



13 March 2020

Regional Connectivity Program  
Department of Infrastructure, Transport,  
Regional Development and Communications  
GPO Box 594  
**CANBERRA ACT 2601**

To whom it may concern,

***RE: Draft RCP Grant Opportunity Guidelines***

New South Wales Farmers welcomes the opportunity to comment on the draft Regional Connectivity Program grant opportunity guidelines.

NSW Farmers is Australia's largest State Farming Organisation, representing the interests of over 6,000 farmers in NSW. Access to reliable, affordable, quality telecommunications is critical for vibrant and sustained rural and remote communities and underpins the viability of farming businesses across NSW. It enables farming families to improve access to timely business and education services, while also aiding and enhancing social connectivity.

NSW Farmers supports the intent of the Regional Connectivity Program to provide place-based solutions to regional digital connectivity issues through a range of mobile and/or broadband services. This program is also intended to complement the National Broadband Network, the Mobile Blackspot Program and the telecommunications industry's commercial investment plans.

There are a number of areas where NSW Farmers seeks to comment to aid clarity and responsiveness in developing the final Regional Connectivity Program grant opportunity guidelines.

The identification of social and economic benefits to the criteria is critical. The merit criteria included in the draft guidelines requires applications to address at least one of 1. Economic benefits or 2. Social benefits, in addition to both criterions 3 and 4.

This section goes on to inform prospective applicants that they may respond to both criterions 1 and 2, and if they do so an aggregate score will be used and their application may be at a relative advantage.

It is NSW Farmers' view that the merit criteria should more clearly elucidate that applications addressing both criterion 1 and 2 will be treated preferentially, and that criteria 1 and 2 are collectively out of 30 points. If applicants choose to address only one criteria, they will automatically be at a disadvantage of 15 possible points.

We note that economic benefits are listed as the first criterion but wish to highlight the importance of social benefits including safety issues. Parity of access to telecommunications in terms of affordability should also be a key consideration in reviewing applications.

NSW Farmers also highlights that for many of the regions that would benefit by the delivery of a bespoke technology solution there may be minimal change able to be identified in either the social or economic positions of those who will be covered. What additional coverage will do is improve a number of aspects for their quality of life, simplify the undertaking of business tasks, but which may not deliver any significant or identifiable improvements – apart from delivering certainty.

NSW Farmers is concerned about the requirement for projects to have co-contributions, particularly in very challenged areas where there is a lack of backhaul support of telecommunications. We are concerned that impactful projects may be proposed that will then be unable to proceed due to an inability to secure co-contributions. Our concern centres around the fact that as the delivery of telecommunications moves toward low population densities and have a significant roll-out cost, that a traditional cost benefit analysis would identify the investment return as 'poor'.

Potentially the main co-contributor in these regions would be local government, if there are no mines or other extensive industry in the region. There is real concern that the available finance in regions for this co-contribution is non-existent.

The draft guidelines suggest grant applications are to be open for an eight week period. This application period seems far too brief to allow applicants adequate time to prepare and submit quality applications, particularly due to the co-contribution requirement and if applicants seek to collaborate with others.

We are concerned that this timeframe is unrealistic to cover areas with very poor access to telecommunications who have no existing service, no bespoke solutions and no providers willing to operate in their areas. These rural and regional Australians will likely be excluded from this opportunity due to the short timeframes and requirement for co-contribution. This will be a missed opportunity to capture those areas who need improved regional connectivity the most.

It is essential that these grants effectively deliver what they are designed to do, including enabling bespoke telecommunications projects specifically tailored to the particular economic and/or social requirements of a region. NSW Farmers considers the eight week application period is not feasible and an additional four to eight weeks minimum would be necessary to allow more adequate time to seek co-contributions and develop applications.

Similarly, the project timeframe requiring completion by June 2021 may not be sufficient to provide long-lasting, quality, reliable services. It may favour large providers with increased capacity and resources over smaller providers that may have further regional experience.

The proposed end date of Asset Operational Period listed in the draft guidelines is ten years from asset completion. Evidence of a commitment from at least one retail service provider to use the infrastructure to deliver telecommunications services for ten years is also a required application attachment, as is evidence to demonstrate the applicant's ability to successfully construct and operate the Asset for the Operational Period.

NSW Farmers is supportive of a minimum asset operational period and wants to ensure that projects will have longevity and are undertaken successfully. We would prefer that assets continue to operate beyond the ten year period to provide long-lasting, reliable services.

It is crucial that information about the costing of services to be provided is taken into account in the selection process. For example, affordability for end users could be considered under 'value for money' assessment, ensuring that potential pricing of services is not prohibitive and provides users an appropriately priced service.

NSW Farmers also highlights that the grant opportunity focus areas listed on page 3 should include regions that currently experience very poor telecommunications services and where providers currently offer no solutions. These areas should be given priority.

This program should provide improved connectivity opportunities to regional users, but more importantly, should provide connectivity opportunities to remote areas where the economic impact would be far greater per capita.

NSW Farmers appreciates the opportunity to comment on the draft Regional Connectivity Program Grant Opportunity Guidelines. Should further information be required please contact [REDACTED]

Yours sincerely

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**NSW Farmers' Association**

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