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Future Arrangements in the 400 MHz band

The Australian Mobile Telecommunications Association (AMTA) is the peak industry body representing Australia's mobile telecommunications industry. AMTA's mission is to promote an environmentally, socially and economically responsible and successful mobile telecommunications industry in Australia. AMTA members include mobile Carriage Service Providers (CSPs), handset manufacturers, retail outlets, network equipment suppliers and other suppliers to the industry. For more details about AMTA, see <http://www.amta.org.au>.

AMTA welcomes the opportunity to comment on the ***proposals for future arrangements in the 400 MHz band***.

The impact of the latest generation mobile services is pervasive, contributing significantly to economic growth and productivity as a key enabling technology. As well as delivering both directly and indirectly to Australia's economy, mobile telecommunication services are also providing unprecedented connectivity with significant social benefits.

Mobile telecommunications have become central to Australia's capacity to compete in the global marketplace, its capacity to drive productivity via the digital economy and its capacity to meet the connectivity needs of governments, services, businesses, communities, families and individuals.

AMTA's interest in the 400 MHz band relates to the clear need to manage spectrum in order to maximize efficient allocation, use and derived public benefit. Specifically, re-planning 400MHz includes an opportunity relevant to the future of mobile telecommunications potentially operating in the adjacent higher spectrum band via the digital dividend process.

AMTA strongly believes maximizing the size of the digital dividend is an important aim given the competing interests in the band and the economic gains possible through allocation to IMT.

Chapter 9 of the paper raises a number of options regarding the 519-526 MHz segment. AMTA would support the option of creating TV channel 27 as it may assist the restacking of TV channels and achieve a higher digital dividend.

By way of background the spectrum to be freed as part of the digital dividend represents a once-in-a-generation opportunity for a significant reallocation of spectrum to allow the introduction of new and enhanced mobile broadband services post-analogue switch-off.

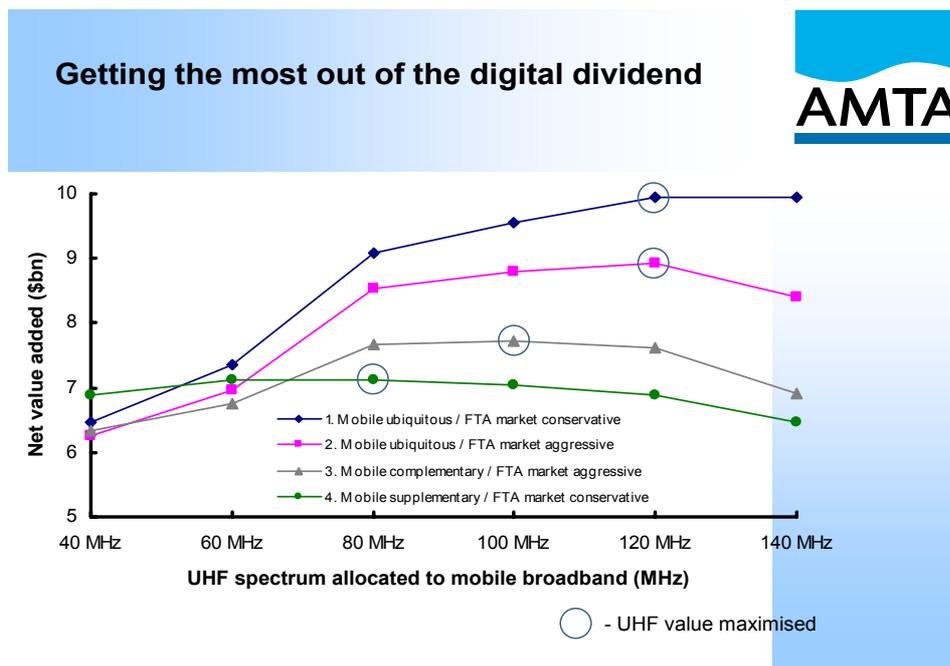
The spectrum released by the digital dividend in and around the 700MHz band (520 – 820MHz) offers an excellent balance between transmission capacity and distance coverage. These good signal propagation characteristics mean significantly fewer base stations and infrastructure are required to provide wider mobile coverage, especially throughout rural and regional areas.

A report by international economic consultants, Spectrum Value Partners and commissioned by AMTA, found that by modelling a number of mobile and broadcast market scenarios Australia’s economy would be boosted by up to \$10 billion if at least **120MHz** of useable spectrum was unlocked from the digital dividend to support mobile broadband use.

The report derived an ‘optimal split’ of digital dividend spectrum between mobile telecommunications and broadcasting use and found that spectrum allocation is ‘optimal’ when the net economic value generated from combined mobile and broadcasting services use is at a maximum.

In rural areas, where population density is lower, the propagation characteristics of digital dividend spectrum are more critical for mobile coverage. As a result, the report found that the maximum net economic benefit will be realised with an allocation to mobile of **140MHz** of usable spectrum.

The exhibit below illustrates the net value added to the Australian economy by allocating a varied amount of the digital dividend UHF spectrum for mobile broadband services under different overall market scenarios.



Source: Spectrum Value Partners, 2009 *Getting the most out of the Digital Dividend in Australia*

AMTA notes that there is little benefit in retaining spectrum 501-505/511-515MHz within the spectrum licensing regime and that it should be restored to apparatus administrative licensing. AMTA supports the overall replanning of the 400 MHz band. This replanning offers the opportunity to potentially establish an additional TV channel 27 which would provide increased flexibility in managing the transition from analogue to digital television and hence assist in optimising the spectrum outcomes from the digital dividend.

Against this background AMTA is also aware that current 500MHz licence arrangements are in part, a result of licence holders' needs to augment existing frequency co-ordination procedures designed to ensure protection of services operating in adjacent areas. In short, existing planning co-ordination procedures in this band are not tight enough to prevent interference to other nearby services. Replanning this band must include a commitment from the ACMA to revise planning rules to ensure rigorous frequency co-ordination procedures and thus an adequate level of protection.

AMTA looks forward to discussing these options in more detail as and when appropriate.

If you have any questions regarding this submission please call me on 02 6239 6555 or email chris.althaus@amta.org.au

Yours sincerely

A handwritten signature in black ink that reads "C Althaus". The signature is written in a cursive, slightly slanted style.

Chris Althaus
Chief Executive Officer