29 May 2025

To: Department of Infrastructure, Transport, Regional Development, Communication and the Arts.
Submitted online via https://www.infrastructure.gov.au/have-your-say/increasing-minimum-legislated-broadband-speeds

RE: Statutory Infrastructure Provider regulated broadband speeds consultation paper

Introduction

Leaptel thanks the Department of Infrastructure, Transport, Regional Development, Communications and the Arts for its ongoing commitment to enhancing the Statutory Infrastructure Provider Regime.

We welcome the opportunity to provide a submission in response to the consultation paper published on the Department's website on 7 April 2025.

Leaptel is a small Carriage Service Provider with over 55,000 services in operation (SIO) at the time of writing, most of which are residential services. Of these, approximately 15,000 SIOs are on non-NBN SIP networks where we have been operating since 2016. Due to this network mix, we have a broad exposure and understanding of the importance of the SIP regime in setting standards beyond the default SIP, that being NBN.

We have responded to each of the questions set out in the consultation paper below:

1. **Do you support an increase to SIP speed requirements?**

   Leaptel overwhelmingly supports the proposal to increase the SIP speed requirements for peak download speeds of at least to 25Mbps to 100Mbps.

   Internationally, the U.S. Federal Communications Commission (FCC) updated its broadband speed benchmark in March 2024, raising it from 25Mbps download and 3Mbps upload to 100Mbps download and 20Mbps upload.[1]

   This is a long overdue change as the current 25Mbps standard no longer reflects modern consumer expectations, business needs or network capabilities. Most urban and many regional customers already expect services above these levels, making the current threshold effectively irrelevant in practice. Updating it ensures that the legislative framework remains fit-for-purpose and that consumers in all areas can reasonably expect modern broadband performance.

[1] https://www.fcc.gov/document/fcc-increases-broadband-speed-benchmark-0

2. What benefits would this deliver to consumers?

Raising the baseline to 100Mbps would:

- Align regulation with consumer expectations, ensuring consumer protections apply to speeds consumers expect to receive as a minimum.
- Drive better equity access, especially for consumers in regional, rural, or greenfield developments that might otherwise be limited to lower performance SIPs.
- Support future economic and digital participation, including remote work, telehealth, education, cloud computing, and multiple concurrent high-data use devices. The experience of COVID-19 demonstrates that the nature of home internet use can shift quickly with little warning and the infrastructure needs to cater for this.
- Improve service reliability and consistency by incentivising network upgrades on underperforming SIP networks.
- Strengthen consumer confidence that minimum regulated services are genuinely fit-for-purpose.

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

Yes, Leaptel believes that an increase to the legislated uploaded peak speed is essential, particularly for:

- Small and home-based businesses that rely on cloud services, video conferencing, and large file uploads.
- Residential users who increasingly use video calls, online learning, and content creation tools.

We recommend aligning the upload baseline with the 20Mbps already offered on NBN's 100Mbps/20Mbps wholesale tier. This is both technically viable and commercially established, balancing capability and market alignment without imposing disproportionate costs on SIPs.

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

We strongly recommend that the department introduce two separate SIP baseline thresholds:

1. **Existing Networks Baseline:**
   - **100/20 Mbps,** reflecting a realistic, achievable baseline for existing infrastructure while still driving upgrades where viable.
2. **New greenfields standard:**

- **1Gbps download (with proportionate upload)** as the required baseline for new developments (greenfield estates, multi-dwelling units, etc.) commissioned after the changes to the SIP regime take effect.

Rationale:

- **Future proofing:** new builds present a unique opportunity to deliver fibre-base infrastructure capable of meeting future demands without retrofitting costs.

- **Buyer and developer protections:** new home buyers should not be locked into network infrastructure that may require costly upgrades later to deliver speeds already very commonly achievable today.

- **Market consistency:** NBN, the default SIP, already delivers at least 1Gbps to new greenfield sties, establishing this threshold will ensure other SIP providers have to meet the same standard. That NBN deploys GPON or XGS-PON fibre with gigabit capacity as standard shows that it is commercially and technically viable.

- **International alignment:** There is a shift internationally towards setting 1Gbps as the minimum threshold.

  The European Union's Gigabit Infrastructure Act, effective from November 2025, aims to ensure that by 2030, all EU households have access to a fixed gigabit network with speeds of at least 1Gbps. [2]

  In 2022, the United Kingdom government amended the Building Regulations 2010 to mandate that all new homes constructed in England be equipped with infrastructure capable of delivering download speeds of at least 1Gbps.[3]

  New Zealand's Ultra-Fast Broadband (UFB) initiative delivers speeds of at least 1 Gbps fibre to over 87% of the population, including new developments, [4] while Canada's Connect to Innovate program prioritises connections of 1Gbps or greater for remote and regional areas of Canada.[5]

  These projects and programs reflect a broad policy direction where 1 Gbps connectivity is the starting point, not the ceiling, for new infrastructure.

[2] https://www.europarl.europa.eu/RegData/etudes/BRIE/2023/749783/EPRS_BRI(2023)749783_EN.pdf
[3] https://www.gov.uk/government/news/new-homes-in-england-to-come-with-gigabit-broadband-connections
[4] https://nationalinfrastructure.govt.nz/our_project/ufb-programme/
[5] https://ised-isde.canada.ca/site/connect-to-innovate/en

In addition, the department should consider:

- Strengthening compliance and enforcement, enabling the ACMA to audit and enforce delivery of legislated speed commitments, not just their theoretical availability. There are times where SIP providers fail to even meet the current 25Mbps thresholds and they experience no penalty for this. Instead, it is end-users who experience poor internet speeds and their carriage service providers that are left managing a poor customer experience, while the SIP is immune to any real consequence.

- Clarifying performance expectations to include not only the peak speed tier but also realistic busy-hour performance and reliability standards. What use is a 100Mbps peak threshold if the speed when consumers wish to use the service is far below this?

- Setting a future review cycle to ensure the standard continues to evolve in line with technology and consumer usage patterns, rather than becoming outdated again. As part of this the Department should consider flagging what it expects the SIP regime to require at future points in time. For instance, if the 100 Mbps peak speed requirement is set, what does the department anticipate it will be in 2030?

  Signalling a future uplift (eg., a 1Gbps SIP baseline by 2030) would provide industry time to prepare and avoid delays caused by late-stage objections about feasibility. Setting clear expectations now enables long-term planning and investment.

We look forward to seeing the outcome of this consultation process and welcome any questions from the Department about our submission.

Warm Regards,

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Leaptel