

Inquiry into the Telecommunications (Regional Broadband Scheme) Charge Bill 2018 and the Telecommunications Legislation Amendment (Competition and Consumer) Bill 2018

Question taken on notice

30 January 2020

Telstra's response

QUESTION:

Senator URQUHART: Does Telstra have a view on what a more workable definition of 'premises' would look like? Do you have a suggestion for how that could be dealt with?

Mr Cook: We've actually said in our submission that a better way to do it would be to base it on services—services provided rather than premises that a service is provided to—because, from our perspective, we always know how many services we provide. We don't have the information about premises in the enterprise space, but we always know how many services we provide. We think that would be a better starting point. It doesn't mean that you wouldn't need to go through a process to define which services were in scope and out of scope; you would need to do that, but at least the starting point would be more reliable, in our view.

Senator URQUHART: If you had to get that information month on month, would that create a fair degree of administrative burden for businesses?

Mr Cook: I imagine it would, Senator.

Senator URQUHART: What feedback have you received from the department on how that situation could hypothetically be handled?

Ms Burgman: Based on the existing definitions in the bills on prices—

Senator URQUHART: Based on what you've proposed.

Mr Cook: I don't recall a specific answer to that question. That's not to say that they haven't given us one. My apologies. I know the department is appearing later, so you may be able to ask them.

Senator URQUHART: Could you take it on notice as well?

Ms Burgman: Yes.

TELSTRA'S RESPONSE:

With regard to the implementation of the Regional Broadband Scheme in the existing Bill before Parliament (ie if the scheme was based on the term 'premises'), the Department has indicated to Telstra that, if carriers do not have all the information they need, an option would be for carriers to obtain the necessary information from broadband customers, to enable carriers to report on the number of premises. Telstra notes this information would be needed on a monthly basis, given the RBS is a monthly levy. In Telstra's view this would be an unreasonable and unenforceable requirement which would add significant administrative burden for all participants (customers and carriers) without delivering the necessary clarity of information.

The Department has also indicated that, to the degree there is a lack of clarity in the way the tax is to be applied, the ACMA will have a role to play in providing the necessary clarity. In Telstra's view it is unreasonable for a tax to be so unclear in its application that the drafters foresee an ongoing need for clarification by a regulatory agency even after the tax has taken effect.

With regard to the implementation of the Regional Broadband Scheme if the scheme was levied on 'Services in Operation' (Telstra's proposal), carriers charge customers for the services they have in operation, and therefore this information is already known.