15 January 2025

Productivity Commission
Inquiry: Harnessing data and digital technology

Unleashing productivity through digital infrastructure investment by removing deployment roadblocks

Digital infrastructure is the foundation of the modern economy and a key driver of productivity – but roadblocks to digital infrastructure deployments threaten to undermine potential productivity gains.

The Productivity Commission should establish an inquiry into barriers to digital infrastructure deployment, with the objective of identifying reforms to harmonise Commonwealth, State and Territory, and local laws to reduce roadblocks to the deployment of telecommunications networks.

Improving Productivity

The Commonwealth Government has the stated objective of making Australia 'the most connected continent on earth' – yet digital infrastructure investors are consistently hamstrung by prohibitive planning laws that actively disincentivise network deployment.

For example, one mobile network site funded under the Mobile Black Spot Program has been stuck in planning since 2015, seven sites have been in planning since 2019, and the application process just to connect power to some sites has taken more than two and a half years.

Similarly, major long-haul fibre-optic network deployments have faced significant delays and cost increases due to unpredictable roadblocks in planning processes, exacerbated by unclear and duplicative responsibilities between Commonwealth, State, and local Government departments and agencies.

Telcos should have clear, legislated land access rights to build the digital infrastructure Australia needs. But the 'Carrier Powers and Immunities' framework established under Schedule 3 of the Telecommunications Act 1997 has consistently seen its legal powers diminished under the weight of State-based land access rules, environmental approvals, and heritage laws which are duplicative and inconsistent. Additionally, the legitimate legal rights of Traditional Owners groups over land access arrangements are complicated by unclear and inconsistent legislation, often resulting in open-ended consultation processes which lack established timeframes to conclude agreements.

Digital infrastructure is 'critical infrastructure', yet deploying and upgrading this infrastructure is increasingly difficult. Telecoms infrastructure deployments are not granted the same exemptions from planning rules as other utilities that are typically subject to State legislation, rather than Commonwealth. As a result, telcos are subject to many of the same regulatory burdens as other 'essential services' – but are not afforded any of the same benefits when it comes to deployment.

Address: Level 25 100 Mount Street North Sydney NSW 2060 **Phone:** 61 2 9959 9111
Postal Address: P.O.Box 444 Milsons Point NSW 1565 **ABN:** 56 078 026 507

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Telecoms networks are only treated as 'critical' when they are impacted by outages – but not when they need to be built.

This inquiry should be supported by, or lead to the establishment of, a review by the Department of Infrastructure, Transport, Regional Development, Communications and the Arts with input from State and Territory counterparts. This process should include – but not be limited to – a review of the existing Carrier Powers and Immunities framework, with a broad scope to investigate how this framework interacts with State, Territory, and local Government laws related to land access, environmental, planning, heritage, and Traditional Owners' land rights.

These processes should result in a reform roadmap to address the myriad inconsistent planning requirements for digital infrastructure deployments, including Commonwealth and State/Territory environmental approvals, heritage approvals, applications for power connections (and requirements for backup power), native title issues, and any other required approval processes which prevent the timely deployment of critical telecommunications infrastructure.

Ultimately, these processes should result in a submission to National Cabinet where agreement is sought to harmonise laws across Australia that enables the more efficient rollout of telecommunications infrastructure.

Clear and harmonised rules allowing for the efficient rollout of digital infrastructure would ultimately benefit Australia's productivity, by unleashing greater data capacity on more competitive network infrastructure. This would result in Australia's data networks being more resilient, again benefitting Australia's productivity by reducing outages and increasing network uptime.

About Communications Alliance

Communications Alliance is the primary communications industry body in Australia. Its membership is drawn from a wide cross-section of the communications industry, including carriers, carriage and internet service providers, content providers, platform providers, equipment vendors, IT companies, consultants and business groups.

Its vision is to be the most influential association in Australian communications, co-operatively initiating programs that promote sustainable industry development, innovation and growth, while generating positive outcomes for customers and society.

The prime mission of Communications Alliance is to create a co-operative stakeholder environment that allows the industry to take the lead on initiatives which grow the Australian communications industry, enhance the connectivity of all Australians and foster the highest standards of business behaviour.

Address: Level 25 100 Mount Street North Sydney NSW 2060 **Phone:** 61 2 9959 911
Postal Address: P.O.Box 444 Milsons Point NSW 1565 **: ABN** 56 078 026 507

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