

As a regional Local Government body in SA, The Flinders Ranges Council (which as our name suggests is based in and covers a large area of the Flinders Ranges in regional and outback South Australia) wishes to make a general submission to the enquiry on the place of USO in the provision of Telecommunications services to regional, rural and remote Australia.

Australia is undeniably a very different service proposition to most of the rest of the world, so whilst how other nations deal with this matter can help inform the discussion there are no parallels to our situation.

We have very high concentrations of population density in and around the capital cities, regional centres and along the eastern seaboard more generally. These areas are readily serviced on a competitive basis, as the cost to build and operate infrastructure relative to the income which is generated by that infrastructure makes it a commercially viable proposition.

Much of the remainder of the country's landmass, however, is very sparsely populated and the enormous distances across which network augmentation is required to reach isolated (and, indeed, many not so isolated) pockets of population residing in, working in and providing services to these areas is not a cost effective proposition for a commercial provider.

This has historically been recognised by the USO provisions, and whilst it is a given that the Telecommunications industry in Australia is very different in operation (with the privatisation of Telstra, and introduction of competition including reseller entities without networks) and in technology (with the advent of, and rapid growth in, mobile telephony and then data, and the demand for internet services) to what was envisaged when the USO framework was established, those issues of equitable access to necessary communications are as evident as they ever were.

We certainly hold the view that all Australians are entitled to access to a capable and effective modern communications network, regardless of where they reside. This basic premise underpins the USO as it stands, and we encourage the retention of this philosophy in conjunction with a re-evaluation of what those services which warrant this subsidy or support in provision. Whilst the historic applications related to Public Payphones and landline installation to remote properties, we would contend that the "basic" or "utility" services which are of critical import in the modern telecommunications environment have expanded from this base.

This includes telephony –and whilst it remains impractical to propose covering all of the country with mobile network coverage (and there is a subsidy scheme available for eligible applicants to access satellite telephones where mobile coverage is not available), expanding access to mobile coverage is a significant issue in areas such as ours where coverage is both sporadic and quite limited. The Commonwealth operates the "Mobile Black-Spot" program, which provides limited expansion of mobile coverage in accordance with assessment criteria including co-funding, however this does not provide the USO level of recognition of need. Large numbers of tourists and travellers - who expect such coverage in populated areas - visit our area, and many others areas with coverage issues like ours, each year. The lack of the "safety net" of having the access people are used to and have come to rely on discourages visitation or foreshortens stays, as well as limiting the functional and safety factors available for residents and workers in these regional and rural areas.

We equally contend that access to high capacity internet connections are critical for all residents in a modern, developed nation. In isolated areas, the internet is arguably more critical for education, health services, business operation and economic development, as well as social and personal interaction with others across the distance. Whilst the NBN provides a satellite service for the more remote regions, mobile data in conjunction with telephony is an expected service in populated areas, albeit not always available. We would propose that these matters come under consideration for inclusion in the USO provisions.

If the general basis for the provision of services under the USO is providing affordable access to those basic services - accepted as necessary in the current environment - where those services cannot be provided on an economic basis by a commercial provider, then we would reiterate that this need is as great as ever. The imperative of access to such telecommunication services as are currently accepted as a basic “utility” service is more important in the modern era than when the USO system was first established. Accordingly, we urge the retention and expansion of the Telecommunications Industry Universal Service Obligations, in conjunction with an appropriate funding mechanism to facilitate the appropriate provision of such services as are required to be funded by the more “social equitability” driven program in circumstances where simple cost/return equations do not support commercial provision.

We would be pleased to discuss any aspect of this submission, should the enquiry wish to do so