

2 August 2024

Inquiry into the Shutdown of the 3G Mobile Network
Senate Rural and Regional Affairs and Transport References Committee
PO Box 6100,
Parliament House
Canberra ACT 2600
Via Email: rrat.sen@aph.gov.au

Dear Chair and Committee Members,

Thank you for the opportunity to give evidence to the Inquiry in Cooma on 23 July 2024. We hope our information and experience helped your deliberations. Please find below our responses to the questions taken on notice.

Surveyors Australia would like to provide clarification to the question asked on page 38 by Senator Sterle regarding when we were made aware of the switch off. He noted that the “telcos were consulting in April of 2021...” and asked when we actually found out.

Mrs Blicavs responded that we put an alert out to members when the telcos announced that there was 12 months to go until the switch off.

Senator Sterle requested clarification on when we contacted Telstra and Optus and the Government. We had been aware of the 3G switch off impacting mobile phones, but had not been aware of the impact on our industry until we provided the 12 month deadline and members became aware their instruments were not going to be responsive without a 3G Network.

Please find the following timeline of our actions with the Government and telecommunications companies once we were aware of the impact to our profession:

27 August 2023 Michelle Blicavs reached out to Ranelle Cliff at Telstra (while working on a different issue) for information on the 3G switch off – she replied with the switch off date (30 June 2024) and the website for more information.

29/30 August 2023 We contacted members at both Consulting Surveyors National (now Surveyors Australia) and The Institution of Surveyors NSW, who supplied their initial concerns and experience.

September 2023 We identified John Hewitt, Senior Government Relations Manager NSW, SA, as being the correct person to liaise with at Telstra. This occurred by email and phone calls throughout the month. We also liaised with Rebecca Trelor as Optus Government Affairs person.

28 September 2023 We wrote to the Hon Michelle Rowland MP, Minister for Communications.

11 October 2023 John Hewitt, Telstra replied saying no subsidy available, but they can offer help. Michelle and he discussed the issue further including supply issues.

17 October 2023 John Hewitt provided two technical contacts at Telstra.

- 24 October 2023 Followed up our request for meeting with Minister Rowland
- 2 November 2023 Spoke with Matt Healey at Minister Rowland's office – he had spoken with Telstra and wanted us to liaise with them to see what they could do. He provided details for John Hewitt at Telstra.
- 3 November 2023 Contacted the technical team at Telstra to request assistance.
- 23 November 2023 Met with Telstra, who undertook to look at our specific concerns.

We have also provided submissions in the hope of the Government seeing our concerns. This included the Treasury Laws Amendment for the Instant Tax Write Off extension to help cover some of the costs, and a Pre-Budget Submission. As active members with the Australian Chamber of Commerce and Industry (ACCI) we have also contributed to their submissions.

We were very pleased to see this committee established to further shed light on this situation.

On page 39 the Chair asked about the tax life of the asset for depreciation purposes, and the tax implications for equipment that is yet to become redundant.

The general advice we have received on the tax implications is as follows:

If the controller purchased in 2021 becomes obsolete due to the shut down of the 3G network, then the remaining effective life of this would be zero. Any remaining written down value of the asset would be claimable as a tax deduction.

If the controller is part of a Theodolite that is being depreciated as a single asset, then you would generally split the depreciating asset into two parts (i.e. the controller and the rest of the Theodolite). The controller component would be written off (and this component of the WDV claimed as a tax deduction), and the remaining component continued to be depreciated as usual. The new controller would then be depreciated separately.

The Chair also asked for any information we may have on the experience of United States surveyors.

We have consulted with colleagues in the US who have informed us that they have devices that their "old TSC3's will not run a 3G sim card anymore, but for those that still have them, you just hook up a hotspot wifi. For the TSC7's, it was just a swap of the old sim card to the new 4G sim card."

Unfortunately, in Australia we are unable to swap sim cards in our controllers as they were able to do in the US, as our modems are not 4G compatible. We need to purchase a whole new device and the associated software as our current controllers are not 4G enabled.

To further emphasise the experience in Australia, just this week a semi retired regional surveyor contacted us with the following which outlines the impact the upcoming switch off is already having:

"I have Trimble clone Spectra Precision gear. 2 Epoch 50's purchased about 5 years ago and 1 SP 80 GNSS unit purchased 9 months ago and 1 Ranger 3 data recorder with a 3 G modem.

A full time subscription to VRS (3 G) is about \$3500-\$4,000 per annum, I pay around \$1100 -1200 for a limited hourly service, which has been sufficient to date, as I only work part time.

My annual subscription ran out about 2 weeks ago, so I have been cut off, I didn't want to spend all that money (\$1100+) on 2 to 2 ½ months of service and 4G service is currently unproven locally for VRS, suspect for phones

It is about \$12-\$15,000 to upgrade to a new 4G compatible data recorder depending on options re software etc

The issue is that the new software on some data recorder models will not support some older GNSS receivers like my Epoch 50's.

With the demise of 3G, I require a new data recorder at \$12-\$15K and will need more purchases to support all my existing GNSS units.

While the above information is technical, it highlights how the cost is already impacting our industry. It also shows that surveyors are already being financially prevented from being able to operate in a vital industry already dealing with a significant skills shortage.

Please feel free to contact me, should you need any further clarification.

Yours sincerely,

Michelle Blicavs
Chief Executive Officer
Surveyors Australia