



**Megalink Response to**

**MOBILE CONNECT**

**DISCUSSION PAPER**

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## INTRODUCTION

### Consultation

1. How will the Australian Government achieve the greatest benefits from Mobile Connect?

Enforce low cost site sharing resulting from grants payments made available under the terms of this programme.

2. How can the Government maximise additional opportunities for terrestrial services arising from changed market structures, co-funding arrangements and linkages with other Australian Government programs?

As stated in various responses below, it is critical that Government payments in support of new mobile sites and towers carry the caveat that access at business plan effective rates be made available to other mobile and wireless broadband providers as a strict condition of such funding. This will enable low cost provision of new services to smaller communities which would otherwise not have access to those services. From our experience, months are wasted in finding business plan effective sites for small communities where government, carrier and utilities companies demand excessive fees for access to existing sites where community size does not warrant nor support such costs.

## BACKGROUND

### ISSUES

#### Further terrestrial mobile phone coverage

*Opportunities for terrestrial service extensions*

3. What is the capacity of local government, communities and business to participate in and contribute to the Mobile Connect program?

Local & state governments have a major role to play in contributing to the extension of mobile and broadband coverage to smaller centres and outlying premises. Communities and local businesses can and do attempt to provide assistance, but it is the governmental infrastructure which provides the best source of towers and sites from which wireless communications of whichever sort can be transmitted at cost effective and business plan viable levels.

## Nature of sites

### *Priorities for further regional mobile phone coverage*

#### 4. What are the best ways to support the establishment and operation of terrestrial mobile phone services in smaller population centres?

The key requirement in providing any wireless service to small population centres is the availability and cost of tower access.

Tower access costs have been largely distorted due to the excessive amounts paid to landholders for mobile towers in city and larger population centres. From this background, carriers with towers, state instrumentalities such as Parks Victoria, DSE etc., ex-state controlled organisations such as water companies and local governments now demand annual fees in excess of \$20,000 irrespective of the population base to be serviced. This is a major issue for any wireless service provider targeting smaller communities, whether mobile voice or fixed wireless broadband.

Therefore, any grant made available for the provision of sites aimed at servicing smaller communities must also ensure that tower access is made available, at low cost and reasonable height on the tower, to other wireless providers whether they be mobile or broadband providers. The towers installed with the grants payments made under this scheme can not be carrier owned per se, but must be made available for others on a cost share basis.

In addition, Connect Australia must work assiduously with state and local governments and other services organisations such as the water companies to ensure there is consistency in the provision of site access at cost levels which work with small population business plans.

#### 5. What should be the Government's priority for funding under the initiative:

- new coverage to small population centres?
- new coverage along regional highways?
- filling in gaps in existing coverage – in population centres or along regional highways?
- improved coverage (from carkit to handheld)?
- improved customer choice (i.e. funding coverage by different carriers)?
- more reliance on the SPSS?

For consistency and the integrity of Connect Australia in all its guises, the Government should make funding for smaller population centres a key priority. The reason behind this is straightforward, viable business plans can not be put together for smaller centres for most new services unless sites and existing towers amount to a small percentage of the cost structure for that centre. Funding and influence should therefore be directed at site provision as a priority. This can be achieved through community centred sites and/or through highway sites situated within a reasonable distance of population centres.