



CENTRAL NSW
COUNCILS

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11 April 2008

Mr Philip Costa MP
Chair
Legislative Assembly Standing Committee on Broadband in Rural and Regional
Communities
Parliament House,
Macquarie St,
Sydney NSW 2000

Dear Minister Costa,

**RE CENTROC SUBMISSION TO THE LEGISLATIVE ASSEMBLY STANDING
COMMITTEE ON BROADBAND IN RURAL AND REGIONAL COMMUNITIES**

ADDITIONAL INFORMATION AS REQUESTED

At the meeting of the Centroc board 6 December, 2007 it was resolved *inter alia* that Centroc provide a second submission to the State Standing Committee on Broadband. This resolution was in response to your request for a second submission at the meeting of the Standing Committee on Broadband in Rural and regional Communities in Orange on 31 October.

The Centroc telecommunications team thought it might be best, given the time the Committee has given itself to investigate this issue that we wait until after the Federal election as the commitments by Federal Labour make a material difference to Broadband coverage in the region.

There have also been developments with Telstra and the NextG/CDMA networks that impact on internet services and telecommunications in general. Further, this addendum is made in the context of the Discussion Paper your committee produced in March identifying key issues for future investigation.

We note that in the discussion paper a request for further information regarding:

- Strategies for addressing the lack of availability of services in certain areas including the choice of technology;
- The appropriate role for State government in promoting and increasing the use of broadband
- State and local government planning in delivery of broadband services in particular areas;

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- The importance of broadband services for education, health and business activities and to retain regional and rural population levels; and
- The actual level of service required in the future to maximise the benefits to these communities.

We cite cases from our region by way of example as you requested. We have not included any information previously provided, so this should be read as an addendum to our first submission.

Once again, thankyou for this opportunity to report this issue so critical to the region and we look forward in working with you on delivering metro-comparable broadband to the central NSW region.

Please contact Ms Jennifer Bennett on 0428 690 935 with any feedback and we look forward to working with you in the future.

Yours Sincerely



Neville Castle
CHAIR
Central NSW Councils

nc.bjs

Attach:

Addendum: To the Submission to the Legislative Assembly Standing committee on
Broadband in the Rural and Regional Communities.



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ADDENDUM

TO THE
SUBMISSION TO THE LEGISLATIVE
ASSEMBLY STANDING COMMITTEE
ON BROADBAND IN RURAL AND
REGIONAL COMMUNITIES

INTRODUCTION

Thank you for seeking further information regarding Broadband in the Central NSW area.

This addendum covers the following areas and should be read in conjunction with the original submission:

- The Federal Election and ALP commitments to broadband and their effect over Central NSW;
- Telstra and the NextG/CDMA networks that impact on internet services and telecommunications in general;
- Feedback from Local ISPs;
- Feedback from businesses;
- Planning issues and the experience of local government including planning issues and
- Health and medical services;

Regarding your call for strategies for addressing the lack of availability of services in certain areas including the choice of technology, the original Centroc submission has much to say about this. Further it has documented the works required and technologies commended, though this was based on past Federal Government programming.

Reference is made in this document regarding the next steps required given the cancellation of the OPEL contract.

Regarding the appropriate role for State government in promoting and increasing the use of broadband, there are always opportunities for the State to get involved in improving broadband services. An area of particular interest for Centroc is in planning and programming to deliver fibre to the kerb in industrial areas.

Centroc would be very interested in working with the State Government on strategies to increase broadband delivery in the region. Most particularly Centroc seeks the support of the State Government its ongoing quest to deliver 100% broadband to the region.

THE FEDERAL ELECTION

The ALP platform for broadband in the Federal election was 'fibre to the node.'

Centroc had made a submission to the Broadband Connect Program with Telstra and IPStar as providers, but was not successful. Having had concerns with the WiMax solution under the Broadband Connect Program announced by the Howard Government, Centroc underwent significant dialogue with the ALP prior to the election in an attempt to secure the anticipated infrastructure for this region.

The ALP has made the following commentary regarding the Centroc Region:

The ALP recognises the importance of metro-comparable broadband services and pricing for Australians living in rural and regional areas. As such, the ALP acknowledges the work being done by communities around Australia like Centroc in pursuing metro-comparable broadband services.

The ALP believes that the terrestrial broadband program suggested by Centroc highlights the potential benefits offered by Labor's fibre to the node broadband plan that will reach 98% of Australians.

If elected, the ALP will move quickly to enhance broadband services for all Australians. The 2% of Australians not serviced by the new fibre to the node network will receive improved broadband services delivered by the best available new wireless, microwave and satellite technologies.

The Centroc Board have resolved to continue dialogue with the new Federal ALP Government with a view to fast tracking the fibre to the node delivery in this region.

On 19 February Centroc met with the Federal Government seeking an update on anticipated programming for broadband delivery in the region and continues in negotiations with a view to the Centroc region upgrading its broadband as soon as practicable.

On April 2 the Federal Government announced the cancellation of the OPEL contract. Centroc supports this decision as it has had ongoing concerns regarding the technology to be rolled out through OPEL, ie the WiMax radio solution.

Centroc is keeping pace with the Federal Government's swift actions including calling for submissions to inform the newly appointed panel to assess the best ways forward to deliver broadband to the nation. It is Centroc's view that the roll out of fibre around the nation should be on a needs basis and in consultation with Local Government. Should the Standing Committee wish, copies of all submissions can be made available.

TELSTRA AND THE NEXTG/CDMA NETWORKS THAT IMPACT ON INTERNET SERVICES AND TELECOMMUNICATIONS IN GENERAL

Telstra recently announced that the CDMA network will remain in place until the end of April. Feedback from farmers in the region indicates that there are places where CDMA worked and now NextG does not. For example, a wool grower in Hargreaves.

The issue with NextG is that the monopoly of Telstra only service where infrastructure, wholesale and retail are all owned by Telstra. At the moment, the use of the NextG Network costs \$50 month for 200 MB but should become cheaper over time. Given that devices such as Personal Digital Assistants (PDAs) that combine phone and email are becoming the standard, increased use will lead to slower data speeds.

It is the view of Centroc that the NextG network is not metro-comparable on price or performance.

As it is wholly owned by Telstra, there will be no choices for more those isolated those school children, businesses, farms and homes and this is of concern.

Regarding Telstra and broadband delivery, please note: Telstra has recently enabled a number of exchanges across the Centroc region and upgraded other to ADSL2. This will change the number of premises requiring broadband.

FEEDBACK FROM LOCAL INTERNET SERVICE PROVIDERS (ISPs)

Centroc has been provided with anecdotal advice that local ISPs are finding it increasingly difficult to operate. This is of concern as these providers are often linked to other information technology services leading to a reduction of support services in this sector in Central NSW.

Examples include:

- An ISP in Cowra is closing shop.
- Both local ISP providers in the township of Mudgee commented on the lack of Telstra infrastructure to provide a metro-comparable service. ADSL service is provided within the town boundaries (Mudgee, Gulgong, Rylstone and Kandos). Outlying areas do not have ADSL access as Telstra is not providing infrastructure to these outlying exchanges. Both ISPs made the comment that satellite broadband is too unreliable. This reliability is definitely not suitable for business.
- One Mudgee ISP commented that in some instances, the line quality installed by Telstra as late as 5 years ago is of such a poor standard that ADSL will not operate satisfactory.

Other feedback from local ISPs is provided in the main submission p 17.

FEEDBACK FROM BUSINESSES

It has been reported to Centroc that where business are isolated from broadband services, and this may not necessarily be outside town boundaries, the solutions to deliver Broadband come with a significant price tag. Further, coal mines in Mudgee report that they have installed expensive terrestrial solutions as current Telstra infrastructure was viewed as high risk.

The Mudgee Business Association stated that some local companies providing services to the mining industry find the current ADSL infrastructure very frustrating, particularly when sending large drawing data files.

Further discussion with the Central West Regional Development Board suggests that is it the confusion and difficulty in navigating the pathways to accessing broadband that lead to reduced uptake of services. Indeed this can be extrapolated beyond broadband and into telecommunications as a whole including phone services.

FEEDBACK FROM COUNCILS INCLUDING PLANNING ISSUES

Councils are big businesses in rural and regional communities. Often the largest employer in town and being the first port of call for community members seeking to sustain and grow their regions.

The following is feedback from Mid Western Regional Council (MWRC), defined as a black spot zone for broadband in Central NSW:

MWRC had to install licensed wireless links between administration centres (Gulgong - Mudgee - Rylstone) as Telstra infrastructure was too expensive and not up to standard.

A number of Councils in the region are experiencing growth while the region as a whole is made up of communities seeking growth. It is recognised that good telecommunications is essential to attract 'high tech' industries to the area and the "tree changers". Good broadband and mobile phone coverage are seen as essential.

Mobile phone coverage is non existent 5–10ks from most town centres including along some highways.

The issue of planning control is one very relevant to the State.

Under the Universal Service Obligation currently, the provision of a phone line is seen as the standard for infrastructure delivery in a new development. Centroc contends that this should be reviewed where broadband should be the minimum and that the State could play a very useful role here through incentives and, through planning provisions, setting state-wide minimum standards for broadband accessibility in new developments.

RURAL MEDICINE

With the increased need for broadband in rural medicine the following impacts are being noticed:

- Doctors and other medical and allied health staff living in the region must live close to terrestrial broadband to guarantee they can connect to the internet from work and home
- Students studying medicine in the region at the growing schools of health in Bathurst and Orange as well as the following example from Mudgee require Given that the audit showed 4600 services in the township of Orange were unable to connect to terrestrial services, this is particularly problematic.

Please see below a case study from Mudgee. Given the anticipated increase of training doctors over the next decade, such opportunities will exist across the region.

Case Study in Rural Medicine: Mudgee

The Mid-Western Regional Council has an excellent opportunity to take a step toward better regional medical care, but this opportunity hinges entirely on the presence of high speed, reliable board band service in Mudgee, currently an identified black spot area.

The Council was approached by Professor John Hogg from Wollongong University seeking support for a specialist post graduate course in Medicine which has been established to foster placement of General Practitioners into rural areas.

The University had commenced the course and is looking to place 3rd year students in rural practices throughout New South Wales as an opportunity for these students to establish local relationships, network with similarly minded young professionals and hopefully take up a position in a rural area when they have finished their university studies.

The successful placement of students in the Mudgee area is entirely dependant on reliable, high speed, broadband access. The students will, in principle be undertaking their third year studies from Mudgee and therefore must be able to successfully and expediently participate in on-line lectures, download large complex documents containing diagrams with essential information contained therein (particularly anatomical information which will need to be of the highest clarity) and submit assessments on a regular basis.

Mudgee has the opportunity to have 3 or 4 students placed in this area, the support of local doctors has already been established and the university is also offering funding towards practice extensions to provide study and consultation areas on existing buildings.

This is a win/win situation for all concerned; the community will have the opportunity to gain new doctors without having to poach them from another already under serviced rural community. Local doctors will have access to the most up to date information being provided from the university to the students plus have an identified succession plan which will provide more senior doctors with an identified path towards their retirement. The students will have the opportunity to live, work and study in a rural area and the local practices have the prospect of extending their premises with assisted funding.

This success of this scheme rests entirely on the abovementioned reliable, high speed, broadband access. If Council cannot guarantee this service the university will be unable to place students in our area.

CONCLUSION

Centroc remains deeply concerned about the provision of metro-comparable broadband service delivery in the region. We have provided the above addendum to be read in conjunction with our first submission to the Committee and look forward to working with the State on ways to improve services in the region.