Regional Telecommunications Review August 2018

Eyre Peninsula

Response to the Australian Government's Regional Telecommunications Review

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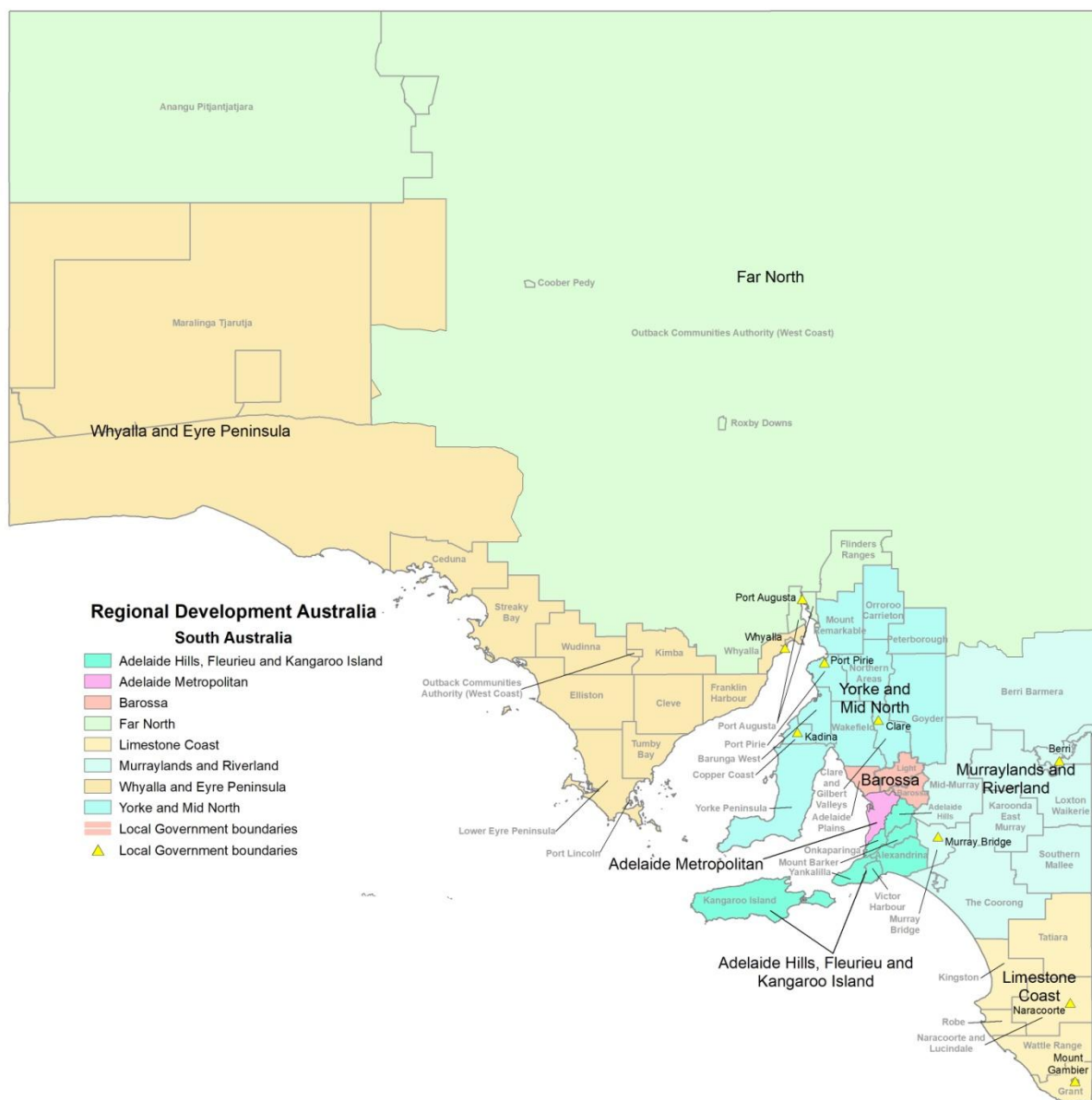Port Lincoln SA 5606

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Eyre Peninsula Telecommunications

The Regional Development Australia Whyalla and Eyre Peninsula (RDAWEP) region covers approximately 230,000km² (23%) of South Australia. The region is one of the most diversified economies in the State with key industries including agriculture, manufacturing, fishing, aquaculture, mining and tourism, supported by a vibrant and growing small business sector. Mining and tourism are the fastest growing industries, and opportunities for significant development in both sectors are emerging. The region has a very strong export economy and makes a major contribution to State and National wealth however economic growth is constrained by several infrastructure issues, including poor mobile communications for telephones and the Internet.

In 2014, the region had a population of 57,798 people, or about 3.5% of the South Australian population. Most of the population (65% or 37,642 people) live in the regional cities of Whyalla and Port Lincoln. The region is very productive, generating Gross Regional Product in 2014 of $4.195 billion. The region produces 82% of South Australia's seafood; 45% of the State's iron and steel manufacturing; and 40% of the State's wheat crop. The regional economy is extremely diverse, however the industry composition is changing. Based on employment generation, the main industries in 2013-14 were health and community services, manufacturing, agriculture, retail trade, construction, education and training, and mining. Tourism and mining are the region's fastest emerging industries and have significant potential for future growth. Diversity is one of the region's greatest attributes and underpins its comparative advantage and competitiveness. Industrial diversity is important for economic growth and sustainability because it gives the region resilience through not being reliant on a single industry or single product for its prosperity. The collective Councils occupy only 43,778.6km² or 18.8% of the region. In order to pursue the long term and sustainable economic growth of the region it is imperative that mobile communications in the Eyre Peninsula Local Government Association (EPLGA) sector of the region are improved as the highest priority.

Figure 1 Port Lincoln is the site for the proposed Hydrogen demonstration plant

Telecommunications are essential to maintain and grow business. Technology uptake is underpinned by solid communications. Grain farmers on the Eyre Peninsula accessing spot pricing for grain can be up to $5 a tonne better off if they have reliable mobile phone coverage on the farm. Vast distances between towns on Eyre Peninsula can be effectively overcome through video conferencing with the rollout of effective technology. Our renewable energy sector is also dependent on communication infrastructure. All new solar farms for example need to have a fast fibre connection installed so that they can be controlled and monitored from 700km away in the Adelaide head office of the electricity distribution and transmission companies.

Tracking of transport, livestock, grain, minerals and in fact all exports from Eyre Peninsula could benefit from improved telecommunications. The take up of autonomous vehicles for passengers, trucking and agriculture machinery will need fast internet services. Connecting grain farmers to export markets and containerisation from growers to niche markets through the proposed deep water port at Cape Hardy will benefit greatly

Figure 2 Autonomus cars rely on fast telecommunicatons

from an expanded reliable telecommunications network. RDAWEP is working with Electranet, South Australia's electricity transmission provider, to use the fibre currently installed along transmission towers to supplement existing coverage of black spots. Using existing resources to leverage investment to increase competition and lower prices will benefit the region. Billions of investment dollars in the pipeline will occur more quickly if we have assets to improve telecommunications. There is a strong correlation between investment and telecommunication assets.

Eyre Peninsula has been identified as a region with strong growth potential. For example Eyre Peninsula's visitor economy is currently at $300 million per year, with a forecasted potential of $511 million if our region improves its foundation infrastructure such as telecommunications and destination product. There are 3,000 tourism industry jobs in Whyalla and Eyre Peninsula, 1,500 direct and 1,500 indirect. This represents 6.4 per cent of regional employment. Investment in public infrastructure benefits both the local and visiting population and our goal is to build upon and sustain both.

TAFE and other training places can increase their effectiveness and reach with improved telecommunications. More students can benefit from online training and video conferencing with improved infrastructure. Research and development activities will also benefit, such as the Minnipa Agricultural Centre (MAC) situated in the District Council of Wudinna on Central Eyre Peninsula. MAC is comprised of a farming property, a SARDI agricultural RD&E team and the Eyre Peninsula Agricultural Research Foundation (EPARF). It serves the low rainfall (<350 mm annual) cereal and sheep growing areas of Eyre Peninsula – an area that represents about 12% of the total value of cereal production in the state, or about $200 million (ABS 2006/07). The main function of the MAC farm is to conduct, monitor and analyse broad scale RD&E programs to connect with and value add to low rainfall RD&E programs. MAC conducts these activities whilst demonstrating innovative and best practice farm management practices for low rainfall environments.

Port Lincoln is known for aquaculture such as tuna and abalone. Along with the fishing and maritime industries, improved telecommunications increases efficiency (monitoring oxygen and feed levels, identifying fish schools) as well as providing increased safety and communication.

In February 2014 the Eyre Peninsula Local Government Association (EP LGA) and Regional Development Australia Whyalla and Eyre Peninsula provided a joint submission to the **Mobile Coverage Program,** Mobile Black Spots in the RDAWEP region (attached pdf file: *Report - Mobile Black Spots in the RDAWEP Region February 2014).* The submission identified black spot areas, issue descriptions, number of premises impacted, relationship to transport and tourism routes and impacts on emergency services, social and economic/business impacts.

In February 2016 RDAWEP wrote the business case for the **Wudinna to Elliston Radio System Project** (attached word document: *Elliston Stronger Regions Submissions Draft V1)* for the National Stronger Regions Fund Round 3:

> *Elliston's internet and mobile phone services are at their breaking point. There is insufficient bandwidth to meet the current telecommunications needs – internet, mobile and Wi-Fi – and there is no telecommunications infrastructure in place (i.e. 'backhaul') to enable the expansion of this bandwidth to meet the existing and future needs of business, government service providers (Health, Education, Emergency Services), the local government, residents and tourists.*

> *The existing capacity of the radio network, for the entire township, is 26 Mbps (megabits per second). In Elliston, the 3g network provides data capabilities of 1.3 Mbps (download) and 0.3 Mbps (upload). By comparison, individual mobile phone users in Sydney, Melbourne and Brisbane are able to access more information p/s than the entire township of Elliston.*

> *Unfortunately, while the NBN satellites will solve internet connectivity issues for remote properties, they are not capable of solving the telecommunications needs of a township. The satellite technology does not allow for the progressive upgrading of capacity to meet the progressive-expansion of demand for high-volume internet traffic.*

> *In addition, the NBN satellites will not offer any improvement to mobile or Wi-Fi services in Elliston. Mobile delivery is not currently part of the NBN business plan, nor does the NBN currently have a satellite product that allows for Wi-Fi sharing.*

In July 2017 Federal Member for Grey, Rowan Ramsey and Minister for Regional Development, Fiona Nash announced on Monday 31st July that Elliston will receive high-speed telecommunications services with the support of $1.3 million from the Federal Government's Building Better Regions Fund (BBRF). RDAWEP, with a great deal of help from Telstra and District Council of Elliston, prepared the BBRF grant application and the necessary support documents. These included the business case, project management plan, procurement plan, risk management plan, and the cost benefit analysis. Telstra prepared an asset maintenance and management plan to complete the suite of documents.

Jointly funded by a $1.34 million contribution from the Coalition Government, $100,000 from the State Government, $80,000 from District Council of Elliston and $1.04 million and in-kind support of $1.06 million from Telstra, the project will include the installation of optic fibre, transmission equipment and tower upgrades.

In March 2018 two new mobile base stations at Sheringa and Cungena have improved the mobile reception for residents and visitors to the area. The two sites were officially launched on March 9, improving the 3G and providing 4GX reception. Telstra's South Australian area general manager Mark Bolton said the construction of the towers – under the federal government's Black Spot Program – was the result of a $490-million co-investment by Telstra, the federal government and state and local governments.

The **South Australian blackout of 2016** was a widespread power outage in South Australia that occurred as a result of storm damage to electricity transmission infrastructure on 28 September 2016. The cascading failure of the electricity transmission network resulted in almost the entire state losing its electricity supply. RDAWEP surveyed the region (see attached word document: *RDAWEP Blackout Survey Sept 2016*) after the event and received 325 responses. One of the key issues was the loss of telecommunications. In the 12 months prior to the blackout, 85% of respondents reported an outage in mobile phone service, 51% an outage in landline service and 80% an outage in their internet service.

In August 2018 RDAWEP conducted a survey across the Eyre Peninsula to help inform the Australian Government Review into Regional Telecommunications (survey monkey link attached in email).

RDAWEP received 124 responses from people eager to have their say on the services in the region. The popular sentiment across the Eyre Peninsula as to *why people can't increase their use of digital technologies* is a *lack of reliable internet coverage and speed* prevents them from doing so. The functionality of the NBN was a hot topic and many were not aware of the Sky Muster Satellite service. Others were doubtful of its reliability, and as a whole it would appear that the region views itself as somewhat disconnected.

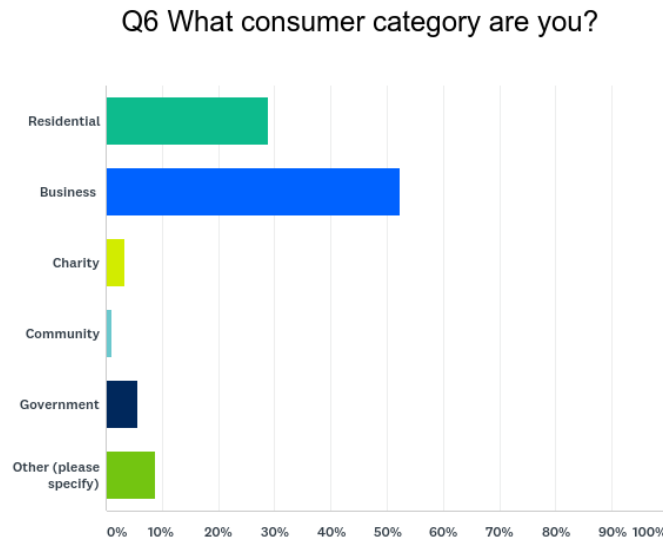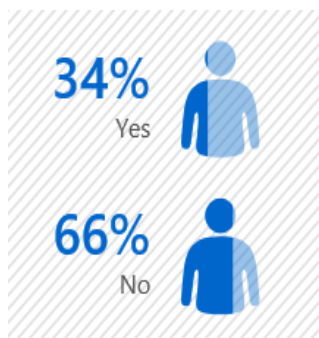The highest number of responses were from local businesses:

Q6 What consumer category are you?

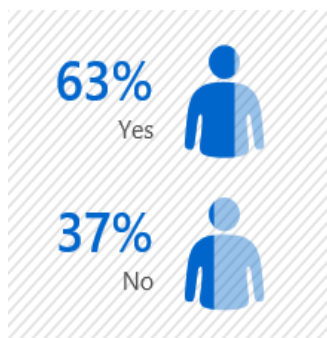**Figure 1 Q6 from RDAWEP Telecommunications Survey**

Many of these businesses, especially those in more rural areas, feel they are struggling to keep up in the age of technology without reliable and affordable internet services. A local Ceduna resident shared his view on the matter, explaining,

> *"We have to move with the times and keep up with our metropolitan clients. We need to replicate all the digital services that are offered by the businesses that originate in digital technological rich areas like capital cities both in Australia and Overseas or we will lose clients. The age of digital technology now means you don't have to live in a Capital City to have a productive, profitable business. You can live regional and remote and deal on the world stage so long as we have a fast, reliable broadband internet service."*
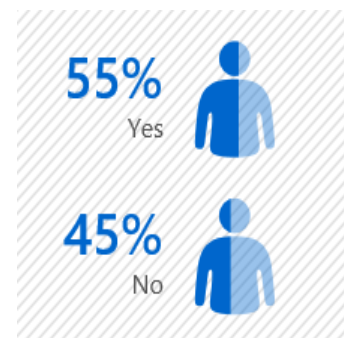
A lot of respondents seem keen to embrace technology, they are just hoping to improve the services available. In fact 63% of people surveyed believe they do have the skills to get the most from their digital technologies, while the other 37% often rely on YouTube tutorials or family, friends and colleagues to improve their skills. There were a few suggestions for TAFE courses or workshops on digital skills to provide hands on learning for those who aren't confident in their abilities.

34% Yes
66% No

Is information readily available to you regarding how to use devices to improve mobile reception in areas with poor coverage?

63% Yes
37% No

Do you believe you have the skills to get the most from your digital technologies?

55% Yes
45% No

Have you had ongoing issues affecting your satellite or fixed wireless broadband service?

One of the key trends which appeared is that many people are unhappy with the poor mobile coverage and black spots throughout the region. As you can see in the chart below, out of their fixed line network, the NBN and their mobile network, more than half of people identified their mobile network as their biggest problem.

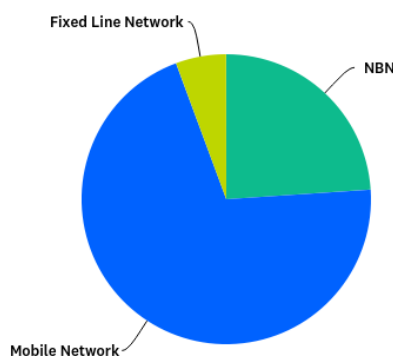## Q15 What is the main service you are having an issue with?

Figure 2 Q15 from RDAWEP Telecommunications Survey

According to many of the respondents, not only do mobile black spots impact people on a daily basis by obstructing their ability to make a phone call or send a text, the lack of coverage can be unsafe. Attention was called to the fact that if there is no coverage in remote areas then people may not be able to reach emergency services when they're needed. When we asked how these issues could potentially be overcome, there was a resounding call for more towers.

Overall we received a good number of responses to the survey and we'd like to thank everyone who took the time to complete it. We will now be able to pass the information we received on to the government to help inform their regional telecommunications review.

However, because black spots and mobile coverage have emerged as prominent issues facing Eyre Peninsula residents, RDAWEP will be collecting more information to update mobile black spots across the region.