





NSW Farmers' submission into the rollout of the National Broadband Network (NBN) in rural and regional areas

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(Joint Standing Committees Inquiry into the rollout of the NBN in rural and regional areas)

Table of contents

Contents

Table of contents	5
About NSW Farmers	6
Executive summary	7
Recommendations	7
Planning, mapping and eligibility for satellite, fixed wireless (FW) and fixed line services.....	9
Adequacy of plans and service reliability of satellite, FW and fixed line services	12
Issues in relation to the future capacity of satellite, fixed wireless and fixed line	15
Provision of service by alternative providers of satellite, fixed wireless and fixed line services	17
Conclusion.....	18

About NSW Farmers

A profitable and sustainable New South Wales farming sector

The NSW Farmers' Association is Australia's largest State farming organisation representing the interests of its farmer members.

Farmers across New South Wales produce more than \$15 billion worth of food and fibre every year, representing around one quarter of Australia's total agricultural output. Our state's unique geography means a wide variety of crops and livestock can be cultivated and nurtured. NSW Farmers is Australia's only state-based farming organisation to represent the interests of farmers of all agricultural commodities – from avocados and tomatoes, apples, bananas and berries, through grains, pulses and lentils to oysters, cattle, dairy, goats, sheep, pigs and chickens.

Our focus is not just on issues affecting particular crops or animals – it extends to the environment, biosecurity, water, economics, trade and rural and regional affairs. We also have an eye on the future of agriculture; we are advocates for innovation in agriculture, striving to give our members access to the latest and greatest innovations in research, development and extension opportunities. Our industrial relations section provides highly specialised advice about labour and workplace matters.

Our regional branch network ensures local voices guide and shape our positions on issues which affect real people in real communities. Members are the final arbiters of the policies of the Association – through our Annual Conference and elected forums such as Executive Council, members can lobby for the issues which matter to them and their community to become Association policy. Our issue- and commodity-specific Advisory Committees are elected by members to provide specialist, practical advice to decision makers on issues affecting the sector. We are proudly apolitical – we put our members' needs first.

In addition, NSW Farmers has partnerships and alliances with like-minded organisations, universities, government agencies and commercial businesses across Australia. We are a proud founding member of the National Farmers' Federation.

For the purposes of this submission, NSW Farmers' would like to acknowledge that we are a member of the Australian Communications Consumer Action Network (ACCAN) and a member of the Regional, Rural and Remote Communications Coalition (RRRCC).

Executive summary

Access to reliable, affordable, quality telecommunications underpins the viability of farming businesses across NSW, allowing farming families access to the business and education services as well as social connectivity. Access to improved telecommunications services in regional, rural and remote Australia is imperative to facilitate economic growth in agriculture by enabling innovation in production, improved market access and enhanced consumer connectivity.

There is enormous latent demand for data in rural, regional and remote Australia, especially farm enterprises. It is critical that farmers overcome the digital divide that currently exists between rural and urban Australia. However, before farmers can consider investing in new technologies that will drive on farm data consumption and farm productivity, the capacity constraints and frustrations must be addressed to remove the frustrations that form the existing narrative of rural telecommunications.

Australia is yet to see or reap the benefits of an efficient and effective NBN service.

The experience of many NSW Farmers' members is that the delivery of nbn to regional communities, "Doesn't seem like the information super highway, more like the potholed gravel roads we are used to in the country."

If the Government is truly committed to ensuring that Australia has an equitable digital it needs to address the hurdles currently standing in its way. Access to a reliable, competitive broadband network which is safeguarded by consumer protections and standardised across all qualifying services is essential for the Australian economy and society. This is especially the case in regional, rural and remote Australia where an access will be essential to overcome the tyranny of distance and provide unparalleled opportunities. Such steps are vital to drive the projected growth of the agriculture sector to \$100billion by 2030.

No matter where you live, you should have access to affordable, reliable internet and voice services.

Recommendations

Key Recommendations:

Recommendation: Targeted awareness campaign for regional and rural consumers, to educate them on the nbn service options available in regional, rural and remotes areas to support informed decision making.

Recommendation: That nbn co. improves the accuracy of the 'check your address' online mapping system used by consumers to identify which service footprint they fall in as this will assist the migration process.

Recommendation: For customers migrating to nbn, if an address/location issue is identified and requires resolution, there be a facility and process for the customer to directly engage with the nbn

(Joint Standing Committees Inquiry into the rollout of the NBN in rural and regional areas)

co. via the nbn's 'how to register an unrecognised address' rather than going through the retail service provider, removing the current inefficient process.

Recommendation: The Government conduct a feasibility study on the approximate cost of alternative long term solutions to provide voice services in the nbn satellite and fixed wireless footprint, including a procurement of a voice specific satellite service. Any new service must have the ability to function without fail in situations such a black out following an extreme weather event, and must be able to host Priority Assistance medical alerts.

Recommendation: That the Government build into the future Universal Service Guarantee the cost of retaining and augmenting the current copper line infrastructure in regional, rural and remote areas in Australia as a long term solution for the provision of voice services.

With regards to nbn Satellite Service:

Recommendation: Ensure the satellite data allowance capacity continues to match the rate of Australia's data usage by the Australian Government committing to benchmark the average Australian's data use.

Recommendation: If satellite is to be the only service option available to remote customers, nbn must ensure these customers are afforded plans comparable for non-satellite customers to ensure equity in accessibility.

Recommendation: Expedite the consultation with users to launch of business enterprise plans over the SkyMuster service.

With regards to nbn Fixed Wireless Service:

Recommendation: If the tower upgrade will take more than two days the consumers should be refunded for the periods when the service did not perform, and reduced pricing where it continues.

Recommendation: The nbn co to establish a dedicated 'Tower Upgrade/Maintenance' site on the nbn Regional landing webpage to ensure that customers are advised in the most clear and accessible manner prior to a fixed wireless tower outage.

Recommendation: The Australian Communications and Media Authority (ACMA) to regulate retail service providers to ensure they meet their service obligation to inform customers that an nbn fixed wireless tower is to be upgraded, with location and approximate timeframe of the upgrade/maintenance.

Recommendation: ACMA to become a key contact and resource for consumers to obtain further information regarding fixed wireless tower outages and raise complaints

Recommendation: Where towers are congested and due to be upgraded, nbn co must communicate with the retail service providers to inform that no further consumers should be added to these congested towers until the cause is fixed.

Planning, mapping and eligibility for satellite, fixed wireless (FW) and fixed line services

Lack of Awareness for NBN's Services

NSW Farmers is in regular contact with nbn co through the nbn local team NSW/ACT. We understand that complaints are reducing, and that nbn co has taken steps to improve the manner and method by which the roll-out is occurring.

There is however a lack of understanding in the general community about the suite of nbn services (satellite, fixed wireless, fixed line services) available and therefore a lack of awareness of what services are appropriate for regional and rural consumers.

When discussing with members migrating to nbn about whether they are applicable for SkyMuster satellite or fixed wireless services, the most common response is "I don't know, I'm just going on to nbn right." Where NSW Farmers' staff assist a member with an nbn issue, it is common for the member to be unsure of which service they are on. It is only through identifying the shape of the modem and where it is located in their house, do we discover which service and therefore how to resolve their concern.

NSW Farmers supports ACCAN's position regarding available services, "Satellite products are not being sold by Telstra and many of these consumers are currently buying products from Telstra". When discussing connectivity, many regional consumers understandably confuse mobile and internet as being the same issue.

Telstra does not provide plans to SkyMuster consumers however it is understandable that as the biggest provider of mobile connectivity in regional Australia, consumers assume that they are also involved in all of nbn's services. Consumers are unknowingly spending money on products that are redundant and as ACCAN states, clearly "they are not aware that there are other providers or options available to them." They are seeking a solution but are often confused by the numerous products available of which many are irrelevant to their requirements.

Recommendation: Targeted awareness campaign for regional and rural consumers, to educate them on the nbn service options available in regional, rural and remotes areas to support informed decision making.

Eligibility

There is an increasing number of cases where NSW Farmers' members are experiencing a poor migration process. Members are discovering irregularities between nbn's 'check your address' mapping tools and the mapping tools used by retail service providers regarding eligibility based on their location. In some cases, members have been informed they are not eligible for nbn at all.

Upon contacting the retail service providers, members are discovering that their address in the retail provider's system does not match the service footprint they anticipated as indicated by nbn's mapping tool. For example, nbn's 'check your address' states members are in the fixed wireless footprint while the service provider's mapping shows that in fact only satellite is available to them based on their location.

NSW Farmers endorses ACCAN's position regarding the nbn's 'check your address' mapping tool system. *"There is no definitive list of premises in fixed wireless and satellite areas. This means consumers in these areas can find their premises are not 'mapped' for either technology, and are advised to wait for further information by nbn... While it can be a difficult process to get a premises re-allocated from satellite to fixed wireless, the hardest part is knowing that it is an option."*

Recommendation: That nbn co. improves the accuracy of the 'check your address' online mapping system used by consumers to identify which service footprint they fall in as this will assist the migration process.

In the example below, a member was informed by a retail provider they could not connect to nbn at all, even though their son who lives at the same address, is on the nbn fixed wireless service.

Member experiencing difficulty migrating to Fixed Wireless – NSW Farmers correspondence with nbn NSW/ACT local team:

"Our member has an apple orchard in Orange. There are a number of buildings and 2 residences on the property one of which their son lives in. Their son has connected to NBN fixed wireless and he is totally separate from the Farm Business.

They need to sort out their broadband and telephones however they have been told they cannot have NBN by Telstra but when the NSW Farmers' Regional Service Manager checks [through nbn's 'check your address'] they are in the fixed wireless catchment so maybe they need the premises added to the NBN database..."

This case took six weeks to resolve through the nbn NSW/ACT local team. The team resolved the issue by creating a second business identification for the property on the nbn database. The business identification was logged by nbn employees with Telstra. This enabled our member to purchase an nbn fixed wireless package with the retail provider, similar to what their son is already connected to.

This example highlights the complex and inefficient way in which this process of double handing information impacts the consumer's ability to easily migrate to an nbn service. Rather than double

handling the information when this issue arises, this should be a process handled by nbn co. exclusively.

When a premise is re-allocated the complex process for the customer involves;

1. Customer informs the retail service provider and provide address, proof of living at the location
2. Retailer provider has to inform nbn co
3. nbn co creates a Business Identification number for the customer which takes 48hours to process and once that has been created, nbn co informs the retail provider
4. Customer is able to migrate to an nbn service and purchase a plan through their chosen provider

Recommendation: For customers migrating to nbn, if an address/location issue is identified and requires resolution, there be a facility and process for the customer to directly engage with the nbn co. via the nbn's 'how to register an unrecognised address' rather than going through the retail service provider, removing the current inefficient process.

Adequacy of plans and service reliability of satellite, FW and fixed line services

Satellite Data Allowance Challenges

It is vital that the current satellite (SkyMuster) program evolves to continue to allow for increased data allowance before major congestion problems occur and regional consumers get left behind.

Restrictions in Sky Muster's plans, namely the Fair Use Policy and one plan per location restriction, are limiting regional, rural and remote consumers and businesses. Regional and rural consumers are attempting to run their businesses, offer short-term seasonal workers and long-term employees and tourists' data services, complete their education, and enjoy the power of the internet for general residential uses, all from one limited plan.

As reported in the Sydney Morning Herald by Jennifer Duke (3 April 2018), "Australians' appetite for streaming video is showing no sign of slowing down..." A typical Australian household will have numerous devices – iPads, laptops, phones, Apple watches, TVs, family computers, PlayStations etc. connected for the purpose of downloading data. Speed is now the measure of an efficient internet service and "with increased speeds comes increased data usage."

NSW Farmers' member from Conargo - experience on nbn's satellite service:

"It is not as good as it was advertised to be and has had lots of teething issues. It hasn't really solved the problems or equity between country and city. We are trying to run businesses and can't get products to meet our needs. Yet if we lived 30 km closer to town we would get unlimited fixed wireless and phone for \$100 per month."

nbn co must ensure that there is capacity in the SkyMuster program to increase the data allowance to match Australia's ever increasing volume of data downloads. Similarly, retail service providers must consider designing plans for regional and rural consumer that focus on the speed of downloading content in peak times as well as prepare for the concurrent rise of the use of data to upload content.

Recommendation: Ensure the satellite data allowance capacity continues to match the rate of Australia's data usage by the Australian Government committing to benchmark the average Australian's data use.

Recommendation: If satellite is to be the only service option available to remote customers, nbn must ensure these customers are afforded plans comparable for non-satellite customers to ensure equity in accessibility.

SkyMuster Business Plans

Far from being a 'Rolls Royce option', satellite plans are currently being restricted to meet the capacity in beams that have a large number of consumers accessing them, mostly on the eastern borders. The National Farmers' Federation modelling indicates that planned capacity could be exhausted as quickly as 2020 if demand continues to increase without matching capacity expansion.

When the NBN was designed, farms were considered to be 'households' rather than businesses, and plans provided through the retail service providers appear to reflect this narrow scope. Whilst nbn co has been developing new installation options to link farm sheds and other locations on-farm, the plans themselves are often quite inadequate for agricultural businesses, especially those that extend vast geographical spaces and cross state boundaries.

NSW Farmers welcomed the December 2017 announcement by nbn co to introduce a business enterprise concept which may go some way in addressing large agricultural enterprise's extensive data usage. At this time, details of this enterprise remain unknown and are not currently available via the retail service providers.

Recommendation: Expedite the consultation with users to launch of business enterprise plans over the SkyMuster service.

Fixed Wireless Tower Outage Information

Many fixed wireless towers are congested at an nbn network level. Information regarding nbn congestion and delayed upgrades is not being passed onto consumers in an easily accessible and clear manner through nbn co or through their retail service providers.

Due to our membership in the RRRCC, NSW Farmers is in a fortunate position to receive information from nbn co regarding fixed wireless tower upgrades. Often, the nbn communication provides an overarching snapshot on the different time required for upgrade work. However, it does not provide details as to where towers are being upgraded. When pressed for this information to share with our members, nbn directed us to the nbn local NSW team who then informed us that they would provide the location details in engaging format for our members. While these details are not confidential, two months later and this information has still not been made available to NSW Farmers.

In nbn's communication, it states "Nbn routinely informs retailers of the outages and asks them to pass this information on to their customers." Through a quick search for this information on nbn's website and retail service provider's website, NSW Farmers policy staff was unable to identify tower upgrade locations and could not pin point through a Google search any specific information on nbn's fixed wireless towers being upgraded.

The lack of clearly available and transparent information on nbn's website and for that matter, the retail service providers is serious challenge for regional and rural consumers. Customers should be made aware of network issues by nbn directly through a dedicated notification page on the main website and not through blog posts currently being utilised by nbn.

(Joint Standing Committees Inquiry into the rollout of the NBN in rural and regional areas)

Recommendation: If the tower upgrade will take more than two days the consumers should be refunded for the periods when the service did not perform, and reduced pricing where it continues.

Recommendation: The nbn co to establish a dedicated 'Tower Upgrade/Maintenance' site on the nbn Regional landing webpage to ensure that customers are advised in the most clear and accessible manner prior to a fixed wireless tower outage.

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Issues in relation to the future capacity of satellite, fixed wireless and fixed line

Regional and rural consumers deserve choice

The Association is not in a position to comment in any detail regarding the technical capabilities of satellites or alternative technologies to deliver baseline voice services. However, we have serious concerns regarding the capacity of satellite and fixed wireless to meet the Universal Service Provider provisions in the future. Adding to this concern is NBN's own admission that satellite was not designed for voice.

Rural and regional consumers need and deserve choice; it should not be a question of one or the other.

It is the experience of NSW Farmers' members, and particularly those that live in the greatest isolation in Western NSW, that during an emergency either their satellite internet connection or their landline telephone service will work, but not both. Beyond imperatives for business, education or social connectivity, having an alternative means of connection during emergencies is a lifeline for those in isolation.

Following the release of the Productivity Commission's draft report into the Telecommunications Universal Service Obligation, the Association released an online survey via Survey Monkey to members in November 2016 regarding their nbn satellite experience, approximately 400 responded.

NSW Farmers' survey question; Would you feel comfortable having your "landline" services delivered over Sky Muster?

- "No. Sky Muster is unreliable. Current landline always works and in a bushfire prone area there is no way I would rely upon Sky Muster."
- "We are considering returning to a landline service. [Sky Muster] provides nowhere near the quality of the landline service."
- "I would not feel comfortable changing to Sky Muster for the landline as there are too many interruptions to internet and if we get a power blackout, which are quite regular, we would be without any type of phone."
- "At least when the internet is down and we have a power failure we usually still have our landline working until the exchange back up battery goes flat!!!"
- "No. Because of our remote location we cannot afford to have landlines out if the satellite is out of action or experiencing technical difficulties, due to medical conditions and health and safety."
- "No, absolutely not. At least if we have a blackout we can use landline to report it. We are on a feeder line so often essential energy unaware of blackout. In fire season we need landline for call out if there is a blackout we would be un-contactable if phone over internet."
- "NO! NO and NO. The mobile service here is very dodgy to non-existent. The landline is the only way to connect for sure and it works during blackouts. How will you ring Essential Energy to report lines down or a blackout if it's over the Sky Muster connection?"

(Joint Standing Committees Inquiry into the rollout of the NBN in rural and regional areas)

The member responses provided in 2016 illustrate the vehement opposition to a voice service delivered over satellite replacing traditional landline networks. In short, based on current experiences our members have no confidence that a satellite service could deliver voice services of sufficient reliability and quality to satisfy their needs.

Recommendation: The Government conduct a feasibility study on the approximate cost of alternative long term solutions to provide voice services in the nbn satellite and fixed wireless footprint, including a procurement of a voice specific satellite service. Any new service must have the ability to function without fail in situations such a black out following an extreme weather event, and must be able to host Priority Assistance medical alerts.

Provision of service by alternative providers of satellite, fixed wireless and fixed line services

ADSL and copper services

NSW Farmers supports ACCAN's statements that the ADSL and copper services continue to be vital and important long-term services to regional, rural and remote consumers. The future of these services is uncertain and is causing heightening anxiety for many of our members who rely only on their copper landline as they not wish to have a home internet service.

As stated by ACCAN, "the current situation is very dangerous because consumers are falling through gaps between the current USO arrangements and Telstra's commercial interests. We have concerns that consumers in some more remote areas currently served by ADSL and copper services will find their service withdrawn, leaving them with satellite as the only alternative."

Recommendation: That the Government build into the future Universal Service Guarantee the cost of retaining and augmenting the current copper line infrastructure in regional, rural and remote areas in Australia as a long term solution for the provision of voice services.

Conclusion

It is vital to the agriculture sector that the nbn is a success for regional and remote consumers. With nbn expected to complete its rollout by 2020, there is trepidation about the many rollout challenges that have not been adequately addressed. The rollout of 5G is another consideration for nbn in regards to future competition and retaining customers. Efficient services must be available at affordable prices. While it is likely that regional and remote consumers will be outside the future 5G network footprint in the early stages of its implementation, it has the ability to disrupt nbn's current offerings and provide consumers the decision to choose alternatives to nbn.

The Association would like to see and hear positive reports from members regarding the service and performance of nbn's satellite and fixed wireless services. As farmers transition to the relevant services, our members should not experience an installation process that is exhausting and stressful. They should not experience a network service that is inefficient and unreliable or, non-existent.

Regional and rural NSW deserve a fast and fantastic broadband to support all enterprises and operations that will contribute to the agricultural sector's projected growth of \$100billion by 2030.