

Mobile Black Spot Program Round 5A

Discussion Paper - submission

June 2020

Programs that deliver additional mobile coverage to remote and regional areas of the Northern Territory are very welcome and supported.

Mobile coverage in the Territory has been substantially expanded through multiple NT Government and Telstra co-investment programs over many years, along with the Federal Mobile Black Spot Program.

Whilst improved competition is always appreciated it is a secondary consideration in remote areas of the Northern Territory, with competition not presently a realistic prospect in some areas. Additional coverage is by far the primary issue for the local community and government. Competition should be encouraged but not at the cost or jeopardy of expanding coverage.

The inclusion of operational and maintenance costs in the funding contribution is important as this is becoming an inhibitor for providers to deliver telecommunications services to remote communities where unit costs are escalating beyond a considered ceiling and maintenance costs and demands are higher than in urban settings.

Question 1

Are there any comments on the coverage areas proposed to be targeted?

Question 2

Are there any comments on the types of proposals that would be eligible for funding, including the required coverage outcomes?

The coverage areas are considered appropriate, although it is noted that cyclone prone and/or natural disaster areas are not referenced in the list of example sites. Cyclones are arguably the major natural disaster for much of northern Australia.

There would appear to be overlap between this program and the Strengthening Telecommunications Against National Disasters (STAND) package. Clarification as to how these two packages will complement each other would be useful.

The use of new technologies to support telecommunications services delivery in remote communities/low population areas is fully supported. There are four key criteria that must be met for any service to be effective:

1. Mobility - the service must have the mobility characteristics of 3G/4G mobile phone service, including the provision of voice and data.
2. Prepaid - prepaid services have proven to be the effective product type in remote communities as it ensures the manageability of funds and avoids credit issues.
3. Price - any product must be able to deliver voice and data at the same cost or (preferably) lower cost than current mobile phone packages.
4. Transportability - the product must use devices that are able to provide the same level of functionality in communities and towns away from the home community.

The focus on transport corridors is also of benefit to the Northern Territory being one of the last areas in Australia to have significant portions of the three major access highways with only partial coverage. This has been the subject of election promises at both Commonwealth and Territory levels in the past.

There are significant portions of the Barkly Highway to Queensland, the Victoria Highway to Western Australia and the Stuart Highway to South Australia without mobile coverage. Provision of continuous corridor coverage is considered a significant priority, particularly to improve safety for travellers and to support the essential transport industry.

Question 3

Is the RAN model an effective sharing model for Australia?

Question 4

What other design options could be considered that provide multi-provider outcomes?

It is believed that the RAN model could be effective in introducing competition into regional and remote markets as it will minimise one of the costs associated with delivering services. However, it is not clear how this model will apply to small cell technology, particularly with satellite delivered backhaul.

As stated previously, increasing coverage is the primary priority in the Territory. Competition should not be an inhibiting factor in delivering additional coverage and any assessment should not weight competition over coverage.

Investigation with the industry into design options should be an ongoing program of work, given the changing technology landscape. The potential for new platforms, such as Starlink, Oneweb et al, to change the telecommunications ecosystem for remote areas should be considered and explored as a real possibility.

Question 5

Are there any comments on the funding cap for Round 5A and eligible costs?

No comment.

Question 6

Are there any comments that you wish to make in relation to eligibility to apply for funding?

No comment.

Question 7

Are there any comments that you wish to make regarding ways the program could assist potential state government and third party co-contributors?

The lack of co-contribution should not be a detriment to the success of an application. The NT Government has for many years contributed with the incumbent telecommunications provider in the NT to deliver telecommunications services to remote Aboriginal communities where national programs have been misaligned to community requirements and unable to meet this need.

This program continues and is allocated a significant portion of a limited Territory budget. Supplementation by the Australian Government, with telecommunications responsibility, is required to meet the funding necessary to deliver these much needed services.

Question 8

Are there any comments regarding the need for a shorter minimum operational period, particularly in remote and very remote areas?

Question 9

Are there any comments on the proposed equivalency requirement and 4G reference power levels for handheld and external antenna coverage?

A shorter minimum operational period is not supported.

The equivalency requirement is supported.

Question 10

What criteria should be used to identify key sites where independent power systems or redundant backhaul could be funded?

Question 11

Are there any comments regarding the requirement for at least 12 hours of auxiliary backup power for small cells?

The minimum requirement of 12 hours is considered insufficient for remote communities where cloud cover restricts the battery recharge through photovoltaic panels, causing significant telecommunications blackouts. In addition, rectification times can be extensive; outages of days and even weeks are unfortunately experienced.

Consideration should be given to the addition of alternative power generation systems as a standard for all remote communities as part of the funded installation package to support the telecommunications requirements essential for these communities. Operation and maintenance of this equipment could be provided by the local community, creating jobs.

In addition, as a requirement on the mobile network operator, a maintenance schedule for the site should be required, inclusive of the replacement schedule for batteries.

Question 12

Do you have any comments on the proposed assessment criteria?

The cost over coverage assessment would appear to be counterproductive when assessing coverage in remote communities. Rather, an assessment of whether the entire housing stock in community is covered would be more practical.

Additionally, some proposed elements of the value for money assessment would not appear applicable for small remote communities. It is unlikely that more than a single provider will deliver services, there will be no overlapping coverage and the cost to the Commonwealth will be higher than other areas.

The assessment process will need to account for the particular circumstances of small remote communities and, for equivalency, be weighted in favour of remote communities.

End