

**National Farmers'  
Federation**

**Submission to the  
Senate  
Environment,  
Communications,  
Information  
Technology and the  
Arts  
Legislation Committee**

**Inquiry  
Into the provisions of the  
Telecommunications Legislation  
Amendment  
(Regular Reviews and Other  
Measures)  
Bill 2005**

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# 1. Background

The National Farmers' Federation (NFF) welcomes the opportunity to provide a submission to the Senate Environment, Communications, Information Technology and the Arts Legislation Committee Inquiry into the provisions of the Telecommunications Legislation Amendment (Regular Reviews and Other Measures) Bill 2005.

Comment in this submission will be restricted to provisions of the Bill that NFF sees as relevant delivering tangible equitable telecommunications service outcome to Australian farmers and rural communities.

This is reflected by NFF's long established telecommunications policy position that:

*Service levels and levels of service in rural and regional areas are equivalent to those in urban Australia before considering the further sale of Telstra.*

and:

*The Commonwealth Government provide appropriate mechanisms to guarantee ongoing provision of equitable telecommunication services and service quality for ALL Australians.*

NFF's significant interaction with the Regional Telecommunications (Estens) Inquiry (RTI) in 2002 highlighted a range of telecommunications service and service level inequities relating to following four general areas:

- Service fault repair and installation times
- Mobile phone coverage
- Bandwidth availability and cost
- "Future Proofing" rural and regional services

Timely resolution of these inequities is of strategic importance to farmers and communities in rural and regional Australia:

Ongoing NFF representations to Government and service providers continue to highlight that it has been more than two years since the RTI and meaningful progress to fully address all 39 recommendations remains paramount.

## 2. Comment

### RTI Implementation Progress

NFF believes the current form of the Bill is not sufficient to meet “future proofing” requirements identified during the RTI process.

The slow progress and lack of focus on key RTI recommendations that are essential to deliver affordable, quality telecommunications in rural Australia now and into the future remains of concern to NFF.

It is disappointing that after nearly two years the Bill is simply a “cut and paste” of the earlier Telstra (Transition to Full Private Ownership) Bill 2003.

The opportunity to modify and strengthen the Bill to better reflect the relevant recommendations has not been taken.

### Bill Inadequacies

As NFF has previously indicated, this proposed legislation fails to fully embrace the six Series 9 recommendations of the RTI which relate to regular reviews and ‘future proofing’.

In particular, recommendation 9.5 is not addressed and aspects of recommendations 9.1 and 9.4 are not fully canvassed.

NFF does not consider the two Series 8 recommendations to be fully implemented until appropriate Local Presence Plans (LPP) encompassing a broad range of activities and strategies necessary to facilitate the ongoing role of the Primary Universal Service Provider (PUSP) and other responsibilities are published. These LPP’s should not constrain the behaviour of a competitive rural telecommunications market place.

NFF proposed in 2003 that service adequacy reviews should be held every three years not, as indicated in the Bill, that a review should be held within five years and that subsequent reviews should be completed within 5 years after the previous review.

The within-five-year timeframe fails to reflect the dynamic nature and telecommunications requirements of farmers and rural communities.

NFF rejects the suggestion that five-year timeframes are necessary due to long lead times in the rollout of new telecommunications infrastructure or that more frequent reviews could see the next review starting before the response to the previous review is rolled out.

These arguments for a within-five-year timeframe show a lack of understanding of new services and technology opportunities that can be offered in a competitive telecommunications marketplace. Unnecessary delay in facilitating equitable telecommunications outcomes is detrimental to the ongoing economic and social development of rural and regional Australia.

Given the recommended reduction in the review frequency, the opportunity for a member of the Regional Telecommunications Independent Review Committee (RTIRC) to participate in more than one review process should be introduced. Consideration should be given to extending the members maximum period of appointment. This would provide some continuity and prevent the possible loss of invaluable knowledge and experience.

The requirement for equitable, affordable quality telecommunications services, delivered in a timely manner through a competitive market structure, continue to be of paramount importance for farmers and rural communities to remain competitive in the global marketplace.

### **Rural Telecommunications Progress**

NFF continues to acknowledge that significant progress is being made in the delivery of improved telecommunications services in rural Australia.

The Higher Bandwidth Incentive Scheme (HiBIS) is a positive example of this progress, enabling rural and regional users to access higher bandwidth online service.

The HiBIS goal of metro-comparable prices is under challenge with recent marketplace price movement exacerbated the end user pricing differentials for different HiBIS technology solutions.

NFF looks forward to these existing HiBIS pricing inequities being resolved as part of the current HiBIS review. Greater dissemination of information on the HiBIS programme and its achievements is also warranted.

### **Conclusion**

Amendment of the Bill to fully encompass the underlying fundamentals of the two Series 8 and six Series 9 recommendations of the RTI is an opportunity to advance some aspects the current telecommunications inequities experienced by farmers and communities in rural and regional Australia.