

29 April 2008

Mr Phillip Costa MP, Member for Wollondilly
Chair
Standing Committee on Broadband in Rural & Regional Communities
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Dear Mr Costa,

RE: SUBMISSION TO STANDING COMMITTEE ON BROADBAND IN RURAL AND REGIONAL COMMUNITIES: KEY ISSUES FOR FURTHER INVESTIGATION DISCUSSION PAPER

The Northern Rivers Regional Development Board (NRRDB) is one of 13 Ministerially appointed Boards in NSW. The Boards have been established by the NSW Government to encourage and support sustainable economic development in the Northern Rivers region of NSW.

The Development Board recognises that ICT infrastructure is a key driver of regional economic growth because it enables both the development and intensification of a networked economy. Businesses, particularly, 'knowledge-based' business, will only grow or be attracted to the Northern Rivers if they have access to up-to-date ICT infrastructure and skilled people. Major concerns for regional businesses¹¹ include:

- mobile phone reception/ quality;
- telecommunications services; and
- telecommunications costs.

In response to the key issues that the Committee would like further information on, the Development Board recognise that the appropriate role for State Government in broadband development needs to be consistent with and add value to the Federal Government's National Broadband Network program.

Over the last decade, Federally funded programs in Australia, such as Networking the Nation, have provided millions of dollars to Australian regional communities to help them gain access to a range of ICT products and services. For example, the Community Technology Centre at New South Wales (CTC@NSW) was one such program, with grant funding being made available to communities in partnership with the NSW State Government. During the period of approximately 2001 - 2004, in addition to the CTC program, the NSW Government also rolled out its RuralLink program (through the NSW State Library) which was supposed to deliver broadband & internet services through libraries and other 'service centres' such as CTCs.

The ICT products and services sought by the various communities throughout NSW varied significantly from one community to the next and were dependent on what had been identified in the consultation process that was an integral part of implementing the [CTC@NSW](#) program. One of the major challenges of facilitating effective community consultation at a statewide level was in presenting information about the benefits of Broadband & other ICT products and services in a way that was relevant to all communities. In many instances, 'Communities don't know what they don't know'. Hearn et alⁱⁱ (2004, p. 7) identified lack of ICT knowledge in regional NSW & Australia is a complicating factor.

The other major variable was the actual delivery of broadband services to these communities as this was often limited by geographic location. This was also supported by Hearn, et al (2004, p.4 - 5), "...market failure occurs, especially in rural, regional and remote areas where the costs of setting up and maintaining ICT services can be very high. These factors make government support of ICT initiatives necessary...in the current policy context, government funds are limited.

The NSW government needs to leverage the investment it has already made in programs such as the CTC@NSW if they are to pay more than just 'lip service' to the importance of broadband access in regional economic development. CTCs have the capacity to become robust broadband delivery points for local, State and Australian government services. CTCs can and should continue to play an important role in regional economic development but they can't do it on their own.

People living in rural and remote and rural regions of NSW must be able to access the same range of services as those offered to people living in regional centres and Sydney. Northern Rivers businesses often rely on ICT suppliers who are outside their communities, and incur higher ICT costs than equivalent businesses located in urban centres.

It has been identified that "To varying degrees for different members of the communities studied, online services are steadily assuming greater importance. Access to good communications infrastructure is critical for economic development plans in which e-commerce, home-based business, or telecommuting are central. Good access to reliable communications and new technologies is a selling point to attract people to rural communitiesⁱⁱⁱ"

A critical issue is the availability of broadband access outside of the major towns in the region. With rapidly rising fuel costs and limited public transport options, access to broadband is increasingly important to enable people in rural areas to access work, education and services. There may be a perception that a particular village has access to broadband technology, but with a highly dispersed population and variable topography, it is likely that residents outside of the village centre will not have any access other than to dial-up internet and fixed line telephone services. This is critical for some industries in the Northern Rivers, particularly the creative industries which is reliant on telecommunications for their continuing success.

In addition, the high proportion of the region's population on low incomes are often unable to afford and access broadband and other ICT services, as these costs are often higher in regional NSW than in metropolitan areas. The NSW Government has a key role in ensuring the availability of affordable broadband and mobile phone coverage and access across all of NSW.

The Development Board encourages the Standing Committee to ensure consideration of the matters raised in this submission in developing programs, policies and plans for regional NSW. For further information, please contact Katrina Luckie on 02 6622 4011.

Regards



Katrina Luckie
Executive Director

ⁱ Based on the business survey reported in ACCI Review, (October 2001), *What Regional Business Needs: Results of Survey of Regionally-based Firms*, Australian Chamber of Commerce & Industry, Barton, ACT

ⁱⁱ Hearn, G., Kimber, M., Lennie, J., *ICTS and Regional Sustainability: A Critique and a Way Forward*, October 2004, CIRN Conference and Colloquium, Prato, Italy.

ⁱⁱⁱ Goggin, G. (2003), *Rural Communities Online: Networking to link Consumers to Providers*, Centre for Critical and Cultural Studies, University of Queensland, Melbourne, p 1. (Report prepared for Telstra's Consumer Consultative Council on the findings of three representative but diverse small regional areas, one of which was Mullumbimby)