



Australian Government
Department of Communications

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Australian Local Government Association
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Dear Dr Lewis

National Broadband Network

Thank you for your letter dated 25 August 2014 to the Minister for Communications, the Hon Malcolm Turnbull MP, concerning the motions passed by the members of the Australian Local Government Association (ALGA) at the 20th National General Assembly held in June 2014. The Minister has asked the Department to respond on his behalf. I apologise for the delay in replying.

I note the five motions your members raised about how the Australian Government's policy positions around the National Broadband Network (NBN) rollout may affect local government positions and decisions.

The Government is committed to completing the construction of the NBN ensuring that all Australians have access to fast affordable broadband as soon as possible.

NBN Co Limited (NBN Co) advised the Government that to deliver fast broadband sooner, at less cost to taxpayers and more affordably for consumers, the NBN should be completed using a multi-technology mix. This will match the right technology to the right location and make use of existing networks where possible to deliver fast broadband.

The Government is also determined to see the NBN rollout reach the areas of Australia that need it most. Currently, around 1.6 million households and businesses across Australia are in areas that have no access or limited access to fixed broadband.

NBN Co is now determining which technologies are most cost effective and should be utilised on an area-by-area basis so as to minimise peak funding, optimise economic returns and deliver broadband upgrades sooner. This is a highly demanding and complex task which involves renegotiating deals with Telstra and Optus to take over portions of their fixed line networks. Naturally this is taking time to complete.

NBN Co is due to provide more clarity on the network rollout schedule in the near future and will publish the information on its website at www.nbnco.com.au as soon as possible.

With respect to the specific questions raised, I shall deal with each in turn:

Motion 61

The NBN is being designed to prioritise areas that need it the most. This is being made possible by the Government's Broadband Quality project undertaken in December 2013, which analysed broadband quality and availability in all areas of Australia. The results of this analysis for local areas are available on the MyBroadband website at www.communications.gov.au/mybroadband

NBN Co has also endeavoured to simplify its website to display information on the NBN and construction progress in the most meaningful and accessible way. NBN Co is building and operating the NBN on a commercial basis at arm's length from Government and budget matters are heavily scrutinised by all levels of Government including the Senate Select Committee on the National Broadband Network, the Department of Finance and Deregulation and the Australian National Audit Office.

On 29 April 2014, the Shareholder Ministers wrote to NBN Co asking the company to evaluate the scope for co-funded network investment in the NBN with a view to developing transparent public business rules.

Co-funding provides an opportunity for owners' groups in residential or commercial buildings, other levels of Government, utility providers, businesses and local communities to upgrade the NBN by contributing to its cost. This approach may involve enabling fibre to the premises (FTTP) to be rolled out in areas where NBN Co is planning to provide alternative technologies.

As part of this scoping work, NBN Co has been asked to consider both the potential and practicality for individuals to obtain fibre on a user-pays basis as well as other innovative approaches to construction of the NBN such as collaborative or community-based extensions to the network.

The Government considers that the interaction between co-funded networks and the servicing of underserved areas can be complementary. By considering and assessing the scope for upgrades ahead of finalising the rollout, NBN Co may potentially achieve better outcomes for communities.

Motion 62

NBN Co is due to provide more clarity on the network rollout schedule in the near future and will publish the information on its website at www.nbnco.com.au as soon as possible.

Motion 63

NBN Co Limited (NBN Co) advised the Government that to deliver fast broadband sooner, at less cost to taxpayers and more affordably for consumers, the NBN should be completed using a multi-technology mix. This will match the right technology to the right location and make use of existing infrastructure where possible.

This approach is predicted to cost \$32 billion less to implement, get the NBN finished four years sooner and enable nine out of ten Australians in the fixed line footprint to get access to download speeds of 50 megabits per second or more by 2019.

Motion 64

In addition to its investment in the NBN, the Mobile Black Spot Programme is a Government initiative to extend mobile phone coverage and competition in regional Australia. The Government has committed \$100 million (GST exclusive) over four years to its delivery which will improve coverage along major transport routes, in small communities and in locations prone to experiencing natural disasters, as well as addressing unique mobile coverage problems.

From 16 December 2013 to 1 August 2014, the Department of Communications received reports of approximately 6,000 locations with poor or no mobile coverage. These locations have been included in a database which is now available at www.communications.gov.au/mobile_services/mobile_black_spot_programme/mobile_black_spot_programme_interactive_map

The database will be shared with mobile network operators and infrastructure providers to assist them in preparing funding proposals for the Mobile Black Spot Programme.

Motion 65

Telstra is responsible for the costs associated with the remediation of asbestos in duct infrastructure in a rollout region under the Definitive Agreement between NBN Co and Telstra. Telstra voluntarily halted all work on its pit and pipe infrastructure from 30 May to 18 August 2013, with only emergency work on high-risk pits conducted. Telstra's remediation works recommenced progressively from 19 August 2013.

The Government believes ensuring the health and safety of workers and the community throughout the NBN rollout is essential. On 3 June 2013, the former Government established the National Taskforce on Asbestos Safety in Telstra Infrastructure ('the Taskforce'). The Asbestos, Safety and Eradication Agency has engaged independent monitors to oversee Telstra and NBN Co activity. The Taskforce is comprised of representatives from Telstra, NBN Co, the Asbestos Safety and Eradication Agency, Comcare and other government regulators, industry unions, asbestos community support groups and health and safety experts. The Taskforce is currently working on providing independent monitoring and advice in relation to asbestos safety in telecommunications pits.

Thank you for bringing your members' concerns to the Minister's attention. I trust this information will be of assistance.

Yours sincerely



Chris Drew
Director
Broadband Implementation