

10 June 2020



Director
USG Implementation
Department of Infrastructure, Transport, Regional Developments & Communications
GPO Box 2154
CANBERRA ACT 2601

Dear Director

I write on behalf of the Urban Development Institute of Australia (UDIA) in relation to the proposed “Telecommunications in new developments policy” (“**TIND**”) issued by the Minister for Communications, Cyber Safety and the Arts for consultation.

UDIA is the development industry’s most broadly representative industry association with more than 2,500 member companies – spanning top tier global enterprises and consultants to local governments and small-scale developers.

Our industry is one of the nation’s largest – contributing 7.5 percent to national economic output and generating approximately 750,000 direct and indirect jobs, according to an independent report undertaken by EY on behalf of UDIA.

UDIA National has previously engaged with the development of policy and pricing frameworks applying to telecommunications infrastructure to service new housing communities. We recognise the latest policy is designed to simplify and streamline the policy documentation and some associated requirements. The UDIA National supports the development of this document as a reference guide for the development industry.

Key Fundamentals

UDIA concurs that overall the existing TIND policy has been working well. We understand that there are no proposed changes to the key fundamentals, being:

- All developments/developers are required to provide appropriate telecommunications infrastructure (ie pit and pipe infrastructure);
- Developers are able to undertake or subcontract this work themselves;
- Exemptions exist in regional/remote areas where alternative infrastructure may be more appropriate;
- Developers remain able to choose a telecommunications carrier of choice. This facilitates greater competition, choice and innovation;
- Provision of telecommunications infrastructure by developers is enforced by the Telecommunications Act and not via State Government planning legislation. This ensures that planning approvals, clearances and the creation of titles (for which processes vary across the States) is not further complicated by another approval process merely for the provision of telecommunications infrastructure;
- NBN Co is a guaranteed provider of last resort, with a capped price on the provision of the basic standard of infrastructure, which provides certainty for all developers;

It appears that the only significant change in the 24 April 2020 draft TIND policy is that NBN Co will have the ability to charge LESS for the network infrastructure provides instead of the current fixed price. This is a sensible proposal that promotes fairness and competition amongst all telecommunications carriers to provide greater efficiency or innovation to the development industry and consumers.

Pricing

Our focus in relation to the document currently on exhibition relates to elements on pricing for single dwelling units (SDU) and multi-dwelling units (MDU), including:

- Placing caps on NBN's pricing for MDU and SDU developments, meaning NBN Co can charge up to \$400 per lot for an MDU and \$600 per lot for an SDU, rather than the current fixed price per lot.
- NBN Co looking to reduce its prices below these caps, where commercially feasible to do so which will generally apply to larger developments, under an economy of scale principle.
- NBN Co will be free to install competing infrastructure on a commercial basis but must keep records of its commercial decision making.

On balance, we believe the proposals represent a sensible option for funding infrastructure but providing greater certainty for developers, as well as reduce the overall imposition currently applied, and would support their introduction.

Other elements

Further information and consultation is requested in regard to section 3.11 regarding maximum timeframes for connection of new developments and repair of faults as it is developed.

Simon Basheer
UDIA National President

