



# Telecommunications Reform Package

June 2020

The Government has fulfilled a long-standing commitment to reform the telecommunications market to promote competition and improve access to broadband services for all Australians, especially those in regional, rural and remote areas. Under this Package, the wholesale-only rules applying to high speed broadband networks have been clarified and improved, all people in Australia will have certainty that their home or business can be connected to a high speed broadband network, and regional broadband services will be transparently funded into the future through an industry charge.

## Wholesale-only rules

The Government has made changes to laws that have required all high speed networks built since 1 January 2011 to be wholesale-only. The laws have been reformed to better promote competition. While 'wholesale-only' is still the default position, network operators will be able to operate a wholesale and retail business if they have been given approval to do so by the Australian Competition and Consumer Commission. All services supplied on these networks, whether wholesale-only or integrated, will be subject to non-discrimination obligations. This means network owners will be required to provide access to retailers. NBN Co Limited (NBN Co) will remain as a wholesale-only carrier and Telstra, as key market operator, will remain subject to the existing strict obligations to separate its wholesale-only and retail obligations.

## Statutory infrastructure providers

The Government has established clear legal obligations on NBN Co to connect premises to its network and supply wholesale high speed broadband services to retail service providers. Initially, while the National Broadband Network (NBN) is being rolled out, the obligations will apply in areas as they become ready for service. After the NBN is complete, NBN Co will be the default statutory infrastructure provider (SIP) for all of Australia. Other network operators may also become SIPs in some circumstances. For example, where another network operator has a contract to build a network in a new development, that carrier can be the SIP. The Minister will also be able to designate SIPs—for example, where a network has already been built in a development.

## Regional Broadband Scheme

The Government has established the Regional Broadband Scheme (RBS) to give Australians living in regional and remote areas certainty that they will have continued access to high speed broadband services into the future. NBN Co's fixed wireless and satellite networks are estimated to lose around \$9.8 billion over 30 years, with these losses funded over time from an opaque internal cross-subsidy from its fixed line networks. The RBS makes this existing cost transparent and spreads it across all NBN-comparable networks, with NBN Co continuing to pay around 95 per cent of the cost.

## Find out more

Further information is available on our website.