

## Regional, Rural and Remote Communications Coalition

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### Submission to the Joint Standing Committee on the National Broadband Network

7 April 2017



Mrs Lucy Wicks  
Chair, Joint Standing Committee on the National Broadband Network  
[nbn.joint@aph.gov.au](mailto:nbn.joint@aph.gov.au)

Dear Mrs Wicks

The Regional, Rural and Remote Communications Coalition (RRRCC) is an alliance of eighteen volunteer organisations and advocacy bodies that are concerned about a lack of connectivity in the Bush. The Coalition was formed to raise awareness of the important role connectivity plays in enhancing economic opportunities, productivity and service delivery in regional Australia. We believe there are five fundamental approaches to be taken to support equitable connectivity for regional, rural and remote consumers:

1. A universal service obligation that is technologically neutral and provides access to both voice and data
2. Customer service guarantees and reliability measures to underpin the provision of voice and data services, to deliver more accountability from providers and nbn
3. Long term public funding for open access mobile network expansion in rural and regional Australia
4. Fair and equitable access to Sky Muster for those with a genuine need for the service, and access which reflects the residential, educational and business needs of rural and regional Australia
5. Fully resourced capacity building programs that build digital ability, and development of effective problem solving support for regional, rural and remote businesses and consumers.

Our submission is based on the lived experience of consumers, businesses and health service delivery organisations in regional Australia. We believe our recommendations will help to fix current problems and ensure that the benefits from nbn are fully realised. Individual RRRCC member organisations may also provide their own submissions to the nbn Joint Standing Committee with examples of individual problems encountered.

## **1. Wherever Australians work and live, they should have guaranteed minimum access to voice and data services.**

The Productivity Commission is currently inquiring into the future of the Universal Service Obligation in the telecommunications market. The final report is expected to be with the Government in April 2017<sup>1</sup>. It is looking at what Government policies may be required to support universal access to telecommunications services. The RRRCC considers that the USO must be updated to include guaranteed access not only to voice services, as is currently the case, but also to data services.

### **a. Data services**

The Government's Statement of Expectations to nbn is not sufficient to guarantee consumers' access to broadband services. In order to ensure that all premises can access broadband services, access should be guaranteed in legislation. The RRRCC supports the Statutory Infrastructure Provider legislation, because it guarantees broadband network infrastructure to all premises. However, more is needed. The draft legislation does not define the minimum capability of the network. This is necessary to provide consumers and businesses in regional Australia with greater certainty and protection, so that they will have access to a useable data service with upload speeds and other features sufficient to meet existing and future needs.

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<sup>1</sup> <http://www.pc.gov.au/inquiries/current/telecommunications#report>

Consideration must also be given to whether additional measures are required to guarantee the delivery of retail services to consumers.

#### **b. Voice services and SkyMuster**

The Productivity Commission has asked whether the NBN will be adequate for delivery of voice services. There should be no degradation in the current voice services in the switchover to NBN. NBN SkyMuster technology is a data service, and is not suited for the delivery of voice, and nor does it have the performance reliability needed to support a vital voice service. The USO and Copper Continuity Obligation must remain in place to support the ongoing provision of voice services in non-metro Australia.

### **2. Customer service guarantees and reliability measures are needed to underpin the provision of voice and data services, to deliver more accountability from providers and nbn**

The current focus is understandably on rolling out the nbn network, however, once connected the service needs to deliver.

There are no guaranteed service connection or fault repair timeframes for broadband services; nor are there any independent reliability measures. This creates a gap in policy and puts all consumers in a vulnerable position. Already the lack of service guarantees and safeguards are leading to complaints, concerns and debates about NBN services. This is more evident for regional and rural consumers for whom nbn does not offer any guarantees, even though they may rely solely on nbn services for their communication needs.<sup>2</sup>

In an environment where consumers are passed between retail service providers and nbn, it is vital that lines of accountability between the wholesale provider and a consumer are established. In order for consumers to use and benefit from services, there must be a minimum level of service. Establishing this would provide the transparency and accountability which is currently missing. Additionally, regulatory bodies such as the ACMA should have oversight of the performance of the network and the powers to determine service levels and rebates when the network does not perform.

### **3. The ACCC should be resourced to carry out the Broadband Performance Monitoring and Reporting Program, which should include all nbn technologies.**

Some of the poor experiences over nbn have resulted in complaints to the Telecommunications Industry Ombudsman (TIO). The top complaint is in relation to faulty services and slow speeds, which are caused by a range of reasons.<sup>3</sup> Consumers, for the most part, have never had a choice of speeds. Many now have a number of speed options to choose from. However, speeds are a technical measurement of the maximum capability of the network. This can be very hard for consumers to translate into what the broadband service can be used for. To add further complexity, the same advertised speed may vary depending on which retail

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<sup>2</sup> Nbn Wholesale Broadband Agreement does not commit to any service level guarantees for consumers in 'limited access areas'. [http://www.nbnco.com.au/content/dam/nbnco2/documents/sfaa-wba2-product-catalogue-service-levels-schedule\\_20161205.pdf](http://www.nbnco.com.au/content/dam/nbnco2/documents/sfaa-wba2-product-catalogue-service-levels-schedule_20161205.pdf)

<sup>3</sup> ACCAN, 'What affects the quality of my broadband?' infographic and tip sheet. <https://accan.org.au/tip-sheets/what-affects-the-quality-of-my-broadband>

service provider is chosen. There is no way a consumer can reasonably make a decision that results in the service that they need. As a result, speed complaints are the number one issue raised with the TIO.

In order to address these rising complaints, how services are advertised needs to reflect the level of service that is being offered and services need to be monitored to test what that they are delivering. Both of these are currently being examined by the ACCC in terms of Broadband Speed Claims and Broadband Performance and Monitoring Program.<sup>4</sup> It is vital that these pieces of work are completed and adequately resourced. This type of information will help to pinpoint why services are not performing and give consumers visibility over the level of service that is being offered to them to make good choices over services.

#### 4. Fair and equitable access to Sky Muster is needed for those with a genuine need for the service, and access which reflects the residential, educational and business needs of rural and regional Australia.

RRRCC members represent consumers, business and service delivery organisations that are primarily users of NBN Sky Muster and fixed wireless services. Sky Muster services have had mixed reception. When services work, consumers report positive experiences. However, there are a range of issues faced, including:

- initial problems with the satellites which have cause instability and unusable services
- lack of data allowances which limit the use of broadband plans
- the need and cost for multiple networks and services (landline, mobile, Sky Muster) in order to maintain the level of reliable connectivity needed, and
- limitations on the use of the services - for example farming auction websites do not work with Sky Muster.

RRRCC members strongly believe that Sky Muster could deliver real benefits to regional consumers and businesses. However, the service needs to be prioritised to those that need it most. The Coalition would like to make two recommendations for improvement:

##### *a. Greater plans*

There are some limitations in the nbn design which are preventing consumers from getting full benefit from Sky Muster services. Limitations in the plans, particularly the Fair Use Policy (FUP) over Sky Muster services, are restricting use by regional, rural and remote consumers. Generally, consumers are limited to having one plan per location. This severely limits many consumers who are trying to run businesses, offer employees and tourists' data and possibly study for tertiary education qualifications as well as general residential use, all from one limited plan. A guarantee is needed that additional Sky Muster capacity is reserved to increase data allowance to current users, and that more plans are allowed per location for business use and by students, in addition to the current education port data allowance for distance education students. This will ensure that those that rely on Sky Muster the most are able to make use of it.

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<sup>4</sup> See ACCC for further information. <https://www.accc.gov.au/regulated-infrastructure/communications/compliance-anti-competitive-conduct/broadband-speed-claims-information-papers/consultation-outcomes>, <https://www.accc.gov.au/regulated-infrastructure/communications/monitoring-reporting/broadband-performance-monitoring-reporting-program>

*b. ADSL to Satellite*

There are a number of premises which previously had fixed line technology (such as ADSL) that are being designated as nbn Satellite customers. There could be tens to hundreds of thousands of consumers in this situation. These consumers may see a reduction in their level of broadband access from their current service.<sup>5</sup> Additionally, limited Sky Muster capacity will be used up by these consumers, rather than rural consumers who have no other options for broadband services. Sky Muster should be reserved for those that really need the service, and have no choice of alternative technology. Alternative technology to SkyMuster should be used to service premises in the current ADSL footprint.

**5. Fully resourced capacity building programs that build digital ability and provide leaning and effective problem solving support for regional, rural and remote businesses and consumers.**

Lack of confidence or knowledge is often given as the reason for not accessing the internet.<sup>6 7</sup> All of society and the Australian economy will gain from the benefits of having regional, rural and remote areas connected - from productivity efficiencies, to more efficient delivery of Government health and social welfare, to greater social cohesion and integrated communities. The success of nbn also depends on the continued and increasing use of the network. In order to realise these benefits, consumers and businesses need technical digital support in the transition, and education on advanced technological processes that will deliver them. The minor cost in building the capacity now, estimated at \$5m per annum, is minimal in terms of the longer term benefit that will be realised.

Coalition members would like to thank you for reading our submission and would be happy to supply further information as needed.

For further information please contact Mark Harvey-Sutton

Yours sincerely

**Regional, Rural and Remote Communications Coalition**

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<sup>5</sup> As ADSL and voice services may be incompatible with nbn fixed line technologies.

<sup>6</sup> ABS, Household Use of Information Technology, Australia 2014-2015.

<http://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/8146.0Main+Features12014-15?OpenDocument>

<sup>7</sup> CSIRO, 2013. *Broadband Impact and Challenges, realising the benefits from the digital economy.*

<https://publications.csiro.au/rpr/download?pid=csiro:EP1312215&dsid=DS1>

ACCAN

AgForce Queensland

Australian Forest Products Association

Better Internet for Rural, Regional & Remote

Australia

Broadband for the Bush Alliance

Cotton Australia

Country Women's Association of Australia

Country Women's Association of NSW

WAFarmers

GrainGrowers

Isolated Children's Parents' Association

National Farmers' Federation

National Rural Health Alliance

Northern Territory Cattlemen's Association

NSW Farmers

The Pastoralists' Association of West Darling

Ricegrowers' Association of Australia

Victorian Farmers Federation