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28 August 2001

Mr Richard Clarke
First Assistant Commissioner
Productivity Commission
Locked Bag 2
Collins Street East
MELBOURNE VIC 8003

Dear Mr Clarke

RE: SUBMISSION TO THE INQUIRY INTO THE RADIOCOMMUNICATIONS ACT

The South Australian Government is a significant user of radiocommunications spectrum for the provision of public services and disaster communications. Please accept this submission on behalf of South Australian Government Agencies.

Introduction

Specific areas of concern to the South Australian Government are the areas that affect the delivery of services using the Mobile Radio Services.

The Radiocommunications Act of 1992 introduced the concept of Spectrum Auctions. This has proved to be a financial windfall for the Commonwealth Government due to the need for spectrum to support mobile telephone services in particular. As a result, the ACA is also looking at other "popular" spectrum to auction. The mobile radio bands, which are required for Government purposes, have been seen as a natural extension of this. The current legislation enables entities at auction purchasing spectrum to the detriment of previous licensees. Whilst the ACA has not taken this action, protection is needed for Governments against commercialisation of this spectrum.

Discussion

State Governments provide radiocommunications services for the provision of essential services and disaster communications. This is a significant financial undertaking, as a result, the typical life cycle of Government radio communications infrastructure is fifteen to twenty years. During this period, adequate and stable band plans are required to enable

growth. In recent years, trunking technologies have enabled Government networks to be built that provide significantly great functionality with a reduced overall cost to Government. The introduction of digital communications has provided opportunities to further enhance this functionality.

The current band plans have served State Governments well, however the need to meet the expectations of the public and the introduction of new technologies is now causing significant pressure on the mobile radio frequency bands. This same dilemma is recognised in both the USA and Europe.

The USA and Europe is the biggest manufacturing and user base in the world. Other countries including Australia need to be compatible with the band plans of these countries to enable true competition in the market place.

The Project 25 digital standard originated in the USA is being used in Australia with existing band plans, however due to the small market place in Australia, the selection of equipment is limited to one manufacturer. The different spectrum available from State to State means that even if this standard is selected, there is the likelihood of non compatibility due to spectrum arrangements.

The European TETRA standard is supported by a number of manufacturers, however the non alignment of frequency bands and splits has meant that TETRA standard can not be effectively introduced to Australia.

Summary

The lack of aligned international spectrum and manufacturers inability to build for world markets limits the choice for Australian mobile communications managers to obtain optimum operational networks economically. Spectrum is of critical strategic importance to Government. The current legislative framework fails to recognise the non-commercial services that Government provides to the Community by way of auctioning "popular" spectrum.

I would be pleased to present further on this matter should you require.

Yours sincerely

Peter Fowler

EXECUTIVE DIRECTOR
SA-GRN UNIT
DEPARTMENT FOR ADMINISTRATIVE
AND INFORMATION SERVICES