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Subject: 2011-12 Regional Telecommunications Review Issues Paper

AgForce Queensland (AgForce) was established in 1999 and is the peak body representing thousands of Queensland beef, sheep and grains producers who recognise the value in having a strong voice. These broad-acre industries manage 80% of the Queensland landmass for production and most rural and regional economies are dependent on these industries directly and indirectly for their livelihood. AgForce delivers key lobbying outcomes and services for members and presents the facts about modern farming to consumers through the Every Family Needs A Farmer campaign. AgForce welcomes the opportunity to provide a submission to the inquiry into regional telecommunications services.

The following considerations were originally raised in our submission to the House of Representatives Standing Committee on Infrastructure and Communications inquiry into the National Broadband Network and again during a Regional Telecommunications Independent Review Committee public consultation, held recently in Toowoomba.

There are a number of key principles that AgForce would support in the context of telecommunications service delivery and overlay other considerations. These include:

- An understanding of the vital role of telecommunications services in the health and wellbeing of regional and remote Australians
- The importance of telecommunications in business performance and innovation
- Reliability of services given the often remote or isolated nature of rural Australia
- Equity in service quality, delivery and affordability with the urban population
- Flexibility in service delivery to meet diverse regional community needs
- Promotion of competition within the telecommunications marketplace to ensure low priced service delivery.

- **The delivery of government services and programs**
 - The needs of people living in rural areas, particularly in remote parts of Australia, are not dissimilar to the needs of people living in metropolitan areas but entail greater challenges in satisfying them. Health, education, law enforcement, emergency services and welfare are examples of some of the services that incorporate the use of the telecommunications network for their delivery to the public. The three levels of Government hold the shared responsibility to manage and provide universal accessibility to the Australian people of these services. In rural areas delivery of these services is intrinsically linked to the availability and quality of telecommunications.

The Network Reliability Framework and Customer Service Guarantee contribute to ensuring the provision of telecommunications services in regional Australia and it is

important that these mechanisms are maintained and a minimum standard of service guaranteed.

- **Regional economic growth and employment opportunities and business efficiencies**
 - Providing regional, rural and remote businesses with a reliable, accessible, affordable telecommunication service, including genuine broadband access gives these enterprises the opportunity to grow from operating at their local region to an international setting. The potential for tele-working enables significant income diversification and generation opportunities for primary producers while remaining on-farm and within the community. Modern agricultural practice depends on information technology and telecommunications advances to achieve innovative practice and the labour-saving outcomes that drive productivity improvement in the rural sector. By providing producers with an effective telecommunications system, a gateway is created that allows for easy access to information on sustainable farming practices, as well as a system to network and manage on-farm technology which is used in everyday operation.

Business efficiencies and revenues rely on telecommunications; farmers with reliable access use the internet for a variety of on-farm practices, including weather reports, on-site remote monitoring through telemetry for issues like bore flow and livestock watering, automated medication for livestock and automated drafting or managing grazing pressure on landscapes.

Improved telecommunications services would also provide greater opportunity for diversification of regional economies through accessing the digital economy. AgForce believes this would positively impact regional growth and productivity in those regions with the potential to increase market competitiveness. Agriculture has the capacity to capitalise on a range of telemetry innovations and labour saving solutions to increase efficiency, however these cannot be integrated into businesses without the assurance of effective mobile coverage for both voice and data (4G).

There is currently relatively poor access to IT facilities and communication networks faced by many broadacre primary producers in Queensland. ABS data (8146.0.55.001 - Patterns of internet access in Australia, 2006) indicates that characteristics associated with lower levels of access to the internet include being in a regional, rural or remote location (40% less likely to have broadband), income and educational levels, as well as age (people in the age group of 65 to 74 being 42% less likely to have broadband than 35 to 44 years old). These characteristics are reflective of the primary producer population and indicate poorer access to electronic based facilities. In support Figure 1 shows the current Telstra Next G network mobile coverage and Figure 2 shows the Telstra Mobile Broadband coverage in regional Queensland.

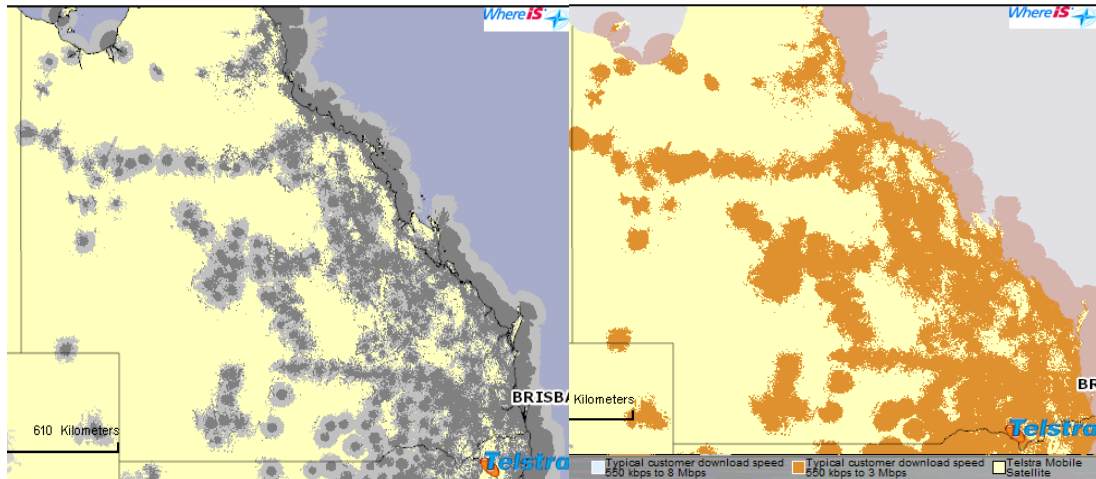


Figure 1. Telstra's Next G network coverage
(<http://www.telstra.com.au/mobile/networks/coverage/state.html>, July 2011)

Figure 2. Telstra Mobile Broadband coverage
(<http://www.telstra.com.au/mobile/networks/coverage/broadband.html>, July 2011)

It is obvious that significant parts of the state either do not have sufficient coverage enabling alternative mobile options or only have access to the internet via satellite, or slower-speed landline based services. Slow connection speeds and the high cost of the equipment required are barriers to the widespread adoption in rural areas and are demonstrative of the need for the guaranteed minimum service and metro-comparable prices.

Feedback from AgForce member is that the cost of satellite for them is currently 2GB per month for \$250.00. This restricts their current capacity to telework or transact effectively due to a restriction on both data and the cost. Satellite access is also incompatible with 'cloud' computing, presenting challenges for anyone wanting to access this technology and service (now widely used for business). This includes services such as Dropbox, iCloud and the like, as well as business based servers.

Financial transactions are also a key use for telecommunications systems, and this is highlighted in the context of the Australian Payments Clearing Association's review into the use of paper based transaction instruments such as cheques. This review highlighted the declining use of cheques but acknowledged that there are significant challenges to alternative electronic based systems in rural and remote Australia. Reliable and affordable telecommunications with affordable enabling technologies are a clear prerequisite for financial services advancement.

- **Achieving health outcomes**

- The delivery of genuine broadband and efficient telecommunication services to regional communities will assist with the delivery of health services, through the reliable ability to communicate information from specialists, who may be thousands of kilometres away, directly into hospitals, aged care facilities, indigenous health centres and general practices. Yet, it is extremely important that any technology

that is applied is seen as a compliment to these services, rather than as a resource replacement or cost-cutting tool.

Access to emergency treatment and services in rural areas can often mean the difference between life and death. This has become even more apparent in the face of a number of natural disasters across Queensland in the last 12 months. A lack of reliable mobile phone coverage means in times of disaster landholders are reliant on Next G and satellite telecommunications, as landlines are often impacted by weather events. Without effective mobile coverage, river height and bridge closure information is also impaired for all citizens. Prompt and effective natural disaster management relies heavily on telecommunications reliability and additional investment in mobile capacity for data and voice is required for regional, remote and rural telecommunications services.

A reliable telecommunications service can also be used as a means to bridge the geographical distance between people in rural and remote areas, and lessen the isolation felt by people in these communities, with its range of associated community health expenses.

- **Improving the education resources training available for teachers and students**
 - Broadband is the only telecommunication medium that is effectively able to host synchronous and collaborative e-learning, and its ability to host streamed interactive voice and video technology and other similar communication programs will improve the support network and skills base of teachers and students alike.

The national curriculum, being rolled out in Queensland in 2012 is being delivered digitally, indicating a sharp reduction in the use of text books and physical resources. Anecdotal evidence suggests small schools on a satellite service are already experiencing difficulty accessing this curriculum which will therefore hamper education at the most basic level– primary school.

AgForce recognises now, more than ever, there is a need to retain youth in rural areas. By delivering broadband to rural communities, access to education beyond compulsory schooling years, as well as a range of social networking benefits may positively counteract the exodus of youth from the bush.

AgForce acknowledges that distance and low population densities present ongoing technical and cost problems for the implementation of a reliable, efficient, and secure telecommunications service. The positive public benefits from ensuring such a service justify State and Federal level support for developing such enabling technological infrastructure.

AgForce Queensland look forward to continuing to engage with the Government on this important area and are happy to discuss the issues raised within this short submission in more detail.