



Australian Government



Australian
**Small Business and
Family Enterprise**
Ombudsman

2 August 2018

Department of Communications and the Arts
AGP Box 2154
Canberra ACT 2601

By email: secretariat@rtirc.gov.au

Dear Sir/Madam

REGIONAL TELECOMMUNICATIONS REVIEW 2018

Australian Small Business and Family Enterprise Ombudsman welcomes this review as we recognise that small business in regional Australia continue to suffer from a slow NBN roll-out, mobile black spots, areas with slow or no internet coverage, and a lack of choice of telecommunication providers who can provide a reliable service.

Our consultations with small business and industry associations identified that the critical issues in regional areas include the lack of an internet connection and poor download/upload speeds. The digital infrastructure in regional communities is simply not up to standard, hampering small business access to new and emerging technologies and getting in the way of a small business realising its potential. Small businesses that are digitally engaged are more efficient, they are twice as likely to be growing and they are four times more likely to be employing staff, so it is an understatement to say connectivity matters to small business.

During our consultations, we heard from businesses in Western Australia farming communities who are unable to connect to the internet at all. They overcome this barrier by driving to the city for an internet connection for simple day-to-day business activities such as sending e-mail. In other instances small businesses use the 3G or 4G network; a costly work solution.

It is essential that all regional businesses are able to connect to the internet with a reliable and fast upload speed. Until simple connectivity issues are solved, small business in regional areas will not be able to increase their use of digital technologies, such as E-invoicing, single touch payroll, blockchain and other online applications that make running a business easier. This modernisation of small business requires educational programs to be delivered. Digital literacy education programs will also help build foundations for small business, paving the way for more advanced programs in conjunction with industry bodies. However, there is little point in trying to modernise regional businesses without the ability for them to use the technology.

We further note that fixed wireless connections are an expensive and unreliable means to access the internet. To address this issue, providers should buy more bandwidth without passing the cost on to customers. Government grants could encourage service providers to invest in expensive infrastructure in areas with small populations or complex geography.

Thank you for the opportunity to comment. If you would like to discuss this matter further, please contact Jill Lawrence on 02 6263 1558 or at jill.lawrence@asbfeo.gov.au.

Yours sincerely

Kate Carnell AO

Australian Small Business and Family Enterprise Ombudsman