

WEST COAST COUNCIL

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09 October 2015

Senator the Hon Mitch Fifield
Minister for Communications
Parliament House
Canberra ACT 2600

Mr Bill Morrow
Chief Executive Officer
NBN Co
100 Arthur Street
North Sydney NSW 2060

Dear Minister Fifield & Mr Morrow

I refer to the recent briefing from NBN Co to the new Council on 7 September 2015 at which your representative confirmed that the five (5) towns and several villages of the West Coast municipality are not being considered for a fibre or even fixed wireless service, and are instead being limited to a satellite service only.

On behalf of the Council, business and industry leaders and the community of the West Coast I am writing to invite NBN Co to rethink its current default design option for the entire West Coast municipality.

This request is being made to ensure that residents, business and industry in our region (and even visitors / tourists that constitute an important pillar of our current economy) are not penalised further in economic development terms.

By not being considered for a higher level of service, the West Coast will be left behind i.e. while the desperately needed NBN infrastructure program has the potential to deliver improved communication capability that will see some disadvantaged areas increase their competitiveness and ability to attract investment, I strongly believe that the West Coast will likely see further declines should we not be able to keep pace and to build our capability with a modern and competitive communication platform that has the potential to create more jobs in a region that has been hard hit in recent times with changes to the mining sector and the consequent loss of jobs in locations such as Queenstown.

Discussions with business, industry and the community recently through our West Coast Community Plan 2025 process have identified the following key points:

- The default option of satellite only flies in the face of the Federal Government's own priority criteria for the NBN rollout¹;
- The West Coast population centres were slated for a fibre rollout under the previous government, therefore the argument that the infrastructure doesn't exist to underpin the business case for the

¹ "We will give highest priority to the suburbs, towns and regions with the poorest broadband services today".

higher grade services that fibre (or even fixed wireless) will bring, would appear to be a poor excuse and not true;

- West Coast is looking to encourage population growth and business investment. Without high performing NBN services the West Coast will not be able to compete with other “richer” areas for new residents and investors;
- Higher grade NBN services will provide critical improvements to not only general residents, but can improve our health services (e-health) and education services (e-learning) and should provide a solid platform for the region to attract new investment, population and business development. On the other hand, if West Coast is limited to an inferior satellite service we will fall further behind in being able to deliver critical services to our communities and we will see further businesses leaving the area (already have been informed that a new ICT business that moved to Queenstown recently on the understanding that fibre would be coming have now decided to leave);
- Satellite will not provide efficient and reliable video links (compared to fixed wireless or fibre) for hospital services, for access to education innovations and it certainly won't provide a competitive environment for business and industry to keep pace with current and future demands;
- A ‘second rate’ service will not guarantee a continuous 25mbps or better speed over an extended period (noting that much higher processing speeds should be available through the fixed wireless and / or fibre options). Real-time, high-bandwidth services cannot be guaranteed with the ‘satellite only’ option due to “latency” issues² and NBN Co itself has admitted that “NBN satellite broadband may be prone to rain fade and service disruption in heavy rain conditions” – hardly an endorsement of high grade service potential for an area that has some of the highest rainfall statistics in Australia.

Council is determined to explore all possible options to improve social, economic, environmental and cultural outcomes for the West Coast. It would appear that the NBN rollout across Australia has the potential to lay a solid communication platform for regional areas that will encourage improvements create jobs and stronger economies for these areas and is therefore to be considered a critical piece of infrastructure moving forward.

Securing the best possible infrastructure for the West Coast municipality will allow us to keep pace and to compete with urban centres in Tasmania and the rest of Australia. However, the reverse situation also holds true in that if the West Coast fails to secure suitable (high level) communications infrastructure, it will struggle to keep pace and to grow and enhance outcomes in the future. Jobs growth, a stronger overall economy, diversification of industry etc will remain elusive goals unless NBN Co and the Federal Government reconsider their default option of satellite for the West Coast.

The community have voiced their disappointment at the apparent disinterest shown by the current government in relation to the NBN rollout for West Coast. The community and Council are determined to do everything possible to secure a suitable service for West Coast that can act as an economic stimulus for an area that has enormous potential, and a real Community Plan on how to realise that potential moving forward.

I encourage you to consider meeting with Council as soon as possible to discuss alternative design options for the NBN rollout in the West Coast municipality.

² Latency is defined as the amount of delay, measured in milliseconds, that occurs in a round-trip data transmission. Latency is unavoidable in any Internet connection and it can only be minimized using a better managed network.

I look forward to your prompt attention to the critical matter.

Yours sincerely



Phil Vickers
Mayor

Supported by:



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Founder
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Alex Simpson
Director
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CC:

All Federal Government Politicians

All State Government Politicians

Senator Jacquie Lambie, Senator Anne Urquhart, Senator Richard Colbeck, Brett Whitely, Joan Rylah, Roger Jaensch, Adam Brooks, Matthew Groom, Jeremy Rockliff, Michael Ferguson, Peter Gutwein, Paul Harriss, Rene Hidding, Vanessa Goodwin, Jacquie Petrusma, Brett Smith CEO Cradle Coast Authority, Glynn Williams Chairman Cradle Coast Authority, John Perry Coordinator General, Sarah McDonald Community Affairs Manager NBN Co.