

The Coalition's Mobile Black Spot Programme

August 2013

Key Points

The Coalition will ensure outer metropolitan, regional and remote communities have access to wider and more reliable mobile phone coverage.

If elected, the Coalition will invest \$100 million to improve mobile phone coverage.

This is expected to leverage at least an additional \$100 million in investment from the major mobile phone carriers.

Our policy will provide \$80 million for a mobile network expansion programme that will improve mobile phone coverage along major transport routes, in small communities and in locations prone to experiencing natural disasters.

We will also provide \$20 million for a mobile black spot programme that will address unique mobile coverage problems, such as locations with high seasonal demand.

This new programme will build on the work of the previous Coalition Government, which pioneered programmes to eliminate mobile phone black spots across the country. Unfortunately, under Labor very little funding has been provided to keep improving Australia's mobile phone coverage in outer metropolitan, regional and remote communities.

It was Kevin Rudd who abolished the Coalition's \$2.4 billion Communications Fund in Labor's 2008-09 Budget and squandered the money held in reserve to pay for future upgrades of telecommunications in rural, regional and remote parts of Australia.

The Coalition will ensure better and more reliable mobile phone coverage.



Introduction

Inadequate mobile phone coverage is a significant issue especially in outer metropolitan, regional and remote communities.

Over two thirds of the 222 submissions received by the 2011-2012 Regional Telecommunications Review were about mobile coverage problems, and the issue was raised in all 20 regional consultations held by the Regional Telecommunications Review Committee. The 2008 Glasson Review of Regional Communications also found that mobile coverage was the most frequently raised regional telecommunications issue.

Inadequate mobile phone coverage disadvantages individual communities and the wider national economy.

Lives can quite literally depend on access to mobile phone coverage.

Australia's largest telecommunications company, Telstra, provides mobile phone coverage for 99.3 per cent of the population and 2.3 million square kilometres of the nation's landmass.

Even so, Australia's large landmass means that approximately 5.4 million square kilometres remain without mobile phone coverage. This includes portions of major highways and transport routes, popular seasonal tourist locations, locations at high risk of natural disasters, and key mining and agricultural areas.

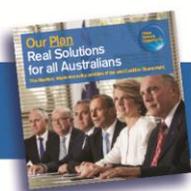
Many parts of Australia are so remote that mobile phone coverage will never be commercially viable, even with large government subsidies. In these locations, satellite phones will remain the only means of communication.

However, there are some locations where the economic viability of expanding the existing network may be marginal, but modest government financial support may tip the balance.

Government should not replace or supplant the market. However, where there is a clear economic, social and public benefit then government support may be warranted.

Expanding mobile coverage has a clear benefit to public safety and to the productive capacity of local communities and the national economy.

Some communities, commercial entities and state or local governments are prepared to contribute to the cost of expanding the mobile phone network. In these areas, there is potential for the Australian Government to partner with them to improve coverage in a cost-effective way for taxpayers.



The Plan

The Coalition will ensure outer metropolitan, regional and remote communities have access to wider and more reliable mobile phone coverage.

We will invest \$100 million to improve mobile phone services.

This new programme will build on the work of the previous Coalition Government, which pioneered programmes to eliminate mobile phone black spots across the country. Unfortunately, under Labor very little funding has been provided to keep improving Australia's mobile phone coverage in outer metropolitan, regional and remote communities.

1. An \$80 Million Mobile Network Expansion Programme

The Coalition will provide \$80 million for a Mobile Network Expansion Programme that will improve mobile phone coverage along major transport routes, in small communities and in locations prone to experiencing natural disasters.

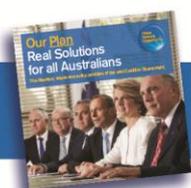
Funding will be given to mobile phone network providers who are prepared to expand the coverage and quality of their mobile networks into regional and remote areas that lack sufficient coverage.

Funding will be awarded through a 'request for proposal' process to provide flexibility and to ensure it achieves the best possible outcome.

Preference will be given to proposals that provide open access infrastructure to improve coverage along major transport routes. Increased competition will sharpen incentives for carriers to provide better quality services and lower prices in regional areas, as it does in the cities.

Proposals will also be assessed against the amount of funding contributed by the mobile phone network provider and the expected economic and social benefits.

Our \$80 million Mobile Network Expansion Programme is expected to generate at least an additional \$80 million in investment from the major mobile phone carriers.



The intention to facilitate private sector contributions to address inadequate mobile network coverage is consistent with the recommendations of the Regional Telecommunications Review, which stated:

“The committee recommends a co-investment programme, jointly funded by the Commonwealth and interested states or territory governments, to expand the mobile coverage footprint in regional Australia, focusing on priority regions selected with community input. (Recommendation 3.2)”¹

The Programme is modelled on the successful Regional Mobile Communications Programme in Western Australia, which has a \$39.2 million investment from the Western Australia Government, and which will deliver 113 new or upgraded mobile sites.

The Coalition’s Mobile Network Expansion Programme is expected to provide 200-250 new or upgraded mobile sites across Australia.

2. A \$20 Million Mobile Black Spot Programme

The Coalition will provide \$20 million for a Mobile Black Spot Programme that will address unique mobile coverage problems, such as locations with high seasonal demand. For example, this programme could fund the construction of a mobile phone tower to provide coverage to the Copeton Dam area near Inverell in New South Wales. This would provide service to the 2,200 people who live in the area and the more than 33,000 visitors to the area each year. This would assist emergency services needed on the Dam, particularly during peak periods.

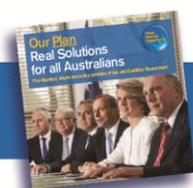
Funding for this programme will be open to local governments, state governments, commercial entities and/or mobile carriers. Flexibility is vital to ensure the most efficient and effective outcomes on a site-by-site basis.

A Coalition government will fund up to 50 per cent of the cost of deploying a mobile black spot solution site, with the balance to be funded by local governments, companies and/or mobile carriers.

Proposals will also be assessed against the amount of funding contributed by the mobile phone network provider and the expected economic and social benefits.

Our \$20 million Mobile Black Spot Programme is expected to generate at least an additional \$20 million in investment from the major mobile phone carriers.

¹ Regional Telecommunications Independent Review Committee, *2011-202 Regional Telecommunications Review*, March 2012, p 9.



3. Utilising the National Broadband Network

The Coalition will actively seek opportunities to leverage off the rollout of the wireless National Broadband Network (NBN) to improve mobile coverage.

NBN Co is rolling out hundreds of towers in regional Australia to provide fixed wireless broadband services. NBN Co will install power, access roads and backhaul for each facility, so there is an opportunity for mobile network operators to affordably co-locate with NBN Co and expand the mobile phone network through this process.

Labor failed to ensure NBN Co worked with mobile carriers to take up opportunities to leverage off the NBN rollout and its infrastructure to expand their mobile telephone networks.

The Coalition will actively pursue these opportunities.

The Choice

The Rudd-Gillard Government has made no investment in expanding the mobile phone network since being elected in 2007.

The Mobile Connect programme in 2008 failed to generate any interest from mobile network providers.

The Coalition, by contrast, has a strong record of improving our nation's mobile network coverage and quality.

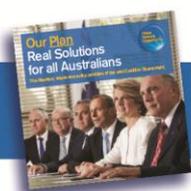
It was the Howard Government that introduced the Mobile Phones on Highways programme and the Regional Mobile Phone programme.

It was Kevin Rudd who abolished the Coalition's \$2.4 billion Communications Fund in Labor's 2008-09 Budget and squandered the money held in reserve to pay for future upgrades of telecommunications in rural, regional and remote parts of Australia.

Under the Coalition's approach, public safety will be enhanced by improved mobile phone coverage in disaster prone areas and along major transport routes.

Improved mobile telephone and data coverage will enhance productivity in the regions.

The Coalition will ensure regional and remote communities have access to wider and more reliable mobile phone coverage.



COST

The Coalition will provide \$100 million to ensure outer metropolitan, regional and remote communities have access to wider and more reliable mobile phone coverage.



Hope.
Reward.
Opportunity.



THE NATIONALS *for Regional Australia*

For further details of the Coalition's Plan go to
www.realsolutions.org.au