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Standing Committee on Broadband in Rural and Regional Communities  
Parliament House  
Macquarie Street  
SYDNEY NSW 2000  
Attention: Ms Vicki Buchbach

Dear Ms Buchbach

**SUBMISSION ON TELECOMMUNICATIONS AVAILABILITY IN RURAL AND REGIONAL COMMUNITIES**

Please accept this submission on behalf of Mid-Western Regional Council on the State Government's inquiry into the availability of telecommunications (including broadband) and other technology services in rural and regional communities.

This submission focuses mainly on items 'b' and 'c' of your terms of reference.

Mid-Western Regional Council is very much of the opinion that telecommunication suppliers have ignored rural and regional Australia. The standard of infrastructure and access to telecommunication in this region could at best be described as third world. We only need to travel 5 minutes out of any of our townships and mobile phone coverage is non-usable. Surely in the year 2010 Australia should be able to experience mobile phone coverage between regional centres. That does not exist in regional NSW.

The only realistic option for telecommunication providers in rural NSW is Telstra. They are a corporate body which has a singular focus on profits, not service. Our phone accounts continually increase but the service gets worse. Telstra advice to residents in this region which have been reported to Council ranges from:

1. get a bigger aerial on your car;
2. mobile phones are not designed to work inside dwellings;
3. there is no profit in supplying services to regional Australia;
4. the cost of infrastructure upgrade should be funded by the community;
5. buy an expensive satellite phone and use that.

These responses are simply not good enough in 2010. We are aware that many third world countries enjoy a higher level and much more expansive service than rural and regional Australia enjoys.

Another area Council and this community are concerned about is the availability of suitable technicians and service staff to maintain and repair the existing infrastructure. At present many of the technicians are contracted from out of area, and have little idea of either the needs or the urgency of issues, let alone the location of the infrastructure.

The inflexibility of Telstra work practice also precludes any possibility of pre-emptive or precautionary work done to a site should a technician find another issue while attending a fault. The issue has to be logged back into the Telstra system then rescheduled for a later date, more than likely to another technician. Technicians are discouraged from attending other issues they find on site so as to minimise the number of hours spent to an existing fault.

It would also appear that Telstra deliberately refuses to replace ageing rural infrastructure, even when asked to do so by its own technicians. After the 2009 Christmas holiday rains a cable serving much of the area southwest of Mudgee failed when water got through the insulation, interrupting phone service to numerous homes. A technician working to repair the problem told a member of Council's staff that he had been trying to get the cable replaced for years, but had been ignored because the cable only served a few dozen rural customers.

### The way forward

That the NSW Parliament strongly supports the Federal Government's position of splitting Telstra into two, with the infrastructure and retail activities being kept separate. In fact, the Federal Government should be encouraged to repurchase the infrastructure arm of Telstra so that we only have one infrastructure system in Australia and then all telecommunication suppliers can feed off that one infrastructure and create better competition for all Australians.

In terms of broadband and internet service in rural and regional Australia, again we are not given the same level of service our metropolitan friends take for granted. The current system is slow and extremely cumbersome. The new Federal Government's initiative will assist but is some time away before all the infrastructure for quality broadband is in place. The State Parliament should support openly the Federal Government's initiative to provide quality broadband services to rural and regional Australia.

In recent years Mid-Western Regional Council has experienced the following problems with internal services in this region:

1. A recent industrial submission was developed in Mudgee. The infrastructure installed by Telstra only allows each industrial site one internet connection.

Telstra's response – it is only Mudgee and they don't need more than one connection.

After two years of discussion and submissions, Telstra have now made a commitment to fix the problem. The commitment was made only because the Federal Minister for Communications was present. No time frame for fixing the problem was given.

2. Mid-Western Regional Council has four main centres in Mudgee, Gulgong, Kandos and Rylstone. It is important to Council that all members of our community receive the same level of service. This includes access to information and quality systems for water and sewer monitoring.

Telstra's response – Council should install its own infrastructure as it is not their problem. Council has done this at a cost of \$300,000.

3. For some time the State Government has advocated that Local Government should work together through alliances to share resources and reduce costs to our ratepayers. This initiative has a lot of potential. Mid-Western Regional Council

has an alliance with Lithgow and Oberon Councils. The opportunity of sharing computer resources, including software, is significant.

The telecommunication connections between the three councils are insufficient to have any form of quality business computer connections. It needs Telstra to have the infrastructure to work. It is not affordable or financially viable for councils to install the infrastructure for a single user.

Telstra's response to date has been to totally ignore our requests for an upgraded infrastructure between our regional communities.

IN SUMMARY

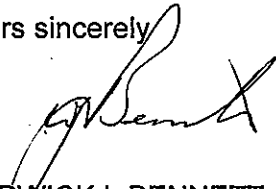
The current telecommunication system in Australia is not working for rural and regional communities. We need change and we need it now if Australia wishes to remain competitive in 2010 and beyond. Rural and regional Australia is starved of business opportunities because of the lack of commitment by telecommunication providers. Family and social contact is restrictive for residents, and akin to a third world country.

The Federal and State Governments must get control of the telecommunications infrastructure and allow all retail providers access to that infrastructure to create completion which will ultimately lead to better service.

Thank you for taking the time to read our submission. Mid-Western Regional Council would be pleased to present its concerns in person to the Standing Committee.

Should you have any queries in relation to this matter please contact me on 02 6378 2850.

Yours sincerely



**WARWICK L BENNETT**  
**GENERAL MANAGER**

On behalf of Mid-Western Regional Council