Department of State Growth

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Department of Infrastructure, Transport, Regional Development, Communications and the Arts sip@infrastructure.gov.au

Re: Increasing minimum broadband speeds inquiry

Thank you for the opportunity to comment on issues relating to your proposal to increase the minimum broadband speeds that must reasonably be provided by Statutory Infrastructure Providers.

The Tasmanian Government recognises the crucial role faster broadband speeds have in delivering economy-wide benefits, including driving employment growth, social inclusion, enhanced wellbeing and greater productivity outcomes. As a small state characterised by a highly decentralised population, numerous regional, remote and very remote communities, and challenging terrain, Tasmania's digital challenges are a condensed reflection of regional Australia's connectivity landscape. Clearly, limited broadband speeds only exacerbate the digital disadvantage of those living in regional and remote areas in Tasmania and nationally.

The following information is provided in relation to the Consultation Paper questions posed to stakeholders:

Do you support an increase to SIP speed requirements? What benefits would this deliver to consumers?

Yes, the Tasmanian Government supports an increase to SIP speed requirements. The benefits of enhanced digital connectivity are largely self-evident and well documented:

- In 2023 the Productivity Commission highlighted that faster and more reliable internet access would underpin productivity growth in regional Australia.
- A 2024 Accenture report, commissioned by NBN Co, identified that increases in average broadband speeds resulted in growth in key economic indicators such as productivity, GDP and employment and key social indicators such as personal wellbeing.
- In 2019-20 Australia's digital economy accounted for 5.9 per cent (\$109 billion) of total economy value added (\$1 857 billion), compared to 5.6 per cent (\$101.5 billion) in the previous year.

Full and unfettered participation in the digital world is an assumed part of contemporary Australian life as most people continue to spend more time - and do more - online. As the 2024 Regional Telecommunications Review noted, adequate and accessible telecommunications services are now viewed as an essential service for everyday life, an enabler of human rights as well as a human right by people living in regional, rural and remote Australia.

An increase to SIP speed requirements would improve the end consumer's ability to interact online with their friends and family, workplace, businesses and government. Moreover, it would facilitate the population's interaction with contemporary service delivery mechanisms such as synchronous video communications in:

- · social connectivity and community engagement
- flexible working arrangements/work from home
- · online home schooling and tertiary education delivery and
- telehealth services.

Increased speeds would also stimulate the technology sector, drive Industry 4.0 transformation and support business engagement in the digital economy as the use of data intensive applications and technologies increases, online engagement expands, and the demand for smart appliances increases.

However, it should be acknowledged that minimum download and upload speeds are not the only relevant metric of service adequacy. Latency and contention are also important in these and other service scenarios. For example, the current minimum service levels when delivered via NBN Wireless have been found unsuitable to support contemporary voice services, let alone synchronous video communications.

3. Should there also be an increase to the current legislated peak upload speeds from 5 Mbps?

Yes, there should also be an increase to the current legislated peak upload speeds from 5 Mbps. Broadly speaking the Tasmanian Government supports the Victorian Government's response to the 2024 Regional Telecommunications Review, which notes that a minimum "adequate" standard of 50/20Mbps is required, with many businesses requiring 100/40Mbps.

Other key performance metrics, reflecting resilience and reliability, are also essential to ensuring that "peak" speed requirements - which may only be available in limited circumstances - do not misrepresent the overall user experience (notwithstanding factors outside the SIP's control).

4. Are there any other changes that you think the department should consider to support better consumer outcomes?

The NBN has brought high-speed internet to millions of people living in regional and rural areas and Australian Government telecommunications programs have undoubtedly had a profoundly positive impact on the connectivity experience of regional customers.

However, the effectiveness of mobile communications can be influenced by network capacity, topography, climate and the number of concurrent users. In many regional and rural locations, the technology utilised to deliver broadband services may already be congested and cannot allow higher speeds. Extending terrestrial mobile coverage remains prohibitively expensive in many regional and remote areas, and service upgrade timelines are largely dependent on the carrier's internal business case justifications.

While network congestion is frustrating for many users, there is currently no ability to prioritise service access for nominated critical services when network congestion occurs in the event of a natural disaster or unprecedented event.

New generation technology such as LEO satellite systems are rapidly changing the environment and increasing SIP speed requirements should also be considered. The rollout of such services, initially through Starlink, has rapidly expanded broadband options in the regions, providing necessary competition. This development has been very successful and future developments are promising, but concerns persist in relation to weather implications, affordability, network resilience, security and long-term viability.

Yours sincerely

Craig Limkin **Secretary**

15 May 2025