

Labor's Direction on NBN and Mobile Telecommunications

On Monday 10 April Labor articulated its medium-term strategy for the NBN roll-out and regional mobile coverage.

In a speech to the CommsDay Summit, Labor's Regional Minister for Regional Communications Stephen Jones laid out Labor's policy agenda with a focus on three principal areas: new requirements for the next round of Mobile Phone Blackspot funding, upgraded Telecommunications Industry Ombudsman data collection and increased Ombudsman power, as well as a review into the Consumer Service Guarantee.

Mobile Blackspots

In articulating Labor's position on future blackspot funding, several concerns with the current arrangements were identified, including the fact that half of the 500 base stations built through the \$220 million Blackspot Program are not yet in operation. With 90% of the population but only 30% of the land mass receiving mobile coverage, the following proposals were laid out:

- That in the next round of Mobile Phone Blackspot funding, the government must guarantee that co-location is a condition of public funding; and
- that this be reflected in the tender design and the contract.

Telecommunications Industry Ombudsman Improvement

Concerns were expressed with the suitability of the funding arrangements and data collection methods of the Ombudsman. In a year when complaints related to the NBN doubled, the Ombudsman reduced staff by 25%. The top 10 postcodes for NBN complaints, Jones noted, were all in regional/rural Australia; complaints which the Ombudsman did not differentiate between regarding their technology type. The following proposals were made to improve the operation of the Ombudsman:

- A requirement that the Ombudsman collect and publish data on complaints by technology type to enable a closer understanding of issues related to the roll-out
- An increase in the Ombudsman's power to handle disputes involving consumers, retailers and the NBN.

Universal Service Obligation and Customer Service Guarantee

A set of issues related to the current operation of the Obligation and the Guarantee were articulated, namely that the Guarantee in the NBN era lacks an acknowledgement that retailers do not have the capacity to fix services where the network itself is the source of the fault. Jones called on the Government to implement:

- A review into the Guarantee arrangements; and
- A minimum service level reflected in an updated Obligation.





ACCC Review of Network Speeds

In response to the ACCC announcement that they will undertake a review into broadband network speeds, Labor called for:

- A requirement that the NBN advise retailers of any deficiencies in the network that limit its capacity to deliver standard consumer packages; and
- A requirement that retailers inform customers of any limitations in network speed prior to the selling of a product.

Further information

For more information, please contact your Hawker Britton consultant <u>Simon Banks</u> on +61 419 638 587.