

Balranald Shire Council

FROM THE OFFICE OF MAYOR

ALL COMMUNICATIONS MUST BE ADDRESSED TO THE GENERAL MANAGER

LB:CH:413

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20th January 2017

Mr Paul Lindwall Presiding Commissioner Telecommunications Universal Service Obligation Productivity Commission GPO Box 1428 CANBERRA ACT 3601

Dear Mr Lindwall

Re: Productivity Commission Inquiry into the Telecommunications Universal Service Obligation 2016

Balranald Shire Council is situated in Western NSW and covers an area of 21,346 square kilometres with a population of around 2,400 (1 person per 38 square kilometres outside Balranald and Euston). Access to reliable telecommunication is critical to our community and those visiting our region. Council understands that there have been major improvements to telecommunications in Australia in the past decade and as improvements in telecommunications continue there has been a shift away from fixed line services to mobile telephone and increasing use of data services for communicating. Despite these outcomes, it should be noted that a large percentage of our Shire does not have any mobile phone coverage.

It is therefore essential that access to an existing landline service continues to be provided for critical and day to day communication. As noted in your draft report Overview the telecommunications universal service obligation (USO) is designed to ensure all Australians have access to basic telephone services by affording them a 'provider of last resort' for voice telephone. The vastness of our Shire and distances between key population centres means in the absence of some form of Government support it would be uneconomical for a service provider to operated telephone services within the Shire. The USO helps to ensure people living in remote areas of Australia receive the same level of telephone services as other Australians living in capital cities.

While Council accepts that provision of this USO in major population centres may no longer be necessary, it believes removal of this for our Shire would have negative economic and social benefits for residents living in both this Shire and other shires outside key population centres.

It is our understanding that as Australia's population increases, Governments are increasingly encouraging people to move outside the major cities to ease housing and traffic congestion in these areas. To make it attractive to people to come to the more remote areas such as our Shire reliable telecommunication services going forward will continue to be essential.

Balranald Shire Council recommends that should the Productivity Commission recommend removal of the USO, an alternative form of community service obligation be put in place to ensure remote areas continue to have access to reliable telecommunication services at an affordable cost.

Regards

Leigh Byron MAYOR