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Department of
Transport and Main Roads

[Redacted]
Department of Transport and Main Roads (Qld)

7th August 2023

Mark McGregor
Economics Advisory Section
Australian Communications and Media Authority
PO Box 13112 Law Courts
Melbourne VIC 8010

To Mr McGregor,

RE: Proposed approach to expiring spectrum licences consultation

Thank you for performing the public consultation on *Proposed approach to expiring spectrum licences* and providing the opportunity for stakeholders to make a submission.

In Queensland, we are especially pleased by the discussion around considering the “*public interest*” of spectrum, which of particularly importance since the Object of the Radiocommunications Act is:

“...to promote the long-term public interest derived from the use of the spectrum...”

Previously spectrum auctions, like the ‘digital dividend’, promoted the monetary value of spectrum which gave far too much weighting to short term monetary benefit over the long term public interest.

Refer to attachment for responses to the questions raised in the *Consultation Paper: Proposed approach to expiring spectrum licences*.

I am providing a submission on behalf of Queensland Government in my role as the NCCGR Representative for Queensland, leading the engineering functions of the Queensland Government Wireless Network (GWN) and providing technical advisory input to the long term direction of radiocommunications in Queensland.

While Queensland does not hold any spectrum licenses, we want to ensure that any future spectrum allocations and auctions consider the long term public interest.

Queensland, as a State that has regular natural disasters, we would like to reiterate how the public interest should be rebalanced to equally consider the benefits to support public safety and disaster response and recovery organisations. Even when spectrum to allocated to commercial carriers, there should be public interest requirements placed onto the commercial carriers, whereby these carriers must demonstrate their commitment to providing services that provide the greatest public interest to the under serviced population, not just to shareholders.

Queensland Public Safety Agencies are currently considering the long term direction of their radiocommunications requirements. Current networks, like the GWN, provide mission critical one to many voice communications, but the requirements for mobile broadband data are required to improve operational efficiencies of the Public Safety Agencies.

Around the world, these Public Safety Agencies mobile broadband data requirements are being satisfied by 3GPP standards based cellular networks, like the three mobile carriers in Australia operate. It is expected that these 3GPP "Mission Critical Push to Talk" (MC-PTT) features to be commercially available around the world in the near future. These services will be underpinned by availability of 4G and 5G spectrum. Queensland would welcome any considerations for allowing "3GPP High Power User Equipment" (HPUE) (Class 1: 31dBm, 1.25W) for Public Safety Agencies to assist in providing greater coverage in a state as large as Queensland.

Queensland have reviewed a draft copy of the NSW Telco Authority's response. Queensland would like to endorse NSWTA's response in regard to provision of spectrum for a PSMB, and for Public Safety, disaster response and recovery capabilities.

Queensland thanks the ACMA for the opportunity to make a submission to the *Proposed approach to expiring spectrum licences*.

NB: As there is no one central body for spectrum in Queensland, you may receive responses from other Queensland PSBs. There has been consultation and collaboration performed, and this submission is a collated response, but there is an accepted risk that other Queensland PSBs may provide contradictory feedback.

Yours sincerely



NB: Due to recent machinery of government changes, the Queensland GWN Contract Directorate now resides in the Department of Transport and Main Roads. The GWN licenses will be updated in due course to reflect this change.

Attachment: Responses to *Issues for comment* from the *Proposed approach to expiring spectrum licences consultation paper*.

Question 1

What are your views on the proposed public interest criteria? Are there other criteria we should consider?

We are satisfied with the five suggested criteria but are concerned that there are no explicit criteria for considering the non-monetary benefits derived from spectrum. There needs to be consideration for additional criteria to evaluate the non-monetary benefits.

We would like to suggest a sixth criteria: “*Non-monetary benefits*”.

Previously spectrum auctions, like the ‘digital dividend’ (2013), promoted the monetary value of spectrum which gave far too much weighting to commercial interests over the long-term public interest. The ACMA needs to consider the public interest (or public benefit) weighting of spectrum for non-commercial purposes against commercial interests of the three carriers, which some don’t not even use their spectrum allocations.

The Object of the Radiocommunications Act is “to promote the long-term public interest” and I don’t think anyone could argue that selling spectrum for the highest price is meeting the objective of the Act.

Additionally, for spectrum that will be auctioned publicly - We would like to request the ACMA to force those participating in future spectrum auctions to make a *Public Interest Criteria* response as part of registering for the auctions. This Public Interest Criteria response by registered parties be assessed against the proposed criteria and other registered parties’ responses, then a weighting calculated and this weighting be incorporated into the auction process calculations.

For example: A registered party’s Public Interest Criteria response could propose to implement Public Safety response capabilities for Public Safety Agencies, like multi-carrier roaming, Quality of Service, Priority and Pre-emption (QPP) in their networks for no additional cost to users. This response could be assessed as having higher Public Interest value over other respondents and thus a weighting implemented in the spectrum auction. This would generate innovation in the industry and market, which is one of the suggested criteria: “promotes investment and innovation”.

This Public Interest Criteria response being incorporated into future spectrum auctions will ensure that non-monetary benefits are incorporated into the monetary benefits. This may mean that companies that have the highest public interest are able to purchase spectrum for lower price than companies that have only commercial monetary interests.

Queensland does acknowledge that the previous public interest criteria “*promoting the highest value use of the spectrum*” is not included in the current proposed public interest criteria and hope this signals a shift away from the pure monetary benefits of spectrum and towards the public interest of the community.

Queensland would like to highlight that there are no criteria to incentivise providing cellular coverage to regional and remote underserved regions. In Queensland, 75% of the population reside in the South East Queensland region, which only makes up 2% of the Queensland land mass. It can be deduced that providing coverage to the remaining 25% of the population who resides in the other 98% has significant areas where it is unviable.

The Public Interest Criteria response suggested above, could be a lever to further encourage investment and coverage in unviable regions, which would be in the public interest.

Question 2

What are your views on the proposed 4-stage approach to undertaking the ESL process?

The 4-stage approach is a balanced approach, provides opportunity for all stakeholders to participate, and appears to be transparent. Queensland welcomes the opportunity to further participate in the process.

Question 3

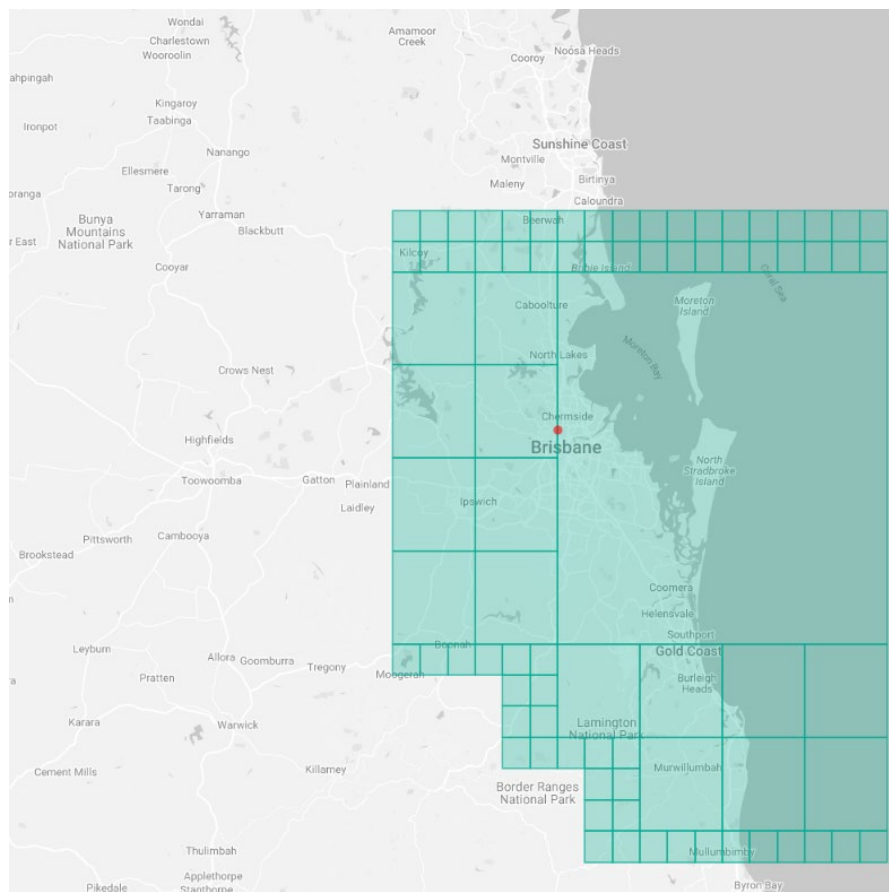
Are there any band-specific issues that we should consider as part of this ESL process?

Nil.

Question 4

Are there any other matters that we should consider in connection with the ESL process?

Spectrum licence metropolitan regions should align with populations. The image below shows a Spectrum Licence for Brisbane metropolitan region, but this licence needs to cover the greater South East Queensland region. While the southern border is sufficient, the region should be extended to beyond Toowoomba in the west and beyond Noosa in the north, to adequately capture the higher population density areas of South East Queensland. Therefore, rather than Brisbane and Gold Coast metropolitan region, it is suggested that this region be expanded to the “Greater South East Queensland” region.



Question 5

What are your views on the proposed approaches to valuing the spectrum and payment arrangements?

Previously spectrum auctions, like the 'digital dividend' (2013), promoted the monetary value of spectrum which gave far too much weighting to commercial interests over the long-term public interest. The ACMA needs to consider the public interest (or public benefit) weighting of spectrum for non-commercial purposes against commercial interests. We would like to re-iterate the points made in the answer to question 1.

As highlighted in the consultation paper, *Public Interest Pricing* is supported by Queensland. We would request that consideration for offering the States spectrum for Public Safety purposes be considered. Noting almost all of State based P25 radio networks provide services to Federal Agencies, further enhancing the benefits.

Question 6

What are your views on the proposed approach to examining use under existing spectrum licences?

Queensland generally supports ACMA's proposed approach when considered in the context of responses to previous questions.

The ACMA should implement an "use it or lose it" criteria when considering any type of licensing renewal. Companies should not be able to hold spectrum that are not using – This unnecessary hoarding of spectrum stifles competition and innovation. ACMA should also be aware of companies that "game" the system by licensing at the spectrum at a minimum number of sites, that may not even be built, to avoid any "use it or lose it" criteria. Therefore, the ACMA's RRL is not an accurate measure of spectrum use.

ACMA could consider population coverage criteria and increased charges for those not meeting the criteria. This could be similar to councils who charges higher council rates to blocks of land with no dwellings to encourage the building of dwellings.

Queensland would also like to request that an additional dimension be considered, *Regional and Remote Service Coverage*. Where applicable, this dimension could be used to assess the public interest benefit of providing coverage to underserved communities.