



8 April 2010

Ref: DOC-10-PB-001

Mr S Palethorpe
Committee Secretary
Senate Standing Committee on Environment, Communications and the Arts
PO Box 6100, Parliament House
Canberra ACT 2600

Dear Mr Palethorpe

Re: Response to the Telecommunications Legislation Amendment (Fibre Deployment) Bill 2010

Thank you for the opportunity to comment on the proposed legislative framework for the installation of fibre-to-the-premises (FTTP) infrastructure in greenfields developments.

Master Builders Queensland supports the submission made by Master Builders Australia. However, we would like to take the opportunity to reinforce the concerns of Queensland's building and construction industry about the impact of the proposed legislation, particularly given the intention that it is proposed to apply to all new developments that receive planning approval from 1 July 2010.

The major issues are:

1. The cost of providing fibre to premises, in particular, who bears the cost of backhaul from any new development to a point of interconnection in an existing network;
2. The trigger to be used in greenfield developments; and
3. Implementing the requirement for FTTP infrastructure, for example through local government planning schemes and/or the Queensland Development Code/Building Code of Australia.

Without clear answers to these fundamental questions we have grave concerns about the legislation.

Of the options provided, Master Builders Queensland supports the approach that fibre-ready infrastructure (ducting) be installed within the building - with connection to the front property line - at the time of construction. This would enable FTTP to be retro-fitted more efficiently and cost-effectively at an appropriate time in the future.

We strongly believe that the Federal Government should be responsible for all other costs, including backhaul. This would minimise the up-front cost to the home or building owner while allowing easy connection to high-speed broadband when and if required.

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The Federal Government appears to be in favour of full fibre installation during construction, which would allow the owner to simply plug in and decide on a service provider for broadband use. This is an expensive approach, requiring the developer/builder to recover the cost where in fact the building or home owner may have no interest in the service.

We support ensuring that the home is fibre-ready; however full fibre installation is a step too far.

The current lack of detail on exactly how the rollout of FTTP will be achieved (for example, the apportionment of infrastructure costs between the Federal Government, telecommunications providers, developers and home owners) is generating significant uncertainty and concern within Queensland's building and construction industry.

It is therefore imperative that the Federal Government provides the industry with clear guidance on its roles and responsibilities under the proposed program as soon as possible. The industry also requires this information to adequately consider the actual implications of the Bill for the industry and housing affordability.

Yours faithfully

Graham Cuthbert
Executive Director