



# TONY PASIN MP

Federal Member for Barker



## MOBILE BLACKSPOT PROGRAM – SUGGESTED AMENDMENTS FOR ROUND 5A

As a Federal Representative of a large regional electorate, it is important to point out the need to improve Mobile Telecommunications is one of the foremost concerns of constituents in Barker.

Mobile phone coverage is no longer considered a luxury. It's a necessary tool for doing business and currently is an economic barrier for our regions and growing our Agricultural industries.

While telecommunications companies may look at profitability and return on investment with shareholders as their predominant concern, as Government we must look beyond the immediate economic returns for individual locations and continue to invest public funds with the social and wider, longer term economic benefits in mind.

While the first five rounds of the Federal Government's Mobile Blackspot program (MBSP) have been highly successful in delivering improved mobile phone service to regional and remote areas of Australia, there remains a large number of populated, economically vibrant regions that remain without even basic mobile phone service. Within the Federal electorate of Barker alone there remain almost 400 community identified mobile blackspots.

Many of these locations may be viewed by Mobile Network Operators (MNOs) as having low populations and therefore a low economic return and as such, no application will be made to the Federal Government program. Both push and pull approaches could be taken to address this issue.

### COMMUNITY LED DECISION MAKING

It is my view that Round 5A and future rounds of the Program should have a greater emphasis on local community priority rather than MNO profitability. This could be achieved by giving greater weight to community preferences within the application assessment process. Co-contributions from local Government, businesses and community organisations either financial or in-kind should be favoured. MNO applications to the program could be required to include an indication of strong community support.

### FUNDING CAPS

Increasing incentives for MNOs may also be required. The current cap of \$500,000 or 50 per cent Federal Government Funding could be removed or increased. In some cases this may increase ROI of locations that had otherwise be deemed by MNOs as uneconomic.

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## **MINIMUM OPERATIONAL PERIOD**

The current requirement for MNOs to maintain services at MBSP funded locations for a period of 10 years from completion should be considered for removal. As technology continues to advance the infrastructure required to provide mobile telecommunications now may not be what is required in years to come. Reducing the time frame MNOs from 10 years of service to five or six years may increase MNOs inclination to continue to invest in mobile phone towers in regional areas.

## **KEY TRANSPORT CORRIDORS**

Key transport routes should be considered as 'groups' or 'bundles' of towers and be given greater public funding than single towers alone. MNOs could be incentivised in a 'bulk buy' in deal where-by an increased percentage of Federal Funding be offered to cover larger sections of key strategic transport routes which have traditionally not attracted MNO applications because they provide less ROI than larger communities. Under this proposal, MNOs would apply for a section of highway or road that may require three or four towers as one 'bundle' application and attract a much high level of Federal Government Funding than individual towers.

## **INFRASTRUCTURE SHARING AND CONSUMER CHOICE**

While one of the intended outcome of the MBSP is to give greater choice of mobile network to consumers, with over 400 community identified mobile blackspots in Barker many consumers are less concerned about choice than they are about access to even basic coverage. While co-location and infrastructure sharing models are preferable and should be looked upon favourably in the application assessment process, addressing locations with no coverage should remain the priority of the program regardless of MNO choice.

While traditionally the mobile telecommunication network has been predominantly left to the private sector, its universal service has become a matter of public importance and therefore Government. In rural and regional Australia being connected is everything. Telecommunications are as important as our road network for productivity, safety and social benefit. No longer are mobile phones a choice or a luxury, they are an essential tool for doing business, a key piece of safety equipment and an integral part of delivering health and education outcomes in rural areas. No longer can we expect the private sector to deliver the level of service needed based on profitability to their shareholders alone. Government has a key role to play in the delivery of mobile internet and phone services to rural and regional residents not only for the economic and social benefit of those living in the regions but for the economic benefit of the nation.

While this submission has focused on issues raised in the discussion paper in the lead up to Round 5A of the Mobile Blackspot Program, I use this opportunity to reiterate my support and encouragement for continued and increased Government Funding in Mobile Phone Network just as Government has invested in the NBN.



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