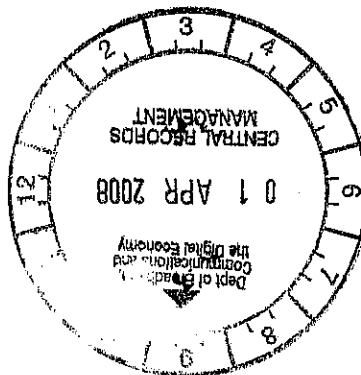




Thursday 27 March 2008

National Broadband Network
Panel of Experts
DBCDE
GPO Box 2154
CANBERRA ACT 2601



Dear Sirs,

Broadband Submission – Bega Valley Shire Council

The Bega Valley Shire Council is committed to the improvement of broadband services to the region and is keen to work with all levels of government, the private sector and local communities to achieve this goal.

Council congratulates the Federal Government on giving continued priority development to broadband initiatives and offers this submission to assist the Panel in its deliberations.

Bega Valley Shire is located on the far south coast of NSW, with a population of 33,000 people dispersed throughout 15 towns and villages. Approximately 23% of our population live in rural areas, ranging from coastal hills to rugged escarpment country. 75% of the Shire's total area of 6,270 square kilometres is classified as State Forest or National Park.

Statistics from the 2006 ABS Census reveal that the average individual weekly wage of \$485 is 25% lower than the NSW average. Average family incomes of \$1,029 are some 28% or \$403 below the State average. Unemployment figures reveal local levels 1.1% higher than for NSW. It should be noted that the Federal Assistance Grants (FAG) process recognises the socio-economic disadvantage and isolated characteristics of the Shire.

In the past 15 years the Shire's traditional industries, particularly forestry, dairying and fishing have undergone significant change and restructuring. The Regional Forests Agreement, closure of the fish canning factory in Eden and the most recent round of the Fishing Restructure Package with the licence buy-back have all impacted on these traditional industries. Dairying with the iconic 'Bega Cheese' has seen major change with the total number of dairy farms declining markedly, but with those remaining getting larger and having to produce more milk to remain viable.

Tourism has provided significant economic activity for the Shire since the 1970's, catering mainly to the Melbourne car based family market, offering a low cost beach holiday experience. This market has been augmented more recently by the Canberra area. Figures show a downturn in domestic tourism, due in part to rising fuel costs and especially to regions not offering low cost jet aircraft access such as the Gold Coast. Electronic marketing of tourist destinations is rapidly taking over from brochure and print media marketing, reinforcing the need for high speed broadband services at the local level to compete in the domestic and international marketplace.

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The recent announcement of this region (The Wilderness Coast) as part of the National Landscapes Project will provide international exposure for the area from Bermagui in the north to Lakes Entrance in the south and inland to the Snowy Mountains. Piggy backing onto Tourism Australia's marketing at the local level will once again be enhanced by ubiquitous broadband services.

Historically the Shire has struggled with infrastructure relating to both communications and transport. Infrastructure has been difficult to provide and access in both areas has not kept pace with developments. For example there is still no 'B Double' road freight access through the Shire that does not require uncoupling of trailers and double running. Despite several attempts over the years the Shire has never had the benefit of rail services. Similarly with telecommunications, remoteness combined with mountainous terrain and the conductivity of granitic sand soils have proved serious impediments to both traditional and emerging technology systems. Line of sight technologies have continually fallen short of providing blanket coverage of television, mobile and internet services to the region. In another example, in March 2008 the port town of Eden was devoid of telecommunications services for more than 24 hours with the severing of a single communications cable.

This area is almost completely reliant on Telstra infrastructure; small operations such as Dragnet, Clear Networks, Southern Phone and Westnet have entered the local market place and whilst providing valuable services, they do so on a patch-work basis and only for a small percentage of the population.

In the past, demand aggregation initiatives such as Clear Networks failed to reach full potential because of the low population densities and the physical impediments outlined above. A lack of commercial leverage has been a significant stumbling block to the roll out of ubiquitous broadband infrastructure.

In 2006 Council finalised a 20 Year Plan that considered a range of social, environmental and economic issues. The provision and augmentation of broadband services is highlighted in this plan as essential to the ongoing economic prosperity of the Shire. The capacity for people to work remotely, the expansion of E-commerce, access to information and harnessing the known advantages of broadband are all identified as critical outcomes.

In more recent times home based businesses are emerging as one of the viable and sustainable drivers of economic activity in the Bega Valley region. Identified home based business areas include, the arts, financial services, boutique accommodation, organic produce, ecotourism and online sales. The full potential of expanding a home business sector is intrinsically linked to the provision of quality broadband services providing high speed internet connectivity.

Flowing from this identified need has been the formation of the Markets and Industries Committee as a regular standing committee of the Council. Reporting to the Committee are Project Research Groups (PRG) that are tasked with short term, targeted tasks such as:

- attraction of new business to the Shire,
- investigation of opportunities to improve and augment broadband services and economic development, and
- establish synergies between home based business, small medium enterprises and the provision of a quality broadband services

The initial work of the Telecommunication/Broadband PRG is to be reported back to the markets and Industries Committee by 31 May.

Council has demonstrated a capacity to use the public/private partnership model through the \$60M Bega Valley Sewerage Program (BVSP) to deliver significant environmental, social and economic outcomes. The BVSP is providing state of the art sewage management systems to seven communities. It is the view of the Council that the provision of broadband should be viewed in the same category as critical infrastructure such as sewerage, water supply, roads and waste management.

In addition to commencing dialogue with the National Broadband Project, Council has also engaged with the Capital Region Development Board on their 'Regional Connections' Broadband project. In addition Council will be approaching Bombala Shire (with whom we already have an IT provision agreement) to work on a joint broadband improvement strategy.

It is the very strong desire of this Council to be an integral part and priority focus of the National Broadband Network development and flags its preparedness to be a pilot study for the National Broadband Network.

Regional and remote Local Government authorities are ideally placed to work with the successful tenderers to efficiently provide broadband services that are appropriate, accessible and understood by communities.

Specifically a very constructive role for the Council in assisting the timely and effective roll out of the National Broadband Network in the Shire could include:

- statistical and land property information,
- identification of new businesses that could be attracted to the Shire,
- capacity to work directly with successful tenderers to assist with the broadband roll-out, and
- incorporation of broadband access requirements as an essential component of the development application process.

In order to progress our desire to improve broadband services in the area we shall be seeking meetings with representatives from DBCDE, the Assessment Panel, local Parliamentarians, Telstra, the Competitive Carrier Coalition and the Minister. We wish to expand on the points made in this submission and to explore further ways in which the Council might become involved in the roll out of the National Broadband Network.

Thankyou for considering our submission and Council looks forward to liaising with you further. For any further correspondence regarding this matter please contact me directly on (02) 6499 2103 or email gfaulkner@begavalley.nsw.gov.au

Yours sincerely,



Graeme Faulkner
General Manager