

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

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Date:	28/02/2014

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.

28/02/2014

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

To The Manager,

Thank you for the opportunity to provide comment on the Department of Communication's Mobile Coverage Programme Discussion Paper.

On the 20th of January 2014 our organisation sent a media release to newspapers in the Orana region calling for community input to this submission. The response was automatic and overwhelming, with many concerned residents of rural and remote areas of Australia also responding from outside the Orana region. Therefore, whilst the bulk of this response has been informed by experiences in the Orana region, it also includes perspectives from as far away as Mt Isa, Perth and regional South Australia.

The Orana region covers over 199,000 square kilometres in the central and north western areas of New South Wales – or about 25 per cent of the state. It is comprised of 13 Local Government Areas, which extend from the hilly western slopes of the Great Dividing Range and the Warrumbungles, to the flat plains of Cobar and Bourke in the west, and reaching up north to the QLD border. We have a geographically dispersed population, yet one common complaint across the breadth of this diverse region is the lack of adequate mobile coverage.

Mobile coverage is essential to the region's ability to conduct business and attract new investment, residents and staff.

It is also seen as an essential service by the people who live here, given the often great distances between them, their neighbours, and people who provide assistance in times of emergency. In areas with adequate coverage it keeps our residents safe not only in these times of emergency, but also as they travel the great distances necessary to access work, health services and education. It is seen as the more dependable form of accessing online services, including, as one resident mentioned, using video conferencing tools to remotely access health and disability services.

Good mobile coverage therefore breaks down the tyranny of distance and isolation and provides a crucial social and economic function.

Many people we consulted acknowledged the poor speeds/quality of satellite services. Satellite phone services are set to be an even less attractive option when the Satellite Phone Subsidy Scheme closes on the 30th of June.

While we commend the Government's commitment to improving mobile coverage, we would like to highlight the need for greater research and innovation in this area. Too often has Australia applied international thinking to local geography, with mixed results. We would like to see more Australian solutions to Australian problems.

Consultation with residents, industry, business owners and local governments has uncovered a great amount of support for the Australian Government's commitment to improving mobile coverage; however these discussions have also raised a number of serious concerns, addressed below.

1. Assessing priority areas & measuring coverage benefit

While the department has been requesting feedback on how the funds should be spent, there has been very little information on how the Department will determine *where* they will be spent. The selection criteria for the "priority locations" have not been made clear, and we found it difficult to obtain this information when contacting the Department directly. This information was not displayed prominently on the website, rather it was hidden in the Frequently Asked Questions section.

Given the huge response to our own enquiries on the topic, we recognise the issue is widespread and that the Department would, no doubt, be engulfed by a tidal wave of nominations. There is clearly an untapped collective voice looking for opportunities to be heard on this issue. We therefore believe there could have been a role for a regional body, such as Regional Development Australia, to receive and assess nominations for black spots. This could reduce the burden on the Department and provide a comprehensive voice for the affected communities, local government and the businesses that operate in the regions.

As can be seen by the scope of feedback received for this submission, Regional Development Australia plays a pivotal role in community engagement, facilitating discussion and coordinating responses from a diversity of voices across a region. We act as a partnership broker, ensuring a regional approach.

In a letter from Cobar Shire (to our organisation) in late 2013, the Council noted that poor mobile coverage "not only has a negative impact on our businesses but also creates safety concerns for our workers and residents who are unable to phone for assistance in times of accidents."

This message has echoed throughout all our consultation on this issue. While the program has been designed to specifically cover blackspots along roads, and mentions the incidence of natural disasters, it is unclear how this has/will be reflected in the listing of priority locations. As previously stated the nomination process to get onto the priority list has not been made sufficiently clear, nor do the assessment criteria suggest that decisions will be made based on the economic potential of increased coverage, or the gains to public safety and community resilience in the case of accident or times of emergency.

We would recommend that the assessment criteria be weighted to reflect the following vital functions of mobile coverage:

a. The extent to which improved coverage will enable economic growth & productivity

Improved mobile coverage has the ability to improve education, innovation and workforce productivity and participation in current blackspot areas. Poor coverage acts as a barrier to workforce mobility (via telecommuting) and lessens economic growth. When establishing a business in a metropolitan area, consistent mobile coverage and adequate internet connectivity are expected, whereas regional areas struggle to attract businesses due to high costs and low speeds/coverage. Given that 40 per cent of Australia is considered regional, improved mobile coverage has the potential to drastically increase economic productivity.

For example, Alkane Resources' Dubbo Zirconia Project will begin construction mid-2014 in the Orana region. This mine will have a huge impact on the economy of the region, employing over 230 staff. The mine will be constructed in an area that currently has little to no mobile coverage. We would argue the construction of a new base station alongside this project would have huge merit, as it would boost to the operational safety and efficiency of the site, which is anticipated to process 1,000,000 tonnes of ore throughput per year.

This point would not be taken into account using the current assessment criteria, where number of premises and length of national or state highways and arterial roads are listed as determinants of the success of a project.

Agriculture is another major industry of the Orana region. In the Coonamble Local Government Area, 60 per cent of local businesses are farming operations. These businesses are reliant on mobile coverage for their day-to-day operations (both voice and data services). The limitations presented by satellite and land-based services make mobile coverage a more attractive, yet in many cases unachievable, option for these businesses. Therefore, in this area, more than half of the economy is being supported by businesses that have little to no access to mobile networks.

For these businesses, work is not restricted to the office, and a lack of connectivity where the bulk of work occurs has major impacts on productivity. It renders tools of their trade, such as weather stations and wireless devices used for record keeping, paying accounts and communications, useless.

Whilst the population/dwellings may be dispersed, the ability for this region to access fund for improved coverage should also be based on the economic outputs, and expected gains for these businesses.

b. The impacts on community safety & resilience

Aside from the economic argument for improved coverage, priority must also be given based on the gains to community safety and resilience made possible through an improved service.

The assessment criteria currently proposed considers the length of road that would be serviced by new or upgraded base stations. However this approach does not consider freight and heavy vehicle loads, general household traffic or the incidence of injury or fatality through road accidents.

For example, Alkane Resources' operations at Toongi outside of Dubbo will soon see 168 freight movements daily to and from the site. These movements are strictly coordinated to ensure public safety, however this coordination is reliant on communication tools. Mobile coverage would make this process easier for the parties involved and have great gains for public safety.

In the case that there is a traffic accident or breakdown (which in turn can leave motorists in an unsafe position) residents crave the confidence to know that they will be able to call for assistance.

Not being able to access assistance in times of need is a major safety issue for not only Australian motorists, but also residents of households or members of the farming community and other businesses who work with dangerous equipment in areas with little to no coverage.

Since the Victorian Black Saturday Bushfires the emergency services sector has emphasised the need to build good community resilience. This is giving communities the tools to best respond to and recover from

disasters, and measuring a community's ability to do so. We received at least three responses from members of the NSW Rural Fire Service, who each highlighted the need for improved mobile coverage in emergency situations.

Tools such as the 'fires near me' app have been developed to ensure communities are able to make decisions about their own safety in an independent and informed manner. Communities that experience bushfires are largely regional, yet these tools are not available to those who cannot access mobile networks (again, residents of regional areas). Coordinating volunteer resources, receiving up to date information on fire bans and conditions, and communicating back to family and friends in times of emergency are all dependent on mobile communications.

The assessment of bids for funds from the Mobile Coverage Program needs to take into account issues of community safety and resilience in areas prone to natural disaster such as bushfire. Improving the ability of the community to respond to such disasters can lessen their impact and the costs, both human and monetary.

2. Community tendering and co-contribution

While it hasn't been published through this discussion paper, it has previously been stated that "A Coalition government will fund up to 50 per cent of the cost of deploying a mobile black spot solution site, with the balance to be funded by local governments, companies and/or mobile carriers." (<http://www.liberal.org.au/mobile-black-spot-programme>)

A consistent message throughout our conversations has been that this reliance on funding from the local community is as inequitable as the lack of coverage itself.

The requirement of a significant contribution from the bidder – who in the case of the \$20 million blackspots program are local business, community and local governments – has been called "inappropriate", "unachievable" and "arrogant" by respondents across our region. This is particularly so in a period where the Independent Local Government Review panel in NSW have made recommendations for mergers, as councils struggle to remain financially viable.

We ask, would residents of metropolitan areas be asked the same, and how would they react?

This proposal disadvantages smaller communities, who have fewer people and fewer resources to participate in tendering processes, commit funding and coordinate such large scale projects. The number of responses received subsequent to our initial press release, suggests that people are lacking a voice in this area, and require mobilisation and coordination. When asked if they believed if their local community would have the means to raise the required funds, or rally together to develop a submission for the funds, not one person we spoke with replied in the affirmative.

As one small business owner responded, "We have a strong community who recently raised \$69,000 for an x-ray machine. We're already doing so much to raise funds for essential services, and with the reality of a dry year ahead, it would be difficult to get the community to band together to build a mobile base station. Also, location would be an issue as there are so many black spots in the area. We would need more than one"

The point was also raised that an increase of coverage is not only of benefit to regional residents. The program specially mentions locations with a high seasonal influx; leading many to observe that the program

appears to be designed to benefit these seasonal residents at the cost of the existing population and industry.

3. Open access

Along with our colleagues at the Orana Regional Organisation of Councils, we believe it is vital that any allocation of funding is not used to expand one provider's footprint. It would be disappointing if an increase in coverage was paired with a lack of competitive pricing, especially in regard to a service where regional Australians already pay more than their metropolitan cousins.

A number of residents mentioned the 'insult added to injury' of being near a base station but not receiving coverage, often through being contracted with a different provider. A number also made the point that they would need to have multiple mobile devices, serviced by different MNOs, to have adequate coverage on the roads they travel to access work, services and to conduct business.

Lack of competition is a major issue in regional Australia. Choice is lacking for both voice and data plans for people in regional areas. Any measures that can be taken to ensure greater competition (and therefore a reduction in price) would be greatly valued by residents of the Orana.

With this in mind, we would propose that it be a requirement that more than one MNO commit to servicing each base station funded under this scheme, and that all new AND upgraded ("brownfield") base stations be required to support the equipment of 3 MNOs.

We would also suggest that work be done to ascertain whether mobile base stations can be used for multiple purposes. For example, can weather stations, television broadcast equipment etc be co-located on these towers? If so, we would like to see that the Department considers multiple use towers as a higher priority for funding than single use towers.

Should you have any further questions regarding Regional Development Australia Orana's submission, please do not hesitate to contact us.

Kind regards,



Felicity Taylor Edwards

CEO

Regional Development Australia Orana