The Hon Luke Hartsuyker
Chair, Regional Telecommunications Review Committee
secretariat@rtirc.gov.au

Dear Mr Hartsuyker

Submission to the Regional Telecommunications Review 2021

Thank you for the opportunity to make a submission to the Regional Telecommunications Review.

Regional Development Australia Committees (RDA) work with all levels of government to support the economic development of their regions. In Victoria, the RDA's are co-funded by both Commonwealth and State Governments and provide evidence-based advice on and advocate for regional economic development, issues, and opportunities.

This submission is made on behalf of the Chairs of three of Victoria's regionally based RDA Committees – RDA Barwon South West, RDA Grampians and RDA Hume – and focusses on the need for:

- highspeed and reliable broadband and improved mobile coverage to enable businesses to operate more effectively and support flexible working arrangements for employees

- mobile network roaming for people and businesses to support economic growth, occupational health and safety work practices, and safety during emergencies

- flexible Commonwealth government funding to incentivise carriers and service providers.

Economic development

Rural and regional areas are well-placed to respond to the disruption of COVID-19 and ready to lead the economic recovery of Victoria. Regional Victoria can take advantage of employers reassessing how their workplaces operate and the amount of time that people need to be physically together in one location. More decentralised work practices are likely to result in increased numbers of people moving to regional areas in which case digital connectivity has become even more important.

It is well established that digital connectivity is important to people's lives and the ability of rural and regional businesses to compete in domestic and international markets. Better quality and more reliable digital services can support innovative remote service delivery models, flexible working arrangements, and reduce community vulnerability in emergencies. However, people living in regional Victoria often have slower internet speeds, fewer connection choices, and worse mobile coverage from fewer providers compared with people living in Melbourne.

In some regional areas, inadequate broadband services can make it harder to do business. For example, Glen Olive Estate (located outside Yarrawonga in the Hume region) is part of the popular Murray Valley Farmgate Trail. An inadequate and unreliable broadband service prevents this business from using a point-of-sale-system at the estate's farmgate. Affordable business grade services would enable this business and others in rural areas to operate more effectively.

In 2017, economic analysis by the Birchip Cropping Group in the Grampians region found the inability to access low-cost, fast and reliable telecommunications to support IoT applications had significant impacts on-farm productivity.

The quality of regional mobile services is significantly worse than in Melbourne. More than 94% of Victoria's >2,600 identified mobile black spots are located in regional areas.[1]

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[1] Infrastructure Victoria, August 2021, *Victoria's infrastructure strategy 2021-2051*, p. 226

Mobile network roaming

Victorian RDA committees continue to advocate for mobile network roaming to enable customers on networks with less coverage to increase their coverage by roaming onto another mobile service. The ability to do this important for:

- supporting the economic development of regions
- ensuring regional communities are not left behind in terms of the economic and social benefits of digital connectivity
- keeping regional communities safe during natural disasters and emergencies.

Poor connectivity also creates significant occupational health and safety risks. WorkSafe analysis in 2013 showed 30 per cent of work-related deaths in Victoria occurred on farms, despite farm workers making up only 3 per cent of the workforce.

In 2017, the Australian Competition and Consumer Commission (ACCC) completed its third review into mobile network roaming and in line with earlier inquiries, determined not to regulate mobile network roaming. The ACCC's decision was based on the assumption that carriers who had invested in rural and regional areas would lose their competitive advantage if other mobile network users were able to roam onto their network and that mobile network operators may have reduced incentives to make further investments in upgrading and extending their networks.

In 2020, RDA Grampians commissioned telecommunications consulting firm, Venture Insights, to prepare a situation analysis of the challenges and benefits of mobile network roaming in regional and rural areas. It found that since the ACCC's decision in 2017, regional investment in blackspots has declined and the take-up of colocation or sharing of regional infrastructure has been low.

Infrastructure Victoria's 30-year infrastructure strategy released in August 2021 supports our position on this. The report recommends that the Victorian State Government work with the Commonwealth Government and telecommunication providers to require emergency roaming between mobile network operators during an emergency.[2]

Flexible government co-funding to incentivise new and upgraded services in sub-commercial locations in rural areas

Victorian RDAs acknowledge the Commonwealth government's introduction of the Regional Connectivity Program in response to the 2018 Regional Telecommunications Review. Victorian RDAs highly value the flexibility of the program and its potential to facilitate projects that rely on multiple funding partners.

Many of these projects require more planning and coordination to secure funding partners and liaise with stakeholders. For this reason, we recommend that this program is offered as an open program or the funding rounds are offered at shorter intervals.

Yours faithfully

Bruce Anson
Chair – RDA Barwon South West

Stuart Benjamin
RDA – Grampians

Amanda McClaren
RDA Hume

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[2] Infrastructure Victoria, August 2021, *Victoria's infrastructure strategy 2021-2051*, p. 234