National Rural Health Alliance

**Submission to Productivity Commission:
5-year Productivity Inquiry –
Australia's data and digital dividend
Interim Report**

... healthy and
sustainable rural,
regional and remote
communities

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The National Rural Health Alliance (the Alliance) welcomes the opportunity to make a submission to the Productivity Commission *5-year Inquiry – Australia's data and digital dividend Interim Report*. The Alliance represents 46 member organisations (see Attachment A) encompassing healthcare and allied health professionals, health service and educational providers and consumers, located in or servicing rural, regional and remote (rural) Australia. The Alliance is committed to improving the health and wellbeing of Australians living in rural communities.

Introduction

Around two-thirds of Australia's export earnings come from regional industries such as agriculture, tourism, retail, services and manufacturing.[1] Given this critical contribution to Australia's current and future economic wellbeing, there are sound economic reasons for governments, industry and regional communities to work together to improve telecommunications, data and digital infrastructure in rural Australia. Using data from the National Institute of Economic and Industry Research, the Regional Australia Institute forecasts that the Australian economy as a whole will be better off if the nation sees more balanced population growth. This modelling shows that Australia's gross domestic product (GDP) would be $13.8 billion greater under a scenario of a larger regional population than a 'business as usual' population scenario.[2]

The provision of reliable, affordable and accessible health services is a critical element in supporting the ongoing economic development of rural Australia. Attracting and retaining a rural health workforce is essential to providing a comprehensive rural health service; access to reliable, affordable telecommunications and other digital infrastructure is an important element in overcoming the professional, financial and social barriers to attracting and retaining health professionals to rural Australia.

Broadband and mobile connectivity is an enduring concern across many communities and increasingly crucial to the economic and social wellbeing of Australian regions.[3] Further, it is apparent, now more than ever, that connectedness is critical to the accessibility and delivery of individualised and comprehensive healthcare solutions throughout the country. Indeed, the rollout and extension of telehealth services and rebates, in response to the COVID-19 pandemic, underscores the importance of digital solutions in overcoming the combined effects of health crises and physical isolation. As noted by the Australian Medical Association, telehealth has become as good as the bandwidth it occupies.[4]

Connectivity, reliability, accessibility, affordability and digital health literacy remain ongoing barriers to enabling rural communities' participation in digital health activities. Investment in telecommunications infrastructure in rural areas is known to have the capacity to improve access to health care. However, whether these improvements are actualised is intricately linked to issues around service suitability, reliability and affordability. On these measures, rural Australians continue to face significant disadvantage. Considering these factors, it is unsurprising that rural Australians are, overall, less digitally connected and more heavily reliant on outdated technologies.

Context for this Submission

The Alliance is a member of the Regional, Rural and Remote Communications Coalition (RRRCC) and supports the *Better Comms for the Bush: RRRCC Priorities for Action*.[5] In 2021, the Alliance made a submission to the Regional Telecommunications Review that included comprehensive input about adequacy, changing demand, service reliability, as well as opportunities for telecommunications in Australia. The Alliance is taking the opportunity to provide some of this information to the Productivity Commission in response to the release of the *5-year Productivity Inquiry – Australia's data and digital dividend Interim Report*. The Alliance congratulates the Productivity Commission on the completion of such a detailed and comprehensive report. The following input from the Alliance relates primarily to the following Term of Reference included in the Scope of this Inquiry:

> *3. Consider the opportunities created for improvements in productivity as a result of Australia's COVID-19 experience, especially through changes in Australia's labour markets, delivery of services (including retail, health and education) and digital adoption.*

The digital divide for people living in rural Australia

As your Interim Report notes, referencing the Australian Digital Inclusion Index (ADII)[6,7], geography plays a critical role in digital inclusion in Australia. It reveals substantial differences between Australians living in rural and urban areas. In 2020, digital inclusion was 7.6 points higher in capital cities (65.0) than in rural areas (57.4).[6] The ADII data reveals significant differences between rural and urban areas with a capital city – country gap evident across all three of the dimensions measured – accessibility, affordability and digital ability.

As highlighted by Infrastructure Australia[8], many parts of rural Australia have no, or poor, mobile phone voice and data reception, affecting quality and reliability of services. While Australia's mobile phone networks cover most individuals at home, there is limited service in many regional and remote areas (known as mobile blackspots), reducing mobile phone access for individuals when they travel and for some regional and remote communities.

The lack of connectivity disadvantages Australians in these areas, who rely on mobile connections for social inclusion and access to services such as health (for example, telehealth), education (for example, online distance education) and other welfare services, as physical services are often not cost-effective to provide in these areas. Access to reliable telecommunications is also critical in emergency situations such as extreme weather, bushfires and flooding, or serious trauma incidents such as road accidents. A lack of mobile coverage can delay response times – threatening lives, property and livelihoods.

The Alliance notes that, especially in areas outside of the nbn™ footprint or where mobile or satellite services are unreliable, legacy services will continue to be of importance to rural consumers into the future. Such services are likely to continue to fulfill the public interest aims of access, participation, competition and safety (particularly as it relates to healthcare access). Services of importance include access to directory assistance, untimed local calls, free emergency calling and phone number portability. The Alliance notes that the ongoing need for some of these obligations may dissipate in the future if viable and reliable alternatives emerge to voice and data services over Telstra's copper network. However, it is crucial that these obligations are not removed unless and until there are proven, reliable alternatives available to rural consumers that are delivered at a cost that renders them widely accessible.

It is important to note that technology is not the only barrier to digital inclusion for rural Australians. Affordability and digital literacy are further barriers. The Alliance considers that continued access to measures for people on low incomes is important (such as the existing telecommunications allowance), particularly in geographic markets in which there are few (or no) viable alternatives. In such markets, the limited competitive pressure is unlikely to provide sufficient impetus for service offerings that meet the needs of low-income consumers. The Alliance also supports the RRRCC proposal for the creation of a targeted, concessional nbn[TM] broadband service to support low-income residents of rural areas and reduce the digital divide.[5]

Impact on the health workforce

There are currently workforce shortages in rural Australia across most health professions. It is likely that these workforce shortages will continue and may even be exacerbated in future by professional, financial and personal barriers to working rurally. Change to the environment due to climate-change-driven extreme heat and weather events is another factor reported to be affecting rural recruitment of health professionals.[9] Innovative models of care will be an essential and growing element of accessing health care for rural Australians. Therefore, affordable, accessible and fit-for-purpose telecommunications is critical now and into the future.

The Alliance notes that the abovementioned barriers affect not only consumer access to (and demand for) health services, but also the willingness and ability of medical and allied health providers – many of whom operate within sole trader, partnership or small business arrangements – to supply digital health solutions to rural communities. For example, Alliance Members have previously indicated that Sky Muster[TM] services have been inadequate for telehealth delivery. Additionally, bandwidth limitations in rural areas mean that concurrent access to internet and videoconferencing is not possible. These factors significantly hamper the ability of providers to utilise digital solutions as a component of service delivery in rural healthcare settings. These obstacles can inhibit health professionals from choosing to set up businesses for their healthcare practices in rural and remote locations.

The demand for reliable, accessible telecommunications will also be driven by the increasing move to general practitioner telehealth prescribing, electronic prescribing for pharmacy medicines and the use of electronic prescriptions. Equitable access to electronic prescriptions will be an important element in overcoming barriers to accessing health care for rural Australians. Digital health provides an opportunity to improve equity of access so that rural pharmacies have the infrastructure they need to provide services that are reliable and, at the very least, equal to that of urban areas.

Improving equity – learning from the impact of COVID-19 and natural disasters

The events of recent years, in terms of natural disasters and COVID-19, have reinforced what rural communities have long been aware of – telecommunication services are essential. While there have been improvements in telecommunication services for rural Australia, there is still more to do to ensure equitable connectivity for rural consumers.

The Alliance understands that, in many rural and particularly remote communities, up-front and ongoing digital access costs are high and can be a barrier for many communities. Unless suitability, reliability and affordability issues are addressed in rural areas, the widespread rollout of digitally delivered solutions as a feature of health service provision is unlikely.

Against this background, the Alliance makes the following recommendations:

- The regulatory framework that underpins the future delivery of telecommunications infrastructure and service offerings must incentivise wholesale and retail providers to offer rural consumers suitable and reliable services, at an affordable price.

- Competitive forces alone are unlikely to provide sufficient impetus for regulatory compliance in rural areas; active compliance and enforcement are likely to be required, within a regime in which remedies and penalties are set at a level that incentivises compliant behaviour.

- Importantly, the continued provision of protections for basic services, fault reporting, and swift response and resolution timeframes for rural communities, must be captured within any redesigned regulatory framework.

- In recognition of the high cost of infrastructure provision in rural communities and the consequential barriers to market-based competition, the telecommunications regulatory framework should be designed so that service continuity for rural consumers is a priority. On this issue, the Alliance notes that, due to their physical isolation, consumers in rural communities are often heavily reliant on connectivity from a single telecommunications service offering. This makes reliability and continuity of access to that service of paramount importance, particularly in health emergency and crisis situations.

The *Better Comms for the Bush – RRRCC Priorities for Action*[5] state that, wherever Australians work and live, they should have guaranteed minimum access to data and voice services. This includes services that meet the specific needs of all consumers in rural areas. Rural consumers and businesses need guaranteed access to voice and data services at all times, especially during natural disasters.

There are technologies available that can be utilised to support communities and emergency services during natural disasters. The nbn[TM], for example, has a range of connectivity support measures including Disaster Satellite Services, Road Muster Trucks and Portable Satellite Kits.[10] Field-deployable satellite connection points, as used by grey nomads, should also be made available for emergency response vehicles in remote communities. This technology is increasingly reliable, easy to use, robust and affordable.

Access to reliable telecommunications is critical in emergency situations such as extreme weather, bushfires and flooding, or serious trauma incidents such as road accidents. A lack of mobile coverage or extended outages can delay response times, thereby increasing the risk of lasting harm or loss of life or property.

Rural Australia requires telecommunication services that meet minimum standards and reliability. Updated telecommunication service guarantees and adequate service performance are needed that reflect the needs of consumers and businesses. Connection and repair timeframes, reliability, adequate performance levels and safeguards for vulnerable consumers must all be updated. Reforms must ensure rapid rectification of services when natural disasters occur.

The Alliance believes that there should be consumer protection frameworks that cover service reliability, specific to needs of consumers in rural areas, including medical and allied health providers. There should also be standards in relation to reliability and fault rectification. In rural areas, the threat of switching to another provider is unlikely to be enough incentive to drive regulatory compliance. For this reason, in scenarios where there are few (or no) alternative suppliers for voice or data services, it may be appropriate to place additional requirements on providers regarding, for example, response and resolution timeframes for service interruptions, quality issues and faults. Such measures would likely enhance both the willingness and ability of medical and allied health providers to offer digitally delivered services as a component of their health service in rural communities.

Benefits of more affordable broadband services

As highlighted by the RRRCC, rural Australia has much to gain through access to more affordable broadband services that support low-income families and strengthen rural communities. Providing access to affordable communication options supports individuals and families to access essential

services and engage in education and training, which strengthens local communities. Reforms are needed that recognise the current barriers to accessing new technologies, including that remote communities often pay a higher cost for lesser-quality and less-reliable services, compared to those in urban areas. Even greater barriers arise for low-socioeconomic communities.

It is important that people living in rural Australia have equitable access to new technologies as they are rolled out. Access to the latest technology will be critical for health care, not only to support access to telehealth, but also new health technologies such as mobile and wearable applications, increased use of artificial intelligence and other interventions that require access to reliable, high-speed internet.

Support for the programs and funding initiatives that have been introduced

Over recent years, the many programs and funding initiatives have resulted in significant improvements in telecommunications coverage and access across remote Australia. In particular, the introduction of the nbn™ Sky Muster satellite, the Mobile Black Spot Program, state or territory government co-investment programs, the Community Phones Program, and various programs to provide shared internet services and access facilities, have helped to substantially improve connectivity in rural and particularly remote Australia. Some of these are mentioned on page 36 of your Interim Report.[7]

Conclusion

The *Better Comms for the Bush – RRRCC Priorities for Action*[5] have included a number of 'asks' including that the Australian Government commit to establishing a Rural, Regional and Remote Communications Fund to resource ongoing investment in regional telecommunications through the Mobile Black Spot Program, Regional Connectivity Program and state or territory co-investment programs. As a member of the RRRCC, the Alliance would support additional Australian Government assistance to support the rapid rollout of, and investment in, new telecommunication solutions in rural areas. Therefore, the Alliance supports the following goals.

RRRCC Goals

Goal 1: Guaranteed access to voice and data services

Wherever Australians work and live, they should have guaranteed minimum access to data and voice services. This includes services that meet the specific needs of all consumers in regional areas. Regional, rural and remote consumers and businesses need guaranteed access to voice and data services at all times, including during natural disasters.

Goal 2: Equitable voice and data services that meet minimum standards and reliability

Updated telecommunication service guarantees and adequate service performance are needed to reflect the needs of consumers and businesses. Connection and repair timeframes, reliability, adequate performance levels and safeguards for vulnerable consumers must be updated. Reforms must ensure rapid rectification of services when natural disasters occur.

Goal 3: Continued program to expand mobile coverage

Expansion of mobile coverage is critical in regional and rural areas. Current and previous programs have resulted in further coverage. However, there remain premises, vital community hubs and high-traffic areas that are at risk from having no mobile coverage. In addition, mobile network upgrades must allow regional, rural and remote Australians to harness the opportunities they offer.

Goal 4: Digital capacity building for regional, rural and remote Australia

Australian society and the economy stand to gain from the benefits of having regional, rural and remote areas digitally connected. To realise these benefits, consumers and businesses need independent, trustworthy technical support to get connected and stay connected.

The RRRCC has previously called for the Federal Government to commit seed funding for a pilot project that aims to grow digital literacy and foster technology applications in regional, rural and remote Australia. In the 2019–20 Budget, the RRRCC welcomed the government's announced funding over two years for a Digital Tech Hub.

Goal 5: Affordable communications services for regional, rural and remote Australia

Regional, rural and remote Australia has much to gain through access to more affordable broadband services to support low-income families and strengthen regional communities. Providing access to affordable communications supports individuals and families to access essential services and engage in education and training, strengthening local communities. Reforms are needed that recognise remote communities pay a higher cost for less compared to those in urban areas.

References

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National Rural Health Alliance Members (October 2022)

Organisations with an interest in rural health and representing service providers and consumers

Allied Health Professions Australia (Rural and Remote Committee)	CRANAplus
Australasian College for Emergency Medicine (Rural, Regional and Remote Committee)	Exercise & Sports Science Australia
Australasian College of Health Service Management (Regional, Rural and Remote Special Interest Group)	Federation of Rural Australian Medical Educators
Australasian College of Paramedicine	Isolated Children's Parents' Association
Australian and New Zealand College of Anaesthetists and Faculty of Pain Medicine (Rural Special Interest Group)	National Aboriginal Community Controlled Health Organisation
Australian Chiropractors Association (Aboriginal and Torres Strait Islander Rural and Remote Practitioner Network)	National Association of Aboriginal and Torres Strait Islander Health Workers and Practitioners
Australian College of Midwives (Rural and Remote Advisory Committee)	National Rural Health Student Network
Australian College of Nurse Practitioners	Optometry Australia (Rural Optometry Group)
Australian College of Nursing (Rural Nursing and Midwifery Faculty)	Pharmaceutical Society of Australia (Rural Special Interest Group)
Australian College of Rural and Remote Medicine	Regional Medical Specialists Association
Australian Dental Association (Rural Dentists' Network)	Royal Australasian College of Medical Administrators
Australian General Practice Accreditation Limited	Royal Australasian College of Surgeons (Rural Surgery Section)
Australian Healthcare and Hospitals Association	Royal Australian and New Zealand College of Obstetricians and Gynaecologists
Australian Indigenous Doctors' Association	Royal Australian and New Zealand College of Psychiatrists (Section of Rural Psychiatry)
Australian Nursing and Midwifery Federation (Rural members)	Royal Australian College of General Practitioners (Rural Faculty)
Australian Paediatric Society	Royal Far West
Australian Physiotherapy Association (Rural group)	Royal Flying Doctor Service
Australian Primary Health Care Nurses Association	Rural Doctors Association of Australia
Australian Psychological Society (Rural and Remote Psychology Interest Group)	Rural Health Workforce Australia
Australian Rural Health Education Network	Rural Pharmacists Australia
Carers Australia	Services for Australian Rural and Remote Allied Health
College of Intensive Care Medicine of Australia and New Zealand (Rural Committee)	Society of Hospital Pharmacists of Australia
Council of Ambulance Authorities	Speech Pathology Australia (Rural and Remote Member Community)