

23 June 2017

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By email;

The Honourable Sussan Ley MP
Chair
Joint Standing Committee on the National Broadband Network
PO Box 6100 Parliament House
CANBERRA ACT 2600

Dear the Hon. Sussan Ley MP,

Thank you for agreeing to accept this late submission overview. We also appreciate your acceptance of our request to appear before the Committee in Adelaide on Tuesday 27th June 2017.

We would like to use this opportunity to appear before the Committee hearing to share our National Broadband Network (NBN) experiences here in the City of Adelaide and present our hopes for the future role of the NBN, as the City of Adelaide pursues the delivery of our Smart City Agenda.

Roll Out Progress

We would first like to extend our compliments and express our gratitude to the NBN Co staff based in South Australia.

Through the creation of a 'Joint Governance Framework' the City of Adelaide is working closely with the staff of NBN Co to ensure the roll out of the telecommunications infrastructure in our city runs as seamlessly as is possible, in what is often a complex regulatory environment. Planning, Heritage, existing infrastructure, trees and gardens, future development of roads and footpaths. Each and all impact directly on the roll out of the NBN infrastructure. This requires close co-operation and ongoing communication between Council and NBN Co to ensure, as an example, we don't reseal a road, only to have to dig up portions of the same road for the NBN Roll out months later.

The 'Joint Governance Framework' includes Council staff meeting with NBN Co staff every three weeks, where NBN roll out updates are provided, future

plans are discussed and operational implications or concerns are worked through to meet the needs of each organisation.

These meetings also float ideas and debate the best way forward to communicate at a local level, details of the roll out with our residents and business community, to highlight and mitigate possible implications and reinforce benefits.

Utilisation of the national broadband network in connected localities in both metropolitan and regional areas, and the identification of opportunities to enhance economic and social benefits.

The City of Adelaide has placed a major focus on our growth and success as a capital city, on the digital economy and use of new technology to grow our existing business community and attract new 21st century businesses and new jobs to Adelaide.

The City of Adelaide 2016-2020 Strategic Plan, which was unanimously adopted by our Elected Members in July 2016, sets out 110 specific objectives and targets spread over four key pillars; Smart, Green, Liveable and Creative.

Our vision is to create an Adelaide 'that is a welcoming and dynamic city full of rich and diverse experiences'.

Our Smart City agenda is bold, innovative and well into delivery mode. We will create a 'Smart City with a globally connected and opportunity rich economy'.

Adelaide as a 'Smart City' will put people and businesses at the centre of everything we do and focus on creating an ecosystem of open and citizen-driven innovation.

We will build and share common resources and information for research, innovation and decision-making to drive economic growth and new standards in the way people live, learn, work and do business.

We will embed 21st century digital technology into our City's functions, services and infrastructure to improve the functionality and integration of the entire City and economy. Adelaide will become a 'living lab' at the centre of future innovation, readily adaptable to driving and adopting change.

The building of 21st century telecommunications infrastructure across the City to deliver high-capacity broadband services is revolutionising the way we do business and connect with the world.

The roll out of the NBN is essential to our Smart City plans.

Our Smart City agenda makes specific reference to the NBN Co roll out;

- Council will continue to liaise and work closely with NBN Co in support of the NBN roll-out across the City
- Work with key partners (private sector, NBN Co and universities) to create a national centre for applied research and education into the digital economy

The City of Adelaide is determined to work with our local community to engage and be an early adopter of new broadband digital technologies.

Our Smart City agenda, outlined in our Strategic Plan, will provide the programs and support our community needs to be early adopters, to benefit from the broadband paradigm shifts.

This support includes a planned collaboration between Council and NBN Co to create an NBN Discovery Centre in the CBD of Adelaide, where residents and business can visit and learn how they can best take full advantage of the NBN infrastructure.

The roll out of the NBN, combined with the City of Adelaide's complementary 'non-internet' Ten Gigabit City optical fibre network will position Adelaide with a unique and very powerful economic, globally competitive advantage.

Council's principal concerns in terms of the physical roll out of the network in the city is the scheduled time to completion is considerable and the diversity of infrastructure is complex.

The NBN is transformational infrastructure that is competing in an environment that is changing at phenomenal speeds. It is an enabler to the delivery of 21st century innovation.

The City of Adelaide is only 15.5 square kilometres, yet the roll out of the fibre network is planned to take some two years. We respectfully suggest that this is not agile or fast enough to allow our city residents and businesses to be globally competitive.

Within the 15 square kilometres the city will have virtually every type of broadband technology mix. Fibre to the Premise (FTTP), Fibre to the Node (FTTN), Fibre to the Building (FTTB), Hybrid Fibre (HFC) and the new Fibre to the Curb (FTTC). Depending on your service provider (telco) this could mean very different broadband services and speeds from an everyday, practical use.

The 'Contention' is a serious issue that needs to be addressed to increase speeds and reduce the costs of broadband services. Which is essentially all about what happens and how much does it cost for a broadband service

beyond the Point of Interconnect (POI). This is not an NBN problem (but NBN are blamed), but needs to be considered in regards to how ISP's operate.

Though we appreciate that over a much longer period, eventually all premises may have FTTP, it is a lost opportunity for our City that FTTP was not rolled out throughout our CBD and North Adelaide. And further, such a FTTP roll out could not be planned and rolled out and made operational (lit up) within a 12 month period.

Australia's comparative global position with regard to residential broadband infrastructure; particularly relative to other large, developed economies

We are disappointed to note that Australia's relative global ranking on broadband infrastructure services, has dropped considerably, and been overtaken by many other countries rolling out optical fibre telecommunications.

According to Akamai's latest *State of the Internet Report*, our internet connection speeds are now slower than 50 other nations. Dropping to 50th, is of concern in terms of attracting new businesses to Australia and in terms of Australian businesses being globally competitive.

National Broadband Network activation rates, user demand, usage patterns and trends, and any identified impediments to the take-up of national broadband network services.

From our city perspective it is our observation that the NBN is generally a very welcomed infrastructure, however as mentioned above, the physical roll out is taking considerably longer than users want to or can afford to wait. Especially for our business community.

There is also concern that once a user has access to the NBN, the telco's actual delivery of broadband services are not to the speeds guaranteed. That is though the NBN infrastructure has the required speed capability, the telco is not providing the speeds expected. This often due to contention...too many internet users using the network at the same time.

Through our consultation with our local Adelaide businesses, internet contention (as mentioned before) is preventing businesses from fully leveraging cloud base services and as such, reducing their productivity.

Our Strategic Plan describes our intent to work with the local government sector to co-invest in the resolution of common business and customer problems, "Sharing of Services". The NBN network would provide a fantastic opportunity to extend the reach of this initiative into regional areas if not for the current design limitations.

Conclusion

The City of Adelaide welcomes the NBN Co roll out throughout our city. Combined with our own optical fibre roll out, Adelaide will be one of the most connected cities, globally.

The NBN is critical to Council delivering its Vision and Strategic Plan objectives and targets.

We would welcome the roll out being more expeditious and certainly can foresee long term strategic benefit and cost savings if the technology mix in the CBD and North Adelaide was simply FTTP.

We look forward to continuing to work closely with NBN to bring to our city world class, 21st century telecommunications infrastructure to sustainably grow our City in terms of both population and wealth.

Sincerely



Steve Harrison
Chief Advisor to the City of Adelaide