



## **AgForce Queensland Industrial Union of Employers**

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Ref: CB/TB/GG011

15 June 2017

Mr Rod Sims  
Chairman  
ACCC

Email: [mobileroaminginquiry@accc.gov.au](mailto:mobileroaminginquiry@accc.gov.au)

Dear Mr Sims

### **Re: Domestic Mobile Roaming Declaration Inquiry 2016 – Draft Decision**

AgForce welcomes the opportunity to provide a submission to the Domestic mobile roaming declaration inquiry, draft decision released 5 May 2017.

Following is AgForce's response to the ACCC's draft decision on the Domestic mobile roaming declaration inquiry.

AgForce is the peak rural group representing the majority of beef, sheep & wool and grain producers in Queensland. The broadacre beef, sheep and grains industries in Queensland generated approximately \$5.7 billion in gross farm-gate value of production in 2014/15. AgForce exists to facilitate the long-term growth, viability, competitiveness and profitability of these industries. Our members provide high-quality food and fibre products to Australian and overseas consumers, manage more than half of the Queensland landscape and contribute significantly to the social fabric of rural and remote communities.

AgForce supports the ACCC's draft decision to not declare a mobile roaming service. We believe having effective and affordable phone and internet services is not just important for businesses, it is an essential part of everyday life

With many areas of Queensland, still experiencing unreliable phone coverage or no coverage at all, increasing overall coverage must be the priority. AgForce is of the firm belief that infrastructure is best for coverage however, we need to ensure we are not taking away the imperative to build it.

AgForce encourages the ACCC to expedite its decision to bring certainty to infrastructure planning and development regionally.

Should you wish to discuss any of these issues further, please contact AgForce Policy Advisor, Tamara Badenoch on (07) 3236 3100 or [badenocht@agforceqld.org.au](mailto:badenocht@agforceqld.org.au).

Yours sincerely

Charles Burke  
Chief Executive Officer

## 1 Executive Summary

AgForce is the peak rural group representing the majority of beef, sheep & wool and grain producers in Queensland. The broadacre beef, sheep and grains industries in Queensland generated around \$5.7 billion in gross farm-gate value of production in 2014/15. AgForce exists to facilitate the long-term growth, viability, competitiveness and profitability of these industries. Our members provide high-quality food and fibre products to Australian and overseas consumers, manage more than half of the Queensland landscape and contribute significantly to the social fabric of rural and remote communities.

AgForce welcomes the opportunity to provide a submission to the Domestic mobile roaming declaration inquiry, draft decision released 5 May 2017.

Queensland is the most decentralised state in Australia and the need for better, fairer telecommunications is one of the most important issues for people living and working in regional, rural and remote areas (collectively referred to as 'regional' throughout this submission). AgForce has consistently advocated on behalf of its members for improvements to Australia's mobile network coverage. We believe having effective, reliable and affordable phone and internet services is an essential part of everyday life. AgForce believes increasing overall coverage must be the first priority and a blanket mobile roaming declaration may have stopped or stalled future investments in new infrastructure.

AgForce supports the ACCC's decision not to declare a domestic mobile roaming service. Further, we propose the following recommendations:

- Recommendation 1:** A central site that captures investment timelines to enable people to make informed personal and business decisions about their own telecommunications infrastructure.
- Recommendation 2:** A freely available application to mobile subscribers that gives a clear report on coverage and options on data and voice.
- Recommendation 3:** A greater emphasis on community engagement in pre-build discussions to deliver better prioritisation, improved allocation of investment and optimal community outcomes.
- Recommendation 4:** Infrastructure built using government funded programs be required to have build specifications that enable ease of co-location.
- Recommendation 5:** An investment incentive program geared to regional Australia, with incentives matched to increasing remoteness, with dollar values inversely related to the population.

## 2 Transparency in the Mobile Network

In 2015, AgForce conducted a telecommunications survey of its members. Notably of the 216 survey responses received only 39% had a reliable mobile phone connection, while 19.2% had no mobile connection at all<sup>1</sup>. While this may have improved slightly due to the Mobile Black Spots Program, the ACCC has correctly surmised coverage claims by operators are not always an accurate reflection of actual or reliable coverage on ground.

AgForce regularly receives feedback from members who appear to be covered by a MNO, but are either forced to invest in additional infrastructure to have reliable coverage, for example an antenna combined with boosters such as Celfi at considerable expense, or take extreme measures to get a signal (eg, standing on paddock infrastructure). Many also experience regular micro dropouts, or are not actually covered at all. Transparency in the market must be as strong as possible to place accountability for product claims back on the provider. There should also be an obligation to disclose

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<sup>1</sup> <https://agforceqld.org.au/index.php?tgtPage=news&id=view,526>

information related to their level of complaints, outages, and responsiveness time. AgForce is aware there are tools and applications available to telecommunications and planning authorities and we believe utilising these devices could assist in providing this information to end users.

**Member Example:**

An AgForce member near Richmond, in Western Queensland has recently received an additional tower. This tower, connected to the Optus network has provided competition in the area. However, locals had been anticipating this tower build for five years. The communication and feedback provided to the area with regards to construction timelines could have been greater to assist locals making investment decisions. Additionally, it has been anecdotally suggested that many locals are unaware there is another operator in the area with services available to them. Again, greater transparency would allow consumers to make decisions within a now competitive market.

AgForce agrees with the ACCC assertion that an absence of product and service availability contributes to less effective competition. Where more than one provider is available, this type of information would directly influence a consumer's choice. Furthermore, generalised network expansion announcements hinder consumers' ability to make informed decisions about their mobile network connectivity. Consumers in regional Queensland regularly invest considerable amounts of money to improve their connectivity. As with any investment they must consider the costs and benefits of these decisions. For example, do they spend large sums of money on equipment for their home or business to try and get better coverage and negotiate a contract rate? Or is there going to be infrastructure built in the near future which would save them making this investment? If consumers have detailed and transparent information available to them regarding infrastructure it would assist in future planning.

AgForce would like to see a site developed that captures detailed information around Telco's investment timelines. Ideally this would give consumers a window of investment and allow them to make better decisions regarding their connection.

**Recommendation 1: A central site that captures investment timelines to enable people to make informed personal and business decisions about their own telecommunications infrastructure.**

### 3 Network Quality Information

Publishing network quality information as suggested by the ACCC may give a more accurate network picture than we currently have. This information could be used to leverage investment in regional areas and promote competition, particularly in areas that appear to be covered when looking at MNOs coverage maps, but the practical reality is starkly different.

AgForce is aware of several examples where network quality information is being used to effectively prioritise and increase network services and promote greater competition. The Loddon Mallee Regional Development Authority recently undertook measures to plan for improved mobile service signal strength in their region.<sup>2</sup> They collaborated with Local Government Authorities to detect mobile black spots by using a blackspot detection application called Digital Economy Group App on council vehicles. This blackspot data was fed into a database to identify priorities for the shire, then added the identified blackspots into the federal blackspot list.

AgForce believes there needs to be a focus on infrastructure investment and how this type of information could be collected and fed in so that changes and improvements can be made by both providers and government. There is huge potential for similar activities to be undertaken across all regional areas in Australia if the application was freely available. If companies are informed about

<sup>2</sup> <http://www.mrsc.vic.gov.au/files/102a81d0-5fa9-48e3-b86e-538d426b87c9/Ordinary-Council-Meeting-A2016-03-23-PE6-Attachment-1-Telecommunications-Black-Spots-Update.pdf>

micro drop-outs they can make decisions accordingly that may not just promote competition, but also smarter infrastructure investment and increased coverage for the most regional consumers.

**Recommendation 2: A freely available application to mobile subscribers that gives a clear report on coverage and options on data and voice.**

## 4 Infrastructure Sharing

### 4.1 Mobile Black Spots Program

AgForce believes it is important that we consider a new set of rules or operating conditions for infrastructure sharing. It is inevitable that we are pushing into more remote, less used areas as the network slowly expands. Even with co-investment models, companies are pushing the commercial envelope in building towers. Because of this we must drive greater efficiency of resources, and multi-user type facilities must be considered. We believe it is imperative that the promotion of more efficient ways of increasing coverage and avoiding duplication of infrastructure for any new programs needs to be included going forward. AgForce is not suggesting MNOs share their spectrum, but certainly the partially government funded infrastructure. AgForce supports the idea that infrastructure sharing and co-investment be made a stronger element of any program funding guideline.

AgForce would also be interested to see how more effective utilisation of the existing fibre network could be achieved, in particular, a report of dark fibre and infrastructure that is available to regional Australia. We are aware of the security reasons preventing the entire dark fibre network being made public. However, anecdotally we have been advised that some providers have access to this network and this information could be extremely useful in encouraging competition for regional areas.

### 4.2 Facilitates Access Regime

#### *Towers Not Operated by Carriers*

AgForce noted the ACCC's suggestion to incorporate non-carrier operated towers into the Facilities access regime. Whilst we do not disagree with this concept, we query the number of towers this would include? AgForce is not aware of large numbers of towers that would be affected by this and this may not be a widespread solution.

There is potential for alternative infrastructure to be utilised for telecommunications towers, that are not operated by carriers. For example there is a widespread network of grain silos across the agricultural community that may offer suitable alternative infrastructure for fixed wireless services. Encouraging small enterprises to look into this type of investment could provide good competition and better services for regional Australia.

#### *Pre-Build Discussion Requirements*

#### **Member Example:**

The Dulong tower in the South Burnett Region of Queensland, is being proposed to be built in the Dulong Village. Anecdotal information from community members indicates if the tower was built on the ridge it would service a far greater area.

AgForce believes that pre-build discussions would be extremely beneficial and could potentially lead to greater competition and an increase in network coverage in regional Australia. There needs to be more emphasis on community engagement as these discussions can lead to better on-ground solutions to network expansion. As well as the utilisation of existing infrastructure, particularly related to position and location.

There should also be a requirement for towers and infrastructure being built with public money or program funding (for example the Mobile Black Spots Program) to be built to a certain standard in order for them to be easily co-located.

**Recommendation 3:** A greater emphasis on community engagement in pre-build discussions to deliver better prioritisation, improved allocation of investment and optimal community outcomes.

**Recommendation 4:** Infrastructure built using government funded programs be required to have build specifications that enable ease of co-location.

## **5 The Spectrum Regulatory Framework**

AgForce acknowledges the complex issues within the spectrum market and the subsequent implications for efficiency and competition in the communications market. We believe it needs to be recognised that in lower population areas the infrastructure costs go up; more infrastructure is required to get a smaller number of consumers connected. There are also large costs to third party providers in regional areas and equitable access to spectrum, as well as bandwidth data is needed.

Encouraging competition in the face of these factors is difficult and as such regional customers tend to miss out.

It was recently suggested that regulators were looking to shut down public Wi-Fi access, selling off the spectrum to commercial providers for a profit. This will affect providers that are utilising some of this space (for example Red Wifi) and erode fair and equitable access to telecommunications in regional Australia even further.

AgForce believes that having broad accessibility for third party providers would enable competition to occur. AgForce proposes several potential solutions for the ACCC's consideration:

- Having some spectrum put aside in regional and remote areas at a reduced cost/nil cost.
- Offering spectrum to companies that are willing to invest before building the infrastructure, to make the service available in that area.
- A co-investment requirement, or a regional requirement as part of new infrastructure build.
- Having a licence fee dependent on location of towers, for example investment zones, the further out from the CBD the more fees drop off.

These solutions could form part of an investment incentive program geared to regional Australia. It may encourage Telcos to invest in these areas as they would be confident their licence fees would be lower.

**Recommendation 5:** An investment incentive program geared to regional Australia, with incentives matched to increasing remoteness, with dollar values inversely related to the population