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Chief Executive



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Mr Phillip Costa
Chairperson
Standing Committee on Broadband in Rural and Regional Communities
Parliament House
Macquarie Street
Sydney NSW 2000

By Facsimile: (02) 9230 3309

Dear Mr Costa

The NSW Farmers' Association (the 'Association') welcomes the opportunity to provide a submission to the Legislative Assembly Standing Committee on Broadband in Rural and Regional Communities.

The Association has been an extremely active participant in the telecommunications issues on behalf of our Members. The Association has played a key role in leading the debate regarding rural and remote telecommunications services, particularly in terms of highlighting key service and market failures. The Association's key areas of interest include mobile telephone services and broadband internet.

Mobile Telecommunications

The Association is aware that:

- The Next G network will eventually replace the CDMA network, subject to complying with the conditions that have been imposed by the Federal Government, as noted below.
- The Australian Government has issued a draft licence condition to Telstra requiring them to keep the CDMA network open until the Next G network provides equivalent or better coverage and services. Telstra had previously announced that CDMA would be 'switched off' on 28 January 2008.
- The Australian Communications and Media Authority will be undertaking independent coverage audits of both the CDMA and Next G networks to ensure coverage and service equivalence is achieved prior to the CDMA network being 'switched off'.

Recommendation

That the Government ensure Telstra is accountable for availability of relevant services such as handsets, patch cords (adapter cable enabling connection to external CDMA aerial) and aerials for quality access to Next G coverage.

Wireless Local Loop

The Association is aware:

- CDMA Wireless Local Loop ('WLL') is being replaced by Next G Wireless Link. WLL is covered under the Universal Service Obligation, where as Next G is not.

Recommendation:

Telstra provide assurances that rural customers currently utilising CDMA Wireless Local Loop for landline purposes will not be adversely affected by the removal of this technology from a voice quality, services, maintenance and/or pricing perspective.

Recommendation:

Consumers are made aware that they still have the right to a telecommunication service under the Universal Service Obligation (USO) as well as the option to adopt Next G Wireless Link.

Internet Telecommunications

The Association is aware:

Australia Connected

- The Australian Government's *Australia Connected* funding and legislative package aims to ensure that high-speed broadband is available to 99% of Australians through a mix of technologies. Regardless of the technology that is used, a minimum speed of 12 megabits per second (Mbps) is also guaranteed. It will take three years for the program to be rolled out with an initial speed of up to 6Mbps, increasing to 12 Mbps by 30 June 2009.
- The Australia Connected package includes the Broadband Connect infrastructure program.

Broadband Connect

- The Federal Government announced on 18 June 2007 that OPEL (a joint venture between Optus and Elders) had won the tender to help improve access to broadband services. The new national high speed network will be rolled out by OPEL, which was awarded \$958m in funding from the Broadband Connect infrastructure program and an additional funding allocation.

Australian Broadband Guarantee

- The Government has made a commitment to provide affordable metro comparable broadband to the remaining 1% of Australians through the roll out of the Australian Broadband Guarantee (\$162.5 million). The objective of the Australian Broadband Guarantee ('ABG') is to provide access to affordable metro-comparable broadband services for all Australians.
- The ABG guidelines enable a metro-comparable price for all Australians for a broadband service level of 512/128 kilobits per second – 500 megabyte service threshold.

Recommendation:

That the Australian Broadband Guarantee funding continue beyond 30 June 2008 for as long as needed by rural and regional Australians. As such the Association is eager to be advised of Federal Opposition's Broadband Policy, with particular emphasis on the mechanisms to ensure that metro comparable broadband and pricing is available for the 1% of Australians not covered under Broadband Connect and OPEL.

The Association looks forward to the outcomes from the inquiry of the Standing Committee on broadband in rural and regional communities.

Yours sincerely



Shaughn Morgan
CHIEF EXECUTIVE