



STATEMENT – RURAL AND REGIONAL COMMUNICATIONS – URGENT NEED FOR A BIGGER PICTURE

Wednesday 10th April, 2013.

James Harker-Mortlock, independent candidate for Hume, made the following statement today : “It is disappointing to see that neither of the major parties appears to have any real commitment to improving communications in rural and regional areas in the foreseeable future. The digital divide between the cities and rural and regional areas is destined to continue under the Liberal’s NBN plan.

The disappointingly unimaginative announcement made yesterday by the Shadow Minister for Communications, Malcolm Turnbull, attempts to speed the roll-out of the NBN by providing an inferior service. However, there are some constants in technology which the Liberal plan tries to ignore – whatever you are planning will always take longer, be different from, cost more and be out of date sooner than you thought. Many of the problems inherent in the current NBN plan will continue under the Liberal plan – except some problems are made worse and some new problems are created. This all calls into serious question whether the savings in time and money proposed by the Liberal Party plan will be achieved.

Apart from some cursory references there is no real commitment by the Liberal Party to ensure that rural and regional Australians do not continue to be disadvantaged by receiving substandard communications services. The Liberal Party policy is a policy for suburban areas. The Liberal Party policy makes gestures at the need for equality between the cities and rural and regional areas, but does nothing concrete to deliver that equality.

There is little reference to improving or extending satellite or fixed wireless services in the policy. Despite its claims to the contrary, the Liberal Party policy continues to focus on a fixed hard-wired broadband connection – such a service will never ever reach most areas of rural and regional Australia. I cannot find one area in Hume which is even on the current NBN roll-out plan. The Liberal Party provides no details of how the roll-out to rural and regional areas will be improved. It appears that the only options available to most residents of Hume will continue to be the NBN Co Interim Satellite Service or sub-standard and expensive ADSL or wireless services.

The Liberal Party refers to attempting to obtain better value from the NBN satellite service through involving private operators or ownership of the two Ka-band satellites currently being acquired by NBN Co at a cost of \$620 million and which will cost \$300 million to launch. Apparently, there is also some doubt that there will be slots left for the NBN satellites to orbit over Australia, but that is yet another potential dilemma. However, what is the plan if private enterprise does not wish to be involved in the NBN satellites? Why doesn’t the Liberal Party consider extending the use of the two expensive satellites to rural and regional areas generally rather than just to remote areas and offshore territories as is currently intended? Or does this depend upon private sector involvement – yet to be seen? If it is the plan, it is not stated.

No imagination is shown in ways in which to improve not only internet broadband but, as importantly, mobile telephone communications and digital television services in rural and regional areas. One might have hoped for some plan to speed roll-out of improved services to the bush by way of connecting optical fibre to an increased number of nodes (which could be located at government offices, rural fire service centres, libraries, etc) from which connection could be obtained via fixed wireless connection. Thought could have been given to using government as a driver by combining decentralisation of government offices with construction of the NBN optical fibre cable and using those same offices as a fixed-wireless hub connection for surrounding businesses and residents, but it wasn’t. The Liberal Party could have considered funding community towers connected to the NBN optical fibre cable which could act as nodes for connection to the NBN either via fixed wireless or cable, and as transmission points for both mobile and digital television transmission, but they didn’t. In fact, digital television is overlooked entirely in the Liberal plan. The residents of Crookwell might be interested in that omission.

However, the type of imaginative thinking which I am suggesting requires an acceptance that there is a role for government in building and maintaining rural and regional communities. The ideologues of the Liberal Party see no such role for government, preferring to create investment opportunities for their colleagues at the big end of town. If their colleagues do not wish to make the investment required to deliver services to rural and regional communities, then the Liberal Party is happy to let communities go without, using the excuse – ‘it’s not our responsibility’. Well, it is.

In general, it appears that the Liberal Party bases its plans for improving mobile and wireless communications in regional areas upon introducing private operators to do the job. The Liberal Candidate for Hume claims via his Facebook site that internet speeds in rural areas will improve, that costs will reduce, and ‘black spots’ will be filled. However he fails to mention that these things will only happen if private operators come into the field. If those private operators do not appear, then the service to rural and regional residents will continue to be sub-standard, or non-existent, as it is now.

No reference is made by the Liberal Party to the need to look urgently at the government’s proposed April auction of the 700 MHz (the ‘digital dividend’) and the 2.5 GHz bands spectrum suitable for 4G services. The government has set a reserve price so high at \$3 billion that it is possible that few if any carriers apart from Telstra and Optus will be prepared to bid. Given that almost half of Australia’s adult population now own a smartphone - with take-up soaring by 104 per cent to 8.67 million units over the 12 months to May 2012, according to research released in February by the Australian Communications and Media Authority - then the Liberal Party should have placed far greater emphasis upon ensuring mobile communications in general, and in rural and regional areas in particular, in its plan.

The Liberal Party acknowledges that ‘it will take time’ to negotiate arrangements, such as those with Telstra and the HFC network operators, in order to implement its new plan. The original negotiations in regard to the NBN lasted months and there is every reason to expect that will be the case again. The negotiations may not even be successful. The Liberal Party acknowledges also that it will take ‘four quarters’ (i.e. one year) for NBN activity to reflect any changed policy.

So how long are we talking about altogether – negotiations – 18 months? Then four quarters? Three years? Longer? What happens to the roll-out in the meantime? Does it continue, does it stop, what? The longer the delay the less difference in cost there will be between the Liberal Party plan and the existing NBN roll-out.

There will be significant costs associated with the maintenance of the copper wires which the Liberal Party now appears to wish to acquire from Telstra. I could not find the estimated cost of this maintenance in the Liberal Party document. Inevitably, the copper will need to be replaced. In some areas, it will need to be replaced now in order to implement the Liberal Party plan. I suspect there is no plan for this eventuality – or does the Liberal Party expect consumers to pay?

Greenfields sites – what is the Liberal Party plan here? Under current legislation it is illegal for a developer to install connections to the existing Telstra copper network. So what happens in a place such as Yass where there is no planned roll-out for the appearance of the NBN optical fibre cable and there are no other realistic options on the table? With the Liberal Party’s reduced NBN roll-out plan there is less chance than ever of greenfields sites in rural and regional areas receiving the NBN optical fibre cable. Are residents doomed to be seeking to connect to sub-standard mobile or fixed-wireless connections – if they exist? Will the Liberal Party say, too bad, no private operators wanted to provide service in your area? What happens if the required legislative changes are not passed by Parliament? What is the plan? There isn’t one.

There are significant security and maintenance issues with the boxes supposedly to be placed at the end of every street along which the optical fibre cable will roll. The silliness of this concept is almost beyond comprehension. I am not expecting to see a box at the end of any street in my neighbourhood any time soon.

The Liberal Party states also that its preferred option will be to privatise the NBN – who will want to buy a network consisting of ageing copper connections at its very tips? If any entity were prepared to acquire the Liberal NBN contraption, it would almost certainly continue the long tradition of ignoring rural and regional areas on the basis of ‘lack of demand’. If anyone were looking for a big picture approach to improving communications services in rural and regional areas, then don’t bother reading this sad attempt from the Liberal Party. The Liberal Party had a real opportunity to ‘think big’, especially for rural and regional areas, but passed the opportunity by. Overall, a very disappointing effort from people who should know better. Fail.” ENDS

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