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The Secretariat,

ACCC Domestic Mobile Roaming Declaration Inquiry 2016

**SUBMISSION BY RIVERINA AND MURRAY REGIONAL ORGANISATION OF COUNCILS**

The Riverina and Murray Regional Organisation of Councils (RAMROC) represents the interests of fourteen Local Government Councils and Communities in south west New South Wales.

A map showing the location of the RAMROC region in relation to the capital cities of Sydney, Canberra, Melbourne and Adelaide is attached. The map also indicates the location and names of the fourteen Member LGAs.

The region covers an area of 126,595 sq km with a total population of over 165,000. The southern part of the region extends along the Murray and Lower Murray-Darling Valleys, from Greater Hume Shire and Albury City at the eastern end through to Wentworth Shire at the South Australian border in the west.

The northern and western part of the RAMROC region extends generally within the Murrumbidgee and Lower Lachlan Valleys, westward from Narrandera Shire.

The RAMROC region has a mix of large regional centres, medium sized irrigation based towns and urban shires, through to a number of predominantly dryland farming shire areas, very large in size but mostly with a low population base.

The major regional centres are Albury City and Griffith City. These cities are significant manufacturing, education, government and medical service centres for the region. In the Murray region there are generally strong cross border collaborative arrangements in place with northern Victoria.

A large part of the rural area contains significant irrigation districts, the largest and best known ones being Murray Irrigation, Murrumbidgee Irrigation and Coleambally Irrigation. There are also an extensive number of smaller private irrigation schemes and individual farm irrigators.

The RAMROC region is an important food and fibre source for Australian consumption and for export purposes, producing a wide range of summer and winter grain crops, fruit, vegetables, horticulture, viticulture, dairy and livestock.

Aside from the main urban centres within the region, mobile phone reception is mostly far less than satisfactory. In most of the rural and remote areas the mobile coverage is considered to be deplorable, with large parts of the region having no service whatsoever. In turn, this sometimes creates dangerous conditions for residents and infrastructure in bushfire and flood prone areas, as well as during other times of emergency accident and storm circumstances.

The absence of effective mobile coverage has again been very much an issue of concern in the current floods being experienced in the Murray, Murrumbidgee and Lachlan Valley areas.

Even on the major highways such as the Hume Highway, Riverina Highway, Sturt Highway, Newell Highway and Kidman Way, there are many hundreds of kilometres with nil or extremely poor mobile phone coverage. In addition, many locations which have high tourism numbers unfortunately also suffer poor network coverage, very much to the angst and inconvenience of visitors and business people holidaying in the region.

RAMROC and Member Councils individually have made submissions to the Federal Government in relation to the Mobile Blackspots Program, although very few locations have received funding to date. Unfortunately, it seems that there is little prospect of significant mobile network expansion in the foreseeable future.

Obviously, coverage is the critical issue of importance for regional mobile customers and in this RAMROC region the major MNO is Telstra, and to a lesser extent Optus and Vodafone.

Telstra have made the point to RAMROC that during the last decade it has expended 15% of its mobile phone investment on extending coverage to the last 2% of the national population, and that Telstra’s investment strategy is geared to continuing that momentum.

On that basis, Telstra maintains strongly that the current regulatory settings already deliver efficient competition and provide a level playing field for Telstra, Optus and Vodafone to invest in their own competing regional and rural mobile networks. Telstra believes that regulated roaming will remove the business case for Telstra to further extend is network coverage in regional Australia, which in turn will impact on the opportunity for further network investment in the RAMROC region.

Realistically, Telstra is probably the only MNO which is likely to expand network coverage in this region. The concern therefore is that any mobile roaming declaration whereby Optus and Vodafone would have access to the Telstra network could in turn severely prejudice the opportunity for further Telstra expansion.

Telstra therefore argues that its future expansion strategy will be threatened, even though Telstra would no doubt receive income from other MNO’s utilising the Telstra network.

On the other hand, it is unrealistic to expect that all three network providers would invest in significant network infrastructure, nor would that be logical or efficient. A shared network, based on fair and reasonable financial terms, would seem to be the most efficient outcome.

Conversely the concern is that unless mobile roaming is declared, Optus and Vodafone customers will simply have little or nil coverage in this region, certainly outside of the main urban centres. Some of those people will no doubt be our region’s residents and others will most likely be people travelling through the region. However, in either category, it seems to be essential for those Optus and Vodafone customers to have access to the best possible phone services, particularly these are critical to cope with emergency circumstances.

In summary, the challenge is to ensure that investment by Telstra in future expansion of existing mobile network coverage to rural and remote areas is not prejudiced. On the other hand, customers on other networks are entitled to have best possible mobile network access.

Hopefully ACCC can resolve fair and equitable determinations that will satisfy these competing and challenging objectives.

Yours faithfully,

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Ray Stubbs

RAMROC Executive Officer