**INMARSAT SUBMISSION TO DEPARTMENT OF COMMUNICATIONS**

***SPECTRUM REVIEW – POTENTIAL REFORM DIRECTIONS***

Inmarsat is pleased to respond to the call for submissions to the review.

Whilst Inmarsat has participated in the creation of the Communications Alliance (CA) input to the review, through the Satellite Services Working Group within the CA, Inmarsat wishes to add complementary detail and its experiences as the premium global Mobile Satellite Service (MSS) operator. The CA submission makes note of individual submissions which its members may be making.

**The broader impost of investing in Australia**

Although the consultation paper focusses only on a spectrum review, it is important to stress that such review should not be carried out in isolation; currently MSS operators are subject to several concurrent fees, the spectrum fee being one of them; furthermore the combination of all these (carrier licence fee, spectrum fee, TIL fee etc) result in Australia being by far the most expensive country in the world, fee-wise; the risk is that an increased spectrum fee as a result of a move toward ensuring the highest value for spectrum results in an overall prohibitive fee exposure for MSS operators, whilst they are needed to continue to serve an important but niche market.

**Cutting red tape**

Inmarsat welcomes the intention by the Minister and the Department to streamline regulation and to cut red tape; for example, at the moment different fees are charged separately and have to be paid at different times of the year. This is a high management resource impost on the industry.

**The international and national dimensions of complexity**

It is hoped that this spectrum reform will continue to value exceptions like satellite frequency and orbital coordination where Australia’s discretion on coordination decisions does not apply (this is in the international domain through the ITU and has its own extra demands) ; on a national basis, satellite services by definition – because of the very weak received signal - are more vulnerable to interference from terrestrial systems and need an adequate framework for protection with ad-hoc measures to solve interference issues quickly.

**Social and safety considerations**

Due care should be given to the evaluation of the less easily quantifiable social benefits when taking decisions on spectrum allocation; this is particularly relevant for some MSS services which support safety at sea or in the air; consequently a good balance should be struck between social benefits and economic benefits of spectrum allocation.

**Exceptional safety considerations**

With regard to frequency re-planning (as described at the bottom of page 7), an exception should be made in the case of services that are provided to ensure compliance with international obligations on safety of communications for ships and vessels like those that Inmarsat takes care of.

**“Private” band managers**

The introduction of private band managers (see p8) should be carefully thought through; in particular the feasibility of such an approach for those bands requiring by definition international coordination like satellite bands should be closely studied; in addition, should private band management be endorsed, it would be advisable to appoint sector government bodies which still carry a public duty to administer resources in the general interest of the public.

**Exceptions to a market-based approach**

There should be exceptions to a market-based approach on spectrum pricing (p9) where service rendered is in conformity with safety obligations which, by definition, carry a public interest rationale.

**User involvement in spectrum management**

The option of devolving interference management should be carefully studied to determine valid exceptions for which complex interference issues like those specific to satellite communications demand a centralized approach.

Inmarsat looks forward to keeping in touch with the progress of discussions in Australia and stands ready to assist with further information and advice to assist in the most beneficial outcomes from the Review.

2 December 2014.