



**National
Farmers
Federation**

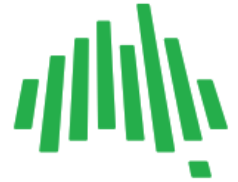
National Farmers' Federation

**Submission to the ACCC Regional Mobile
Infrastructure Inquiry 2022 - 2023**

16 August 2022

NFF Member Organisations





Mr. Grahame O'Leary
Director
Transmission and Facilities Access Section
Mobiles, Transmission and Consumer Branch
Australian Competition and Consumer Commission

Via email: rmii@accc.gov.au

Dear Mr. O'Leary,

The National Farmers' Federation (NFF) and Regional, Rural and Remote Communications Coalition (RRRCC) welcome the opportunity to provide a submission to the Australian Competition and Consumer Commission (ACCC) *Regional Mobile Infrastructure Inquiry: Consultation Paper* (herein Consultation Paper).

The NFF is the voice of Australian farmers. The NFF was established in 1979 as the national peak body representing farmers and more broadly, agriculture across Australia. The NFF's membership comprises all of Australia's major agricultural commodities across the supply chain. Operating under a federated structure, individual farmers join their respective state farm organisation and/or national commodity council. These organisations form the NFF.

The RRRCC is an alliance of volunteer and advocacy organisations with a shared interest in improving telecommunications in the bush. The Coalition was formed in 2016 to raise awareness of the important role of connectivity for regional, rural and remote Australians and to advocate for continued improvements. The NFF provides the secretariat services to the RRRCC.

The NFF has a target of reaching \$100 billion in farm gate output by 2030. This target forms part of our ambitious 2030 Roadmap – our plan to grow and advance our sector in the coming decade. A key element to achieving this target will be ongoing improvements to telecommunications and connectivity services in regional Australia. The NFF is committed to advocating for regional communities to have **accessible, reliable, quality and affordable** telecommunications and connectivity services.

The NFF notes that much of the specific focus of the Consultation Paper is to collect costing and operations information pertaining to mobile infrastructure and networks. The NFF cannot provide significant detail in this regard. This submission will seek to outline the importance of mobile connectivity to regional communities, the NFF's positions on regional network infrastructure and the merits of investigating mobile roaming in emergency situations.

The importance of mobile connectivity to regional Australians

Regional Australians, like their metropolitan counterparts, place significant importance on the coverage, reliability and resilience of mobile communications. Mobile connectivity plays a vital role in supporting the everyday business, education, social and health outcomes of regional Australians. As the 2021 Regional Telecommunications Review (RTIRC) noted:

*'Reliable access to mobile connectivity continues to be of critical importance to people living, working and travelling in regional, rural and remote Australia. Indeed, the vast majority of individual submissions to this Review have highlighted both the role that mobile coverage plays in the economic productivity and social wellbeing of regional consumers, and conversely, the serious impacts that a lack of mobile reception can have when people need it most.'*¹

That said, the importance placed on mobile connectivity by regional Australians is simply reflective of what is expected by the broader community. A recent national survey by the Australian Communications Consumer Action Network (ACCAN) asked respondents whether they considered landline, mobile internet, mobile phone or home internet services to be essential – that is, services that no one in Australia should have to go without today. Mobile phone services were considered the most important, with 84% of respondents identifying it as essential.

While programs to support mobile infrastructure expansion have seen increased coverage in recent years (though largely concentrated in regional and rural areas), connectivity and service quality issues remain. An oft-described issue is that of "salt and pepper connectivity" referring to the localised connectivity gaps on, across and between farms. This can impact online administration tasks, the digital functionality of equipment, and the ability to adopt new technology.

The NFF undertakes a triennial telecommunications survey of its members to support its submission to the RTIRC reviews. The key mobile-related findings of the 2021 edition supported the assertion that regional Australians rely heavily on mobile services but continue to face coverage and service quality issues. The key results were:

- Approximately 50% of the respondents rely on mobile data for connectivity and less than 5% use satellite technology to connect;
- 32% of respondents only have constant or reliable mobile network coverage on 1-24% of their property and over 10% have no connectivity at all;
- Approximately 45% of respondents believed the quality of the mobile network coverage at the main residence had declined in the past 12 months; and
- 50% of respondents reported the reliability of mobile network coverage had declined.

Given the clear importance regional communities place on mobile connectivity and the ongoing perception of coverage and service quality issues, the NFF believes this inquiry is extremely pertinent. Mobile communications infrastructure, and the regulatory and commercial settings surrounding it, need to meet these reasonable

¹ 2021 Regional Telecommunications Review – A step change in demand. Final report (p43).

service expectations and best support ongoing improvements to overcome the challenges being faced.

Regional mobile infrastructure

Investment support programs

Given the importance placed by regional users on mobile connectivity outlined in the previous section, the NFF has long supported infrastructure investment programs aimed at improving and expanding mobile coverage. The Mobile Black Spots Program (MBSP) has delivered material increases to regional mobile infrastructure, particularly in the earlier rounds of investment. Though as is now frequently noted, the commercial incentives for network operators have reduced as the investments are being made in areas with fewer customers.

To this end, the NFF has advocated for the establishment of a significant (multi-billion dollar) fund to provide certainty for regional and remote mobile network infrastructure rollout into the future. Not only do we see this as critical in addressing the connectivity challenges that remain, but the provision of funding certainly – that is being beyond budget appropriations – may provide confidence to additional carriers that public support for network expansion into regional areas will persist, such that it would help them achieve appropriate scale in their regional networks.

More specifically, as the investments programs such as the MBSP mature, we have supported the implementation of more innovative and flexible program guidelines. For example, Round 5A of the MBSP funded a trial for a neutral host radio access network and the development of a ‘fourth’ mobile network in regional Australia.

The NFF has also strongly supported the Regional Connectivity Program (RCP) as a means to provide a range of location-specific solutions where a community has identified connectivity being an issue. We welcomed the new Government’s \$200 million commitment to continue such place-based programs, taking guidance from the RCP. In doing so, there needs to be increased educational resources, and designated facilitators who can assist local communities in addressing such local place-based solutions.

Additionally, we have advocated for increased support for the adoption of ‘last mile’ type connectivity solutions, including on-property signal enhancers such as Cel-Fi units offered by many carriers. These often allow users to magnify limited signal, providing coverage to places such as homesteads, work sheds and yards. We would encourage the consideration of the role of such products in extending coverage and leveraging infrastructure investments to as many customers as possible.

Neutral host solutions

The Consultation Paper also outlines the potential role of neutral host solutions in the mobile infrastructure landscape. The NFF supports neutral host solutions as a means of supporting network expansion and service competition. As noted in the Paper, while the MBSP provides for co-location of network infrastructure, to date only 8% of funded sites have more than one Mobile Network Operator (MNO) located on them. The NFF has previously called for investigation into incentives for MNOs to co-locate equipment on new towers funded by the MBSP as well as to those who grant full network access to Virtual MNO in regional areas. To this end, we

supported recommendation 10 from the 2021 RTIRC review that preference is given to Government funded mobile infrastructure which provides shared network access.²

A key advantage of infrastructure being available on an open access basis would be the minimisation of the duplicative cost of multiple providers installing equipment. NFF members frequently note that multiple mobile towers supporting individual carrier assets are located in close proximity. While appreciating that coverage competition forms a key element of the current competitive landscape, it's the NFF view that improved investment efficiencies may represent an opportunity to support ongoing infrastructure investment. This may be especially so in areas presenting diminishing returns under a sole assets owner/network operator model.

In this regard, the NFF sees merit in the ACCC reviewing overseas models of neutral host solutions. While appreciating the differences in operating environments, there would be value in seeking insight from such models as to ways of encouraging network infrastructure efficiency while maintaining a competitive environment that promotes service competition and innovation.

Recent developments in the Telecommunications tower and infrastructure market

The NFF supports the ACCC's investigation into the impacts of recent market developments, such as tower divestments by carriers, on the mobile infrastructure market. While the NFF largely can not speak to the specifics of these arrangements, more broadly we would encourage the review to consider whether such market development has resulted in more carrier-neutral operators and if this may support increased coverage in regional areas. Where tower asset owners are less vertically integrated, such arrangements (akin to government-supported neutral host solutions) may better incentivise tower operators to seek additional carriers in an area, and in doing so represent a more effective deployment of infrastructure capital.

As noted in the Consultation Paper, the retained equity position of a carrier in the divested asset entity should also be considered in this regard. While such ownership decisions are the prerogative of the parties involved, it would be reasonable to expect that the motivations for an asset operator to attract multiple carriers may be impacted by the retained equity levels of a competing carrier.

Beyond passive and active tower infrastructure, the NFF has long advocated for consideration being given to the role of new technologies in the provision of mobile services. For example, while not explicitly new technology, the recent launch of low-earth orbit satellites, including by a major carrier, may provide alternative mobile connectivity solutions. The opportunity presented by such developments and their resulting impact on more traditional mobile infrastructure markets should be considered as part of this review.

The merits of investigating roaming in emergency situations

Like all Australians, regional communities have experienced a range of natural disasters in recent years. Not only have these put peoples' lives at risk, but they have had significant impacts on the ability of regional Australians to operate their

² 2021 Regional Telecommunications Review – A step change in demand. Final report (p13).

businesses and access health and education services. This impact is felt not just during the events, but in many cases for an extended period following.

The NFF supported RTIRC recommendation 9, which encouraged the Government to undertake a feasibility study to consider the capability for mobile roaming to be deployed in emergency circumstances. Similarly, we welcomed the previous Government's instruction for the ACCC to commence such a review.

The NFF believes roaming in emergency situations is a common sense initiative, and supports the principle that no one in an emergency situation should have potentially lifesaving communications not available simply due to not being a customer of a particular network.

While triple zero emergency calls are permitted on all networks, many instances arise during emergency situations that do not require these emergency calls but are of no less importance to individuals. The geographical spread of households in regional areas can make responses by emergency services often difficult, if not impossible. Key information is often relayed via mobile communications between family members, neighbours and the broader community. An example of this being those in transit being caught in a situation, such as fire or flood, and requiring assistance.

Moreover, in many natural disasters, emergency services have explicitly outlined to some regional communities that during the acute event period, emergency services assistance will simply not be provided. This further demonstrates the need to ensure every effort is made to provide the most unrestricted communications channels where possible in these circumstances. For instance, during bushfires, the resource constraints of local bush fire brigades often see inter-neighbour responses put in place to protect properties and assets. While UHF services play a key role in communicating during these periods, often mobile communications are utilised in conjunction. UHFs are most often only installed in work vehicles and in some instances a base station in the main residence, so additional communications methods are often needed when handheld radios do not suffice.

To ensure the temporary roaming arrangements best meet the needs of consumers, text, voice and data services should all be made available during emergencies. This would include, for instance, calls that may need to be placed to triple zero via the Video Relay Service or other National Relay Service calling options which require text or data capability.

As noted in the Consultation Paper, further work needs to be undertaken to determine practicalities such as defining natural disaster periods, network capacity constraints and other technical requirements. We would encourage carriers to engage in this process in good faith, recognising the unique circumstances that emergency situations present.

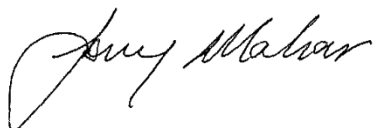
With regards to customer charges under a temporary roaming scenario, the NFF is not advocating that MNOs unduly carry the costs to service use by customers of other networks. Appropriate mechanisms should be investigated so that costs are appropriately accounted for and attributed to the right carriers/customers if roaming was to be put in place during these periods.

More broadly, the NFF has previously welcomed the Strengthening Telecommunications Against Natural Disasters (STAND) program rolled out following the 2019-20 bushfire season. This program was principally concerned with providing upgrades to backup power supply at telecommunications facilities in disaster-prone areas, these upgrades increase battery backup operation to at least 12 hours and were expected to be completed by the end of 2021.

Similar to our support for the STAND program as a means of building network resilience during times of natural disaster, we see the investigation of mobile roaming in these circumstances as another mechanism to improve connectivity resilience. While not related to individual asset resilience, when taken as a whole, the ability to utilise any network available provides increased coverage resilience at the user level.

Should you seek any further information please do not hesitate to contact Mr. Christopher Young, General Manager, Rural Affairs at cyoung@nff.org.au or at (02) 6269 5666.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Tony Mahar', with a large, stylized initial 'T'.

TONY MAHAR

Chief Executive Officer