

10 November 2023

Department of Infrastructure, Transport, Regional Development, Communications and the Arts GPO Box 594 Canberra ACT 2601

Via email: <u>new.developments@infrastructure.gov.au</u>

To whom it may concern,

Property Council of Australia submission to possible amendments to the Telecommunications in New Developments Policy- Mobile Connectivity and Other Measures.

The Property Council of Australia welcomes the opportunity to provide feedback on possible amendments to the Telecommunications in New Developments (TIND) Policy - Mobile Connectivity and Other Measures.

The Property Council of Australia is the leading advocate for Australia's largest industry – property. Our industry represents 13% of Australia's GDP, employs 1.4 million Australians and generates \$72 billion in tax revenues. Property Council members invest in, design, build and manage places that matter to Australians across all major building asset classes.

We have reviewed both the Consultation Policy and proposed tracked changes and provide general comments and specific recommendations in relation to those tracked changes below.

The Property Council and its members welcome and recognise the need for a coherent approach for prioritising and accelerating planning and approvals for communications infrastructure, particularly in new developments and growth areas. We further welcome the initiative of the Planning Ministers' Meeting and associated Mobile Telecommunications Working Group in addressing through the expectations outlined in the document¹.

The expectation to address connectivity, carrier engagement, site/space selection for mobile infrastructure and "fair terms" in land access earlier in the development process is largely agreeable and sensible. There are some concerns with weighting of these expectations purely on

¹ consider mobile connectivity as part of the overall development application process, with a similar level of importance as other utilities; engage with a carrier as early as possible to ensure mobile coverage is in place prior to the selling or leasing of a building unit; identify appropriate sites, or spaces, for mobile infrastructure to be deployed; and make all reasonable efforts to reach 'fair terms' in land access agreements.

developers and tangible issues with treating rapidly evolving telecommunications technology and infrastructure with water and electricity assets which are long-lasting.

Ultimately, the detail of the policy will be key to its success, including consideration of:

- how the policy relates to long term institutionally owned assets such as build-to-rent assets, purpose-built student accommodation and retirement villages?
- how the obsolescence of mobile infrastructure, occurring at a faster rate than other types of infrastructure, factors into the policy?
- fixed line infrastructure. We applaud the intent to share more fairly backhaul costs over multiple developments (section 3.7 of the amended policy). However, this intent is poorly reflected in Annex A. Adding a new sentence stating NBN **may** amortise backhaul charge over different development such statement is too uncertain for developers and denies them the ability to plan for such costs. We suggest the backhaul charges include a ceiling (maximum amount), and NBN be required to present a developer a fixed price well in advance, ie: at the feasibility and planning stages of a development.
- the addition of mobile connectivity in the policy. We support the need and intent to improve mobile connectivity but have serious concerns about the lack of detail. There are three key matters that need to be addressed:
 - making a distinction between macro infrastructure servicing the outdoor public versus infrastructure providing in-building-connectivity to building occupants. The discussion paper gives one example, being a 'tower', which is a term generally associated with macro/outdoor coverage. While some developments may include significant public outdoor space, a developer's obligations should differ between in-building and macro/outdoor coverage.
 - while fixed line obligations on a developer are largely related to pathways (pit and pipe, risers and conduit), mobile telecommunications infrastructure includes significantly more active (powered) equipment within a building. Any amendments need to make a clear distinction where obligations sit regarding pathways, cabling, and fixed equipment.
 - clarity needs to be provided on the commercial obligations related to in-building mobile telecommunications infrastructure (i.e. Distributed Antenna Systems, or DAS). The last decade has seen mobile carriers shift the cost of in-building mobile coverage solutions 100% to the developer/owner. This has had the effect of reducing overall in-building mobile coverage since not all developments/owners can afford 100% of costs in the absence of any revenue (from mobile plans for example). The discussion paper refers to reasonable efforts to reach 'fair terms' with carriers for 'access to land' (point 4). Developers need 'fair terms' on cost sharing with carriers.

Importantly, the developer must be able to reserve the right to install or not install depending on the asset strategy.

The lack of detail creates uncertainty for the development industry and the additional development cost that is unequally weighted to the developer will have concerning implications for housing affordability.

The Property Council looks forward to further engagement on this important issue. Please contact Sahil Prasad, National Policy Director at <u>SPrasad@propertycouncil.com.au</u> should you wish to discuss this submission in further detail.

Yours faithfully,

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