraCo, and was not acquired to support competition and allow for the delivery of wholesale services when NBN Co was established.

Emerging new technologies can provide different solutions, and LEO satellites services are introducing new connectivity, however the importance of affordable and reliable connectivity

means that reliance on a small number of multinational satellite services creates its own challenges.

Beyond technology and infrastructure, a key barrier to closing the digital divide for remote First Nations Territorians is providing suitable services, which suit the needs of people living in remote areas, including cultural alignment and affordability, and move away from the focus on connecting services to a premise.

A modern broadband funding regime should recognise the importance of mobile services and new technology, to deliver reliable, accessible and affordable connectivity to those Australians who need it the most - particularly those in very remote regions.

The NT Government would like to submit a number of key points for consideration:

- New business models must be adopted to meet community needs so that flexible, transportable, affordable and pre-paid services are available.
 - The current broadband model is post-paid which disadvantages and often excludes First Nations people who prefer pre-paid for cultural and better financial management purposes, and often share devices between multiple people.
 - Business models – move away from the premise, and incorporate mobile connectivity
- Focus on mechanism to deliver services to uneconomic regions where industry is not providing services and/or it is uneconomic to offer competition. This could consider place-based solutions, maximising the use of existing infrastructure and service delivery to support an efficient mix of technology to deliver connectivity requirements.
- Consider geographic/failed market definitions to determine subsidised services, outside the footprint of high-quality wholesale services and where there is very limited competition and connectivity options.
- Potential that the regime could also consider affordability and socioeconomic disadvantage, and more broadly support progress towards Closing the Gap Target 17 to achieve equal levels of digital inclusion for First Nations Australians.
- Consider redefining the notion of Statutory Infrastructure Provider to potentially establish of a provider of last resort to underpin the delivery of affordable high-quality services using a technology agnostic approach, which can deliver flexible and sustainable solutions, and evolve with changing technology.

The provision and funding of universal telecommunication services has the potential to provide modern telecommunications to all Australians through the subsidisation and provision of high-quality connectivity into remote and regional locations that are uneconomic for commercial service delivery. This foundation provides a pathway to full participation for all Australians, especially digitally disadvantaged First Nations people.

For more information, please contact the Senior Director Telecommunications in the Office of Digital Government, [REDACTED]

Yours sincerely

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