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Dear Mr O’Leary

### **Regional Mobile Infrastructure Inquiry 2022-23 (the Inquiry)**

The Australian Government’s 2021 Regional Telecommunications Review (the Review) highlighted several challenges regional communities and small businesses face with regards to telecommunication services. Many of the key findings and recommendations from the Review carry relevance to this inquiry, including the importance of:

- improving wholesale and retail service, performance, and reliability;
- expanding reliable mobile coverage in priority areas;
- meeting increasing, ongoing demand for data that currently causes network congestion; and
- increasing reliability of mobile networks during and after natural disasters and emergencies.<sup>1</sup>

Over 70,000 people moved to regional areas in 2020-21, and unless mobile connectivity is improved, government regionalisation agendas and aspirations to lift small and medium business digital capability are not achievable.<sup>2</sup> As such, we provide the following comments:

#### **1. Consideration should be given to the development of a framework that prescribes service standards for small business mobile phone services in regional, rural, and remote areas.**

We acknowledge the Universal Service Guarantee (USG) was established in 2021 to guarantee all Australian’s access to broadband and voice services. However, the USG excludes coverage and reliability of mobile services due to universal coverage concerns in remote locations.

As services and coverage are expanded into more remote locations, the combination of relative low usage and higher costs make investment in mobile phone infrastructure unprofitable and unattractive to service providers. As such, we recommend government develop a mobile service standards framework to mandate a minimum level of annual public and private investment in regional mobile infrastructure, and the maintenance of current 3G coverage in regional areas until an alternative 4G or 5G service is made available.

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<sup>1</sup> Department of Infrastructure, Transport, Regional Development, Communications and the Arts. (13 December 2021). 2021 Regional Telecommunications Review - A step change in demand

<sup>2</sup> ABS. (29 March 2022). Regional population; PMC. (2021). Digital Economy Strategy 2030

**2. The Government should consider developing a framework that promotes stakeholder co-operation to plan, invest in, and build fit for purpose mobile infrastructure that achieves high-quality value for money services.**

Mobile service providers and regional communities have competing priorities on how to improve coverage, promote competition, and reduce costs. Such competing priorities have been noted in recent submissions to the ACCC regarding Telstra and TPG's proposed sharing of mobile regional and non-urban network infrastructure.<sup>3</sup> Service providers have identified that infrastructure sharing may reduce competition, whilst regional communities, including their cohort of small businesses, strongly support the infrastructure sharing opportunity to improve mobile coverage.

A government issued framework could establish shared expectations of mobile networks to collaborate on mobile infrastructure investment and address competing priorities with mobile service customers, delivering improved and financially competitive mobile servicing capability in regional Australia. We recommend the framework be applied as a condition of funding where public co-investment occurs as part of Commonwealth-led network enhancement programs such as the Mobile Black Spot Program, Regional Connectivity program, etc.

**3. Reliable, robust, and resilient mobile coverage along major transport routes is critical to provide essential services to travellers and adjacent communities.**

The digital economy is an essential service which regional or isolated communities rely on to be socially and commercially viable. Fit for purpose, affordable services are critical to enhance sustainability, road users' safety, and grow small businesses.

The Mobile Black Spot Program, Regional Connectivity program and State and Territory co-investment programs have been vital to ensuring that rural and remote small businesses have access to quality telecommunication services. It is important that adequate ongoing funding is committed, and consideration given to the expansion of these programs to improve services in regional Australia.

**4. Telecommunication resilience programs are essential to ensure small businesses and their communities have access to telecommunications services during and after natural disasters.**

Critical mobile infrastructure needs to be fit for purpose and appropriate funding allocated to harden assets in preparedness for a natural disaster. Greater long-term investment in the Mobile Network Hardening Program would increase the resilience of Australia's regional mobile networks to help prevent, mitigate, and manage outages during bushfires and other natural disasters.<sup>4</sup>

Programs that improve temporary and portable telecommunications infrastructure, such as cells on wheels and mobile exchanges on wheels provide small businesses with rapid access to mobile services in the aftermath of natural disasters. Such infrastructure is key to ensuring that small businesses recover quickly and have access to essential services and online customers.

Thank you for the opportunity to comment. If you would like to discuss this matter further, please contact Sarah Blyton on 02 5114 6128 or at [sarah.blyton@asbfeo.gov.au](mailto:sarah.blyton@asbfeo.gov.au).

Yours sincerely



**The Hon. Bruce Billson**

Australian Small Business and Family Enterprise Ombudsman

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<sup>3</sup> ACCC. (2022). Submissions to Telstra Corporation Limited and TPG Telecom Limited proposed spectrum sharing. Accessed 27 July 2022.

<sup>4</sup> Australian Tenders. (2021). Mobile Network Hardening Program – Stage 2