Mobile Coverage Programme Discussion Paper Submission Cover Sheet

Submission Information

This cover sheet should be attached to submissions made to the Department of Communications in relation to the Mobile Coverage Programme Discussion Paper.

Contact Details

Name of respondent:	Rebekah Burges, Executive Officer
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Date:	28 February 2014

Confidentiality and privacy

All submissions and comments, or parts thereof, will be treated as non-confidential information unless specifically requested, and acceptable reasons should accompany each request. Email disclaimers will not be considered sufficient confidentiality requests.

Respondents lodging a submission should be aware that submissions (excluding any information agreed to be treated as confidential information) will be made publicly available, including on the Department of Communications' website. Submissions and comments will be subject to freedom of information provisions. Despite a submission being identified as confidential or sensitive, submissions may be disclosed where authorised or required by law, or for the purpose of parliamentary processes.

Do you want all or parts of the submission to be treated as confidential? Yes 🗌 No 🔀

If yes, identify below which parts of the submission are to be treated as confidential (and provide a reason):

If the submission contains personal information of any third party individual, indicate on this Submission Cover Sheet if that third party individual has not consented to the publication of his or her personal information:

Submission Instructions

Submissions are to be made by **5:00pm (AEST) Friday 28 February 2014**.

Where possible, submissions should be lodged electronically, preferably in Microsoft Word or other text-based formats via the email address mobilecoverage@communications.gov.au

Alternatively, submissions can be sent to the postal address below (to arrive by the due date):

The Manager Mobile Coverage Programme Department of Communications GPO Box 2154 CANBERRA ACT 2615

All submissions lodged will be acknowledged by the Department of Communications by email (or by letter if no email is provided). Respondents lodging a submission who do not receive acknowledgement of their submission should contact the Department. Submissions which are not acknowledged by the Department as being received may not be considered. Respondents should be aware that emails greater than 10Mb may not be successfully delivered.

28 February 2014



The Manager **Mobile Coverage Programme** Department of Communications GPO Box 2154 CANBERRA ACT 2615

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Dear Mobile Coverage Programme Manager,

Re: Submission to the Mobile Coverage Programme Discussion Paper

Please accept this letter as a submission to the Mobile Coverage Programme (MCP) Discussion Paper on behalf of Regional Development Australia (RDA) Wheatbelt Inc. RDA Wheatbelt has been an integral stakeholder in telecommunications planning and development in the region and we will continue to work toward equitable access to infrastructure and services for all Wheatbelt communities.

Background

Regional Development Australia is a national initiative which seeks to grow and strengthen the regions of Australia. Made up of 55 committees, the network of RDA committees covers metropolitan, rural and remote regions across the country. RDA committees are strong advocates for their region and drivers of change and, as such, have a pivotal role in ensuring the long-term sustainability of regional Australia. RDA committees focus on the economic and social issues of importance to communities in their region.

RDA Wheatbelt represent's the Wheatbelt region of Western Australia. The Wheatbelt – extends from the northern and eastern boundaries of the Perth metropolitan and covers an area spanning 154,862 square kilometres. The region is home to 73,817 people (projected June 2012 Population, 2011 ABS census) making it the third most populous region in the State. RDA Wheatbelt engages with the 43 Local Government Authorities (LGA) and approximately 160 towns and smaller settlements that make up the region.

The Wheatbelt is a large and diverse region encompassing a range of environments, social and economic characteristics. Opportunities and constraints differ greatly across the region, especially when comparing the high growth peri-urban and coastal communities with the more sparsely broad acre farm land in the east and south of the region.

Telecommunications in the Wheatbelt

RDA Wheatbelt's core function is consultation and engagement with local communities and other stakeholders to identify, prioritise and find solutions to issues impacting on the region. A priority



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issue of focus for our organisation is improved telecommunications, particularly mobile phone coverage, which is notoriously poor across many parts of the region.

Businesses in the Wheatbelt are becoming increasingly reliant on the mobile network to conduct commercial transactions and communicate with clients, employees and essential services. Unreliable mobile phone service and the high cost of services are common complaints across the region. Despite the lack of investment in telecommunications infrastructure relative to identified need, demand continues to grow for both mobile phone services and high-speed broadband.

With the support of RDA Wheatbelt, the Wheatbelt Development Commission (WDC) has undertaken telecommunications surveys in 2010 and again in 2013, to assist in informing and selecting priority sites for infrastructure investment. In the first round of the WA Government's Regional Mobile Communications Project (RMCP), 17 mobile communications towers were identified for funding through the initial telecommunications surveys. All of these towers have now been constructed. Through the more recent survey an additional 98 sites have been identified, but at present no funding has been secured for their construction.

The 2011-12 Regional Telecommunications Review report, recommended that 'Regional Development Australia Committees, in conjunction with local councils, should develop digital economy plans for their regions and identify digital economy champions. Cooperation in developing these digital economy plans should be sought from other local and regional institutions such as universities and national organisations such as the CSIRO and National ICT Australia'.

In response to the telecommunication review report, and to address a priority issue for our region, RDA Wheatbelt in partnership with Wheatbelt Local Governments, WDC and the WA Department of Commerce developed the <u>Wheatbelt Digital Action Plan</u> (WDAP) which was officially launched in August 2013. The WDAP outlines a number of practical and achievable actions that will enable the Wheatbelt to capitalise on the opportunities offered by digital technology. One such action, which we have highlighted as an immediate priority is to "expand mobile coverage and capacity within the region".

Comments from the Discussion Paper

Question 1: Some of the higher populated and tourism centres in the Wheatbelt such as Northam, Moora and Guilderton (Telstra, 2014) have fairly constant access to 4G LTE mobile broadband data communications services. The increased data services and more reliable voice services have enabled these communities to benefit from significant economic and social benefits. RDA Wheatbelt supports that 4G LTE services be set as the minimum quality standard that base stations must provide.

Question 2: Further to comments above, however, many other localities regardless of population density do not currently even have 3G connectivity. Taking into consideration the financial constraints of the Mobile Coverage Program, RDA Wheatbelt would support more broadly available 3G services to ensure that a maximum number of Wheatbelt communities have access to mobile services. This would include, but not be limited to, the highly frequented social, commercial and community facilities in each of the 160 Wheatbelt towns, village and smaller settlements.



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Question 4: In recent years there has been gradual investment from alternative Mobile Network Operators (MNO's) such as Optus and Vodafone, but the predominant service provider in the Wheatbelt is Telstra. Due to this heavily weighted bias, competition has been limited as the majority of base station infrastructure is used largely by a single MNO. The proposed MCP Delivery Option 1 is a similar model to that used in Round 1 of the RMCP rollout and could easily be replicated for future infrastructure development. Delivery Option 1 would encourage more efficient economies of scale with the desired outcome equating increased mobile coverage and reducing the number of blackspot areas. If comparable levels of coverage could be guaranteed in Delivery Option 2, RDA Wheatbelt would support the greater competitive tension between telecommunication providers and therefore overall value for money outcome. Failing this, RDA Wheatbelt supports the proven method of delivery via a single mobile network operator, as per Delivery Option 1.

Question 5: The Wheatbelt has not yet seen any fibre or fixed wireless infrastructure rolled out through the National Broadband Network (NBN) and until the review of the rollout has been completed we will not know which solutions will be applied to communities within our region.. Given the relative lack of telecommunications infrastructure currently in the region, where possible, RDA Wheatbelt would strongly encourage the incorporated use of base stations owned by NBN Co. wherever possible. RDA Wheatbelt will continue to be actively involved in the consultation and engagement process of the various high-speed broadband solutions for the region and implement key initiatives of the Wheatbelt Digital Action Plan.

Question 7: The price charged for backhaul has been identified as one of the most significant roadblocks to the expansion of mobile coverage and competition in the Wheatbelt. Regional communities are most adversely impacted by the high costs of transmission because expanding mobile coverage is simply too expensive and there is little chance of cost recovery. A lower price for backhaul – one that is more reflective of the incremental costs of providing access to the service – will mean the economics of coverage expansion will improve and incentivise investment in coverage expansion in regional Australia. RDA Wheatbelt would strongly recommend that if Delivery Option 3 was selected, that provision for backhaul be included in the agreement.

Question 15: The proposed selection criteria outlined on pages 11-12 of the MCP Discussion Paper provide an equitable balance between economic reasoning and social benefit. RDA Wheatbelt supports robust competition to ensure an overall value for money outcome but also advocates that smaller, more remote communities should not be disadvantaged by their size or location. Further to the proposed selection criteria, RDA Wheatbelt would also strongly recommend that the recent surveying data and priority site selection undertaken by WDC be taken into consideration. Round 1 of the RMCP successfully funded 17 sites in the Wheatbelt and RDA Wheatbelt strongly recommends that the additional 98 priority sites be developed.

Question 17: The proposed means of assessing seasonal demand in criterion 3(c) would not equitably reflect the extent of coverage benefit in tourism locations in the Wheatbelt. The many seasonal residents that either have private property or make use of sites, rooms or cabins not registered with an accommodation provider would skew the results. In their comprehensive RMCP survey process, WDC considered several factors in the site prioritisation process but prioritise greater service for a greater amount of time above seasonal fluctuations in demand. RDA Wheatbelt encourages more broadly based assessment criteria to develop a more comprehensive analysis of coverage benefits in communities which experience high seasonal demand.



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Question 18: Similar to the response to Question 5, given the relative lack of telecommunications infrastructure currently in the region, where possible, RDA Wheatbelt would strongly encourage the incorporated use of fixed wireless infrastructure owned by NBN Co. There may be instances where NBN infrastructure is unable to be used as a result of conflicting services, but in all other cases, RDA Wheatbelt promotes collaboration between MNO's.

Question 21: The successes of infrastructure investment and development in the Wheatbelt are due to the collaborative and creative initiatives shown by local government authorities, government and non-government organisations and communities alike. Planning in such a diverse region requires that consultation is both encompassing and effective. RDA Wheatbelt has had continual engagement with NBN Co. and various other MNO's which has aided in the recent RMCP and Wheatbelt Digital Action Plan projects. RDA Wheatbelt strongly supports open dialogue between all MNO's and/or network infrastructure providers to maximise efficient and quality telecommunications development in the region. RDA Wheatbelt also strongly recommends that any required community consultation with regards to site selection is undertaken early and prior to any final decisions being made.

Thank you for the opportunity to provide feedback to the Mobile Coverage Programme discussion paper. If you would like to discuss our submission further, please do not hesitate to contact me.

Sincerely,

RBurges

Rebekah Burges Executive Officer



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