

Telcos reject WISPA's wireless claim

Richard Rennie
richard.ennie@globalhq.co.nz

THE big telecommunication companies have rejected claims by wireless internet providers that cheap wireless broadband deals will slice off spectrum needed by rural users.

Vodafone and Spark have started offering \$40 a month wireless broadband to customers who may otherwise be able to use fibre.

The move has prompted Wireless Internet Service Providers (WISPA) to label the move as “utterly insane”, given the \$1.3 billion public investment into the fibre optic network. The Vodafone plan has a 60GB data cap on it.

WISPA chair Mike Smith says the move to convert customers off fibre onto the wireless spectrum risks wasting the limited spectrum resource on urban consumers who have the choice of fibre, while rural customers without the choice risk missing out on capacity.

Smith accused the telcos of a “race to the bottom” in terms of charging and its implications for the use of the national fibre network, where installed.

“It is their spectrum to use, making it hard to stop them. It is a commercial play, we get why they are doing it. But as a country we have invested heavily in fibre infrastructure, and yet they are actively putting users onto wireless, when they have fibre at their door,” Smith said.

While the offer presently only extends to urban users, he believed it could stymie uptake of fibre under the second phase of the ultrafast broadband roll-out into smaller provincial towns and villages.

“If the telcos are offering that deal via a 5G tower, why would you go to fibre?”

Some parts of the country already have limitations upon their existing cellular tower capacity until the next generation of 5G towers are completed.

He says growth in wireless uptake will demand more and more of a finite spectrum allocation, while fibre risks becoming a white elephant in areas with the choice.

Chorus, the country's fibre provider, confirmed fibre uptake continues to grow year-on-year at a rate of 63%, with no sign of demand slowing.

A company spokesperson says with growing data demands, fibre continues to offer superior speeds for large amounts of data.

But both Vodafone and Spark have rejected claims they may be compromising rural wireless broadband connectivity with the offers.

“Data use increased by 56% last year, partly due to more people working from home, that was off the chart after about 30% an increase year-on-year.”

Nicky Preston
Vodafone

Vodafone spokesperson Nicky Preston says if anything the company is doubling down on its commitment to rural broadband.

Under the latest funding round, the rural connectivity group has built 200 of the proposed 450 5G capable towers, shared between Vodafone, Spark and 2degrees.

“And the premise that urban wireless broadband allocation will impact rural is completely wrong. What we use in the city for spectrum is not configured for rural use, there is a geographic-based element to spectrum use,” Preston said.

However, Vodafone agreed with WISPA that New Zealand needed more allocation of cellular spectrum for broadband,

particularly following a huge lift in data use over the past 12 months.

“Data use increased by 56% last year, partly due to more people working from home, that was off the chart after about 30% an increase year-on-year,” she said.

She confirmed Vodafone did have a “stop sell” flag on wireless broadband in some areas, mainly on sites with older towers on them.

“We are trying as hard as we can to remedy this, and have added extra spectrum to 230 sites last year,” she said.

A Spark spokesperson says the wireless broadband services offered did not impact rural broadband in the vast majority of cases, as they were served by different towers.

“In fact, there is currently capacity for around an additional quarter of a million rural addresses to take up Spark wireless broadband, recognising availability differs by location,” they said.

Spark also agreed with WISPA that the sooner more 5G radio spectrum was freed up for use by wireless broadband the better for rural areas, which will also help free up 4G capacity.

Vodafone claimed the margin to be made on-selling services through fibre was “very thin”, once the company had added its margin onto Chorus's \$45 a month charge.

“We have been saying for a long time the high cost of fibre presents a massive challenge for internet providers like Vodafone in being able to drop fibre broadband prices,” Preston said.

Meanwhile, a Chorus spokesperson says from January 2022 its prices would be subject to a revenue cap, set by the Commerce Commission, and its “100” plan would remain capped at today's prices.

TUANZ chief executive Craig Young agreed there needed to be some flexibility around fibre pricing, the rate which was set almost



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a decade ago when internet use costs were higher.

“What we are waiting for is the Commerce Commission, which is right in the middle of determining the next tranche of fibre pricing

going forward,” Young said.

“We have said to the commission that they have to look at what residents can pay, and we would like to see some movement there.”

Tech conference puts ag in spotlight

Richard Rennie
richard.ennie@globalhq.co.nz

AFTER a year's absence due to the covid lockdown last year, the MobileTECH conference is recommencing, with a focus on the agri-tech sector.

MobileTECH Ag will be held in Rotorua later this month, providing an opportunity for agri-tech innovators, industry leaders and early adopting farmers or growers to have an insight into trends in the sector.

MobileTECH Ag event manager Ken Wilson says organisers have worked closely with their key partner Agritech New Zealand to develop a strong two-day programme that includes

addresses from Microsoft New Zealand national tech officer Russell Craig, NZTech chief executive Graeme Muller and Rezare Systems managing director for NZ and Australia Andrew Cooke.

The conference's focus is on digital and automation technologies that will increase productivity of local operations and grow the sector's international capability.

Taking some lessons learnt from last year's remote-hosted event, this year's MobileTECH Ag will also be live streamed, increasing access for growers and farmers keen to have an insight to developing technology.

A key message for delegates

in past years has been learning to better understand and use operational data generated from farming and growing activities for better decision-making, with artificial intelligence, machine learning and robotics all highlighting the potential in this area.

Wilson says the sector has been buoyed further by good government support and the underpinning of Agritech NZ and Callaghan Innovation. The launch of NZ's agri-tech Industry Transformation Plan (ITP) has also provided a pathway for growth.

MORE:

The conference runs from March 23-24, with details on the website www.mobiletech.events

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