



# Australian Government

Statement by the Minister for Minister for Regional Services, Sport, Local Government and Decentralisation, Senator the Hon Bridget McKenzie

## Tabling of the 2018 Regional Telecommunications Review report 4 December 2018

Today I am pleased to table the report of the 2018 Regional Telecommunications Review.

This independent review is conducted every three years to examine how people are using telecommunications services in regional, rural and remote parts of Australia. It provides an opportunity for people living in these areas to have their say about the telecommunications issues that affect them.

The 2018 report is the result of months of research and extensive public consultation by the Regional Telecommunications Independent Review Committee (the committee). I would like to put on record my thanks to the committee, which was ably chaired by Mr Sean Edwards, assisted by Ms Wendy Duncan, Ms Johanna Plante, Ms Robbie Sefton, Ms Kylie Stretton and Mr Paul Weller. The committee held 22 public face-to-face consultations across regional Australia and received more than 380 submissions from members of the public and key groups representing regional Australians. The most consultative regional review to date.

In this latest review, the committee focused on what was needed to maximise economic and social benefits for regional, rural and remote communities through the use of digital technologies. The report puts forward 10 useful recommendations for improving telecommunications services and the use of these services in regional, rural and remote Australia. These recommendations are structured into three themes:

- Access to telecommunications infrastructure
- Modern and appropriate consumer protections
- Digital inclusion of regional, remote and rural Australians.

The report makes a compelling case that the benefits of increased digital connectivity for the regions are immense. Economic modelling shows that when digital agriculture is fully implemented it could increase the gross value of Australian agricultural production by \$20.3 billion, a 25 per cent increase over 2014-15 levels. The greatest gains are expected to come from automation, better tailoring of inputs such as fertiliser and seed, and environmental benefits such as water savings.

Tourism in regional Australia is another growth area. Visitors to the regions have increased on average by 4.1 per cent per annum over the past five years. Research from Tourism Australia shows that 289 million visitor nights were spent in regional Australia in 2017, up from 234 million in 2012. The report includes first-hand examples from regional tourism operators on how technologies have or could improve their businesses.

The Liberal National Government is taking the committee's recommendations very seriously. We are examining options and working with stakeholders to see how to best respond to each recommendation, and ensure meaningful improvements for regional, rural and remote Australians.

### **Access to Infrastructure**

This Liberal National Government has a strong track-record of investing in regional communications, and this is something we will continue into the future. We have invested significantly in regional telecommunications infrastructure, contributing \$220 million to the Mobile Black Spot Program and prioritising the regional rollout of the National Broadband Network (NBN).

The regional rollout of the NBN is almost complete, and will provide everyone with a fast broadband connection as quickly and cost-effectively as possible. At present, more than 97 per cent of homes, farms and businesses in the regions either can access the network or have construction underway, with Tasmania and the Northern Territory the first jurisdictions to essentially be completed. Seventy per cent of premises in regional Australia will be serviced by fixed-line broadband, and by 2022, the Liberal National Government will have invested more than \$3.55 billion to provide fixed wireless services across rural and regional Australia, including ongoing upgrades to ensure services meet the needs of consumers.

One of the key themes of the report is that demand for data is increasing at an unprecedented rate. Our investments in the NBN and Mobile Black Spot Program have led to significant telecommunications improvements for many regional Australians. However, the committee reported that some households have been struggling to access essential services including healthcare, education, and government sites under the current Sky Muster data limits.

I am pleased to say that since the committee's consultations, NBN Co has announced plans to boost data for rural and regional Australians on the Sky Muster satellite service. The new Sky Muster Plus product is scheduled to be available next year for users in NBN Co's satellite network footprint. These plans will no longer count the use of essential internet services towards monthly data allowances. This means when a user exhausts their monthly data allowance, wholesale download speeds will not be slowed down for regular web activities like emails, internet banking, general web browsing and critical software updates. We expect this will go a long way in relieving the data pressures on those using the satellite for educating children, running businesses and engaging with the world online.

The report also highlights that expanding mobile coverage has clear economic and social benefits, as well as public safety benefits for people living, working and travelling in regional and remote areas of Australia. While mobile network operators collectively claim to provide coverage to over 99 per cent of Australia's population, this only equates to around 30 per cent of Australia's landmass.

The Liberal National Government's highly successful Mobile Black Spot Program is helping to address this. To date, the program has leveraged more than \$680 million in new investment in mobile infrastructure across Australia. The first three rounds of the program are funding the delivery of 867 new base stations, with applications now open for the fourth round of the

program. While there are parts of the country where it may not be viable for mobile network operators to provide coverage, even with Government support, there are opportunities to extend mobile coverage through further rounds of the program.

### **Safeguarding consumers**

In addition to infrastructure, the Liberal National Government understands consumer safeguards are a vital protection for rural and remote people, particularly as they may have limited or no alternative services available to them. The review committee recommended there should be no changes to the current Universal Service Obligation arrangements until there are fit-for-purpose alternative voice options for consumers served by the Sky Muster satellite service. I would like to take this opportunity to reiterate this is consistent with Government policy, and will remain so.

The Liberal National Government is driving a significant amount of work to ensure the right consumer safeguards are in place for the modern telecommunications environment. Our Consumer Safeguards Review is being undertaken in three parts: A) redress and complaints handling; B) reliability of telecommunications services; and C) choice and fairness in the retail relationship between the customer and their provider.

The review involves detailed stakeholder consultation and is well advanced. On 15 November, Minister for Communications and the Arts, Senator the Hon Mitch Fifield, released a report with 32 recommendations designed to significantly strengthen consumer safeguards for complaint handling and consumer redress in the telecommunications sector. Minister Fifield also released a consultation paper on the second stage of the review, which will examine ways so that consumers and businesses can benefit from improved reliability safeguards for telecommunications services.

### **Digital Inclusion**

Notwithstanding all the work underway, and all the investment being made, the committee found room for improvement. While the Liberal National Government is continuing to invest in high-quality infrastructure, we understand it is only part of the solution. It is essential to ensure people have the right digital skills and consumer protections required to confidently and safely participate in the modern world.

The Digital Transformation Agency is already working to reduce barriers for those engaging with essential Government services online. The Digital Transformation Strategy will focus on three areas:

- Engagement and service delivery – to make government interactions and engagement easier for citizens and businesses.
- Decision-making – to make smarter and more innovative decisions through the use of data and analytics.
- Supporting structures and business models – to make government fit for the challenges of the digital age by adopting new and emerging technologies and challenging the mindset and processes.

Digital literacy is essential for businesses as well as individuals. Precision agriculture and other Internet of Things applications will drive the next wave of productivity gains for our farming communities. The Liberal National Government is working with the agricultural sector to encourage the uptake of digital technologies to enable this. We recognise that having the skills to use these applications is as important as good connectivity.

Once again, I would like to thank the Regional Telecommunications Independent Review Committee for their hard work, and the people who gave their time to contribute to the review. The Liberal National Government is carefully considering the committee's report, and will respond to each recommendation in early 2019.

Today, I commend the report of the 2018 Regional Telecommunications Review to the Parliament.