

Rebekha Sharkie MP Federal Member for Mayo



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2021 Regional Telecommunications Review
Secretariat Department of Infrastructure, Transport, Regional Development and Communications
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RE: 2021 REGIONAL TELECOMMUNICATIONS REVIEW

Thank you for the opportunity to provide feedback for the 2021 Telecommunications Review. Technology evolves rapidly in this sector and the review is a timely opportunity to revisit the issues facing regional and remote Australia. However, despite technological changes, it would appear the digital divide between urban and rural Australia continues to the detriment of the regions. Affordability and access are perennial problems that need to be addressed and there is a degree of urgency given the experiences of communities affected by the Black Summer Bushfires and severe storms and cyclones in more recent times.

BROADBAND

Assistance for low-income households: I would urge the Government to re-examine ACCAN's No Australian Left Offline initiative and create an NBN wholesale broadband package of \$20 per month for low-income households receiving government assistance.

An alternative option is an annual telecommunications subsidy for welfare recipients to offset the cost of available technology.

Otherwise, I would encourage the Government use the corporations' power under section 51 of the Australian Constitution to require all Statutory Infrastructure Providers (SIPs) to provide a minimum internet package to assist low-income households.

There is significantly less competition in regional areas to drive down prices and many low-income households are in localities where housing is cheaper, but ADSL is either not offered as a retail product and the available NBN technology is the more expensive options of satellite or wireless.

Priority assistance for NBN technology upgrades: The Mayo has too many premises allocated NBN satellite as its default technology, wireless NBN is not always suitable for the steep terrain in many localities, including the foothills around Adelaide, and there are some areas where the copper in the fixed line footprint degraded due to high rainfall. More priority should be given to upgrading NBN technologies based on need rather than profitability.

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NBN Co's latest corporate plan appears to focus on low hanging fruit in urban areas where it is easier and more profitable to upgrade FTTN to FTTP and business-grade fibre.

In Mayo, the feedback locally is that the councils in the more affluent, rapidly growing urban areas have more interest and have a greater financial and internal staffing capacity to involvement themselves in the Regional Co-Investment Fund or the Regional Connectivity Program than the less affluent councils with more premises (as a percentage) outside the fixed line footprint.

South Australia is not only the state with the highest percentage of satellite connections (around 5% compared with the national average of 3%) but it is the state with the highest number of Sky Muster connections within a 25km radius of an Australian capital city GPO.

A <u>Freedom of Information</u> statement shows the number of potential NBN satellite services at 1 July 2021 to stand at 2,773 premises (605 activated). This is an increase of over 300 premises allocated Sky Muster within 25km of the GPO since 1 July 2020. An additional 77 premises are in the five to 10km range.

Nearly 88% of premises within 25km of the Adelaide GPO marked for Sky Muster cannot order an upgrade via Technology Choice. In 2020 Hobart came a distant second to Adelaide with 264 Sky Muster connections within a 25km radius of the GPO and Sydney had 28 Sky Muster connections.

Mayo includes many of the localities within that 25km radius with residents allocated Sky Muster satellite. Constituents advise that they object to being allocated NBN technology they perceive as being designed for remote Australia because the Government wants to cut costs.

Early substandard experiences of Sky Muster continue to have a negative impact on the reputation of the satellite technology. I hosted several NBN information forums in 2019, in areas allocated satellite and wireless, and the feedback from constituents was that Sky Muster was an inferior, overpriced technology. It is difficult to encourage constituents to trial Sky Muster NBN.

Exacerbating constituent reluctance to trial NBN satellite is poor marketing information at the point of sale from major retailers who do not sell the Sky Muster product. My office continues to be contacted by constituents who advise that they have been told by their retailer, usually Telstra, that they "cannot get NBN".

MOBILE NETWORK

Mobile Black Spot Program

The mobile network is not covered by the Universal Service Guarantee. A fact that continues to surprise my community (and many others) who considers mobile connectivity an essential service, particularly in high-risk bushfire areas.

The Black Summer Bushfires in 2019/2020 on Kangaroo Island and in the Adelaide Hills highlighted the community's reliance on the mobile network to receive timely information to protect life and property. Particularly on Kangaroo Island, identified mobile black spots caused firefighting, alerting and evacuation issues. Lack of mobile coverage also hampered the efforts of emergency services.

Notwithstanding that fire did destroy or significantly damage critical infrastructure, mobile coverage (while operational) was relied upon extensively within the timeframe of the going bushfire. Feedback from emergency services indicated factors such as smoke hindered the effectiveness of satellite technology. This increases the reliance on mobile coverage and highlights the need for greater mobile coverage in bushfire prone areas.

Based on feedback from the review hearing in SA in August and feedback from constituents, Mobile Network Operators, local councils, businesses, and other stakeholders, I would like the Government to consider the following:

- Ongoing investment in backhaul infrastructure with priority given to public safety;
- More government investment in improving the redundancy and resilience of backhaul links and telecommunications networks during power outages and natural disasters, specifically auxiliary backup power and extended backup power resilience;
- More support for emerging and alternative technologies to improve connectivity, such as Starlink and independent fixed wireless providers;
- Ongoing financial support to improving connectivity through the NBN Co Regional Coinvestment Fund and the Regional Connectivity Program;
- A greater focus on improving the reliability of the Sky Muster satellite service given its impacts
 on small businesses who use EFTPOS when there are service outages during peak demand
 periods.
- A commitment from Telstra that the 3G network switch-off will not adversely affect regional Australians and more public education to address perceptions of reduced coverage on the 5G network:
- A subsidy for households in marginal black spots to purchase mobile coverage extension devices for their homes or vehicles;
- Reviewing the MBSP list of nominated sites and the criteria for listing or excluding a location, including whether useable coverage can be achieved inside a premises or from inside a vehicle;
- Overhauling the MBSP program criteria to allow more flexibility to apply for funding bespoke solutions as new technologies emerge;
- Giving greater emphasis to community priority than Mobile Network Operator profitability when assessing MBSP applications;
- Increasing the cap on contribution from the Commonwealth for MBSP applications to incentivise MNOs to invest in more marginal sites;
- Supporting MBSP applications from neutral hosts to own infrastructure and active equipment independently of MNOs to encourage competition.
- Listing eligible locations and/or offering an Expression of Interest to market to make it easier for carriers to discuss potential opportunities to jointly bid when they can openly discuss clearly identified eligible locations.

Mobile Network Affordability

Mayo is the oldest electorate by median age in South Australia. The electorate has a median age of 46 years compared to the State average of 40 years and the national average of 38 years.

The South Coast region has around half its population aged 65 years or older. This means a higher percentage of households on income support.

Many households of retirement age rely on the mobile network for their sole source of digital connectivity. Reliable coverage, affordability and timely complaints resolution are key issues.

At a recent Positive Ageing Forum attended by some 350 more senior community members from the South Coast, I was asked to introduce legislation to require Telstra to introduce a discounted mobile phone plan for pensioners and to prevent them increasing the price of their plans to include "unwanted unlimited data".

Telstra is a private company operating in a commercial market. Government policy is to encourage competition and not intervene in the market. However, I request that the Government consider the following options:

- An annual telecommunications subsidy for residents who receive Government income support to offset the cost of available technology, or
- Using the corporations' power under section 51 of the Australian Constitution to require all Mobile Network Operators to offer a minimum, low-cost service to assist low-income households.
- A public education campaign to advertise the Regional Tech Hub. Possible expansion of the scope of the Regional Tech Hub to assist low-income households compare mobile products and/or internet services and chose options suitable for their circumstances and locality.

Thank you for the opportunity to contribute to the 2021 Regional Telecommunications Review. Technology is changing rapidly but access to technology is not equitable across the nation for reasons influenced by geography and income. COVID-19 restrictions have only exacerbated the need for reliable and affordable broadband for families working and studying from home in regional Australia.

Yours sincerely

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