

30 January 2017

**Telecommunications Universal Service Obligation inquiry**

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Productivity Commission

GPO Box 1428

Canberra City ACT 2601

**PRODUCTIVITY COMMISSION INQUIRY INTO THE UNIVERSAL SERVICE OBLIGATION**

In regard to the draft report the Northern Tasmania Development Corporation Limited (NTDC) would like to make the following comments for consideration:

1. If pay phones are to be phased out (which makes sense), we would encourage a full review of mobile phone reception and black spot areas, particularly in Regional Australia. It is also recommended that the Commonwealth Government and Telstra consider how this infrastructure may be used in a different form as in wifi hotspots, especially in areas of high tourism activity.
2. NBN Rollout – Northern Tasmania has had the benefit of early rollout of the NBN infrastructure, and there were learnings from this early implementation that we were advised. There have been reports of older retired households and communities facing difficulties in understanding the implications of the technology – and being unable to deal with the administering and managing the (understandable) early difficulties of any major infrastructure program of this size. NTDC is aware that some connectivity problems have placed extra emphasis on the importance of mobile connections, and they are ongoing.
3. NBN Speed – our community is generally grateful for the early implementation of NBN technology, and the ability to access and receive NBN to the premises. There are ongoing issues by some individuals and businesses about the speed of the service. It is also understood that in the early phases of implementation (and this may be ongoing) inappropriate modems or other equipment have been installed or used unwittingly by the consumer that do not optimise or ensure appropriate access to the NBN service.
4. NBN Complications of Service/Installation – the installation of the service has been explained as a combination of services as follows: NBN – RSP – sub-contractors – RSP – NBN. It has also been advised that any breakdown in the installation along this pathway results in a breakdown of responsibility on who is at fault or where the responsibility lies. An example of this disruption at a business level (NTDC's own business) is detailed in the attached case study. It is a general understanding that if no-one entity has overall responsibility then the service installation can end up in a delayed loop of inaction. This is a very expensive outcome for business.

NTDC would prefer that one entity within the chain of command has overall responsibility to act and determine where problems lie, also the ability to delist RSP's or sub-contractors should be part of this responsibility, if they cannot match the expectations of installing or managing the service.

5. One region of Northern Tasmania, Flinders Island, has very poor and intermittent NBN service. This was the major issue raised with NTDC whilst visiting the island in January 2017. There are expectations and level of service with the NBN rollout that should be considered. It is communicated that the NBN is an enabler of regional and remote areas – which has a great potential for communities and a more diversified population if this was achievable. However, the service should not be offered if it is not consistent in availability. It is understood that businesses on Flinders are having trouble with their communications and this then becomes a deterrent to attracting and retaining business and communities in regional and remote areas.
6. The Australian Government needs to take into account that in this current environment our communications availability and disruption of service can have a much more negative impact than in previous decades. When our NBN cable is 'down' within a business then not only do we have no internet connection but also no business phone service. There needs to be greater consideration to build into the service a need to reduce disruption and a lower threshold of what time is acceptable for 'no service'. This may have implications and consideration for additional cables across the Bass Strait/Pacific Ocean. Also our community will be trialling the 'Internet of Things' in the coming years. We need to consider now what implications will result when more of our everyday lives are reliant on the internet's function – and what time and dysfunction is acceptable.

NTDC looks forward to your final report and any consideration you can provide to this issues raised here.

Many thanks

**Maree Tetlow**  
**A/Chief Executive Officer**

## **NBN Issue – NTDC Case Study**

- Office building owner (LJ Hooker) requests two new services at Cornwall Square due to old connections still in place.

### **Thursday, 20 October 2016**

- Telstra NBN sub-contractor arrives on site to install new NBN connections for building owners. NBN comms board is accessed and rather than adding new connection/plug, an existing plug already patched and being utilised (by NTDC) is removed. Other than the knowledge of a subcontractor on site – the specifics of what were done at the time were unknown.
- NTDC internet and phone systems crash. Server is rebooted and IT support services are contacted.
- NTDC IT support services come onsite as they are unable to ascertain why there is no response from NTDC's server/systems. System checked and light connection on the NBN box in the server room is flashing red.
- Investigation confirms that the Telstra NBN subcontractor disconnected NTDC's NBN connection to the building (but not known where/how).

### **Friday, 21 October 2016**

- No change with connection issues. All systems down. LJ Hooker still trying to find someone who can assist and have the issue rectified.
- NTDC Board Chair positions close on this date and there is no way NTDC can contact those who have tried to phone or email us with their queries or applications. Emails, phones, internet connections (website included) are not accessible.
- Contact made with building owner again to try and ascertain the name and contact details of the contractor who had been onsite. Only first name readable in the visitor book, no mobile number provided. LJ Hooker will contact Telstra to lodge complaint and find out who has been onsite.

### **Monday, 24 October 2016**

- Telstra unable to advise the details of exactly who the sub-contractor was and to send someone else to fix the issue.
- Building owner representative from LJ Hooker continues to contact Telstra customer service, then the complaints section. This escalates to senior management to try and get the issue resolved, with no satisfaction.
- Three days pass and no satisfaction received in having the issue resolved with Telstra.

### **Tuesday, 24 October 2016**

- NTDC contact their own service provider and request a NBN technician to come onsite and inspect NBN box and comms board. LJ Hooker still contacting Telstra to try and get it resolved.
- Internode (NTDC RSP) advise that a technician will not be on site for 2-3 business days.

**Friday, 27 October 2016**

- NBN contractor arrives (name and contact details can be provided) and confirms that the issue is with a botch job on the NBN comms board. He raised concerns about the technical level of some of the sub-contractors being used (reluctantly).
- Plug had literally been pulled from the socket. Plug re-inserted and all systems were working again once rebooted and tested.
- LJ Hooker confirmed that no further success or resolution from Telstra was gained. It was only through NTDC logging it as a new issue with their service provider that it was resolved eventually in over a week's time. Operations were crippled!