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Mr Andrew McGowan
Inquiry Secretary
Standing Committee on Infrastructure and Communications
PO Box 6021
CANBERRA ACT 2600

21 February 2011

Our Ref: SG:sj
Your Ref:

Dear Mr McGowan

Re: Submission to the inquiry in to the National Broadband Network

Please find attached the City of Greater Geelong's submission in response to the inquiry about the capacity of the National Broadband Network to contribute to a series of interconnected services including health, education, business efficiency, social capacity and regional economic growth.

In line with your letter dated the 9 December 2010, Council has promoted the inquiry to the community and in so doing has established a G21 Regional Alliance NBN Taskforce, which I Chair. G21 Regional Alliance is the formal alliance of government, business and community organisations working together to improve the lives of people within the Geelong region across five municipalities, Greater Geelong, Colac Otway, Surf Coast, Queenscliffe and Golden Plains. G21 works as a forum to discuss regional issues across interest groups and municipalities resulting in better co-ordinated research, consultation and planning.

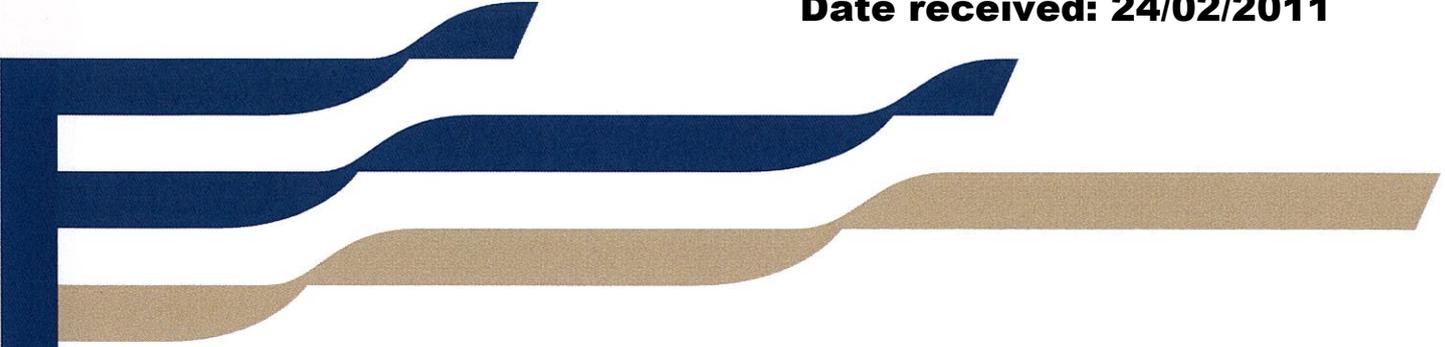
G21 supports the delivery of projects that benefit the region across municipal boundaries and acts as a platform to speak consensually to all levels of government. This submission is made with full knowledge and support of the G21 Taskforce and I commend it to you.

Should you wish to discuss this submission further, please feel free to contact me on the number below. Alternatively, you may wish to discuss with Simon Jackson, Senior Project Officer – Planning Strategy and Economic Development on (03) 5272 4882.

Yours sincerely

STEPHEN GRIFFIN / /
CHIEF EXECUTIVE OFFICER

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PARLIAMENT OF AUSTRALIA
HOUSE OF REPRESENTATIVES

**STANDING COMMITTEE ON
INFRASTRUCTURE AND
COMMUNICATIONS**

**Inquiry into the National Broadband
Network**

Submission by the City of Greater
Geelong

February 2011

1 Introduction

1.1 The City of Greater Geelong is located 75km south west of Melbourne, is Victoria's largest regional city. It is part of the Barwon Region which contributes significantly to the State and National economy with over 20,000 businesses, a highly competitive workforce, comprehensive infrastructure and business support services.

1.2 The Internet is transforming economies and societies. It provides an open, decentralised platform for communications, collaboration, innovation, productivity improvement and economic growth. Along with information and communications technologies the internet promotes closer integration of the global economy and interactions that increase general well being. The services that the internet supports are becoming pervasive, ubiquitous and more essential in everyday life. The economy is increasingly an internet economy.

1.3 The OECD Shaping Policies for The Future of the Internet Economy 2008 commented.

"Promoting the internet economy is a way to improve our ability to boost economic performance and social well-being and to strengthen societies capacity to improve the quality of life for citizens worldwide"

1.4 The City of Greater Geelong positively views the Federal Governments desire to embrace the internet economy through the development of the National Broad Network. However, this submission will raise issues that need to be addressed if the National Broadband Network (NBN) is to have sufficient capacity to meet the aspirations of the Federal Government in delivering transformational change.

2 Reduce uncertainty

2.1 The NBN concept has been characterised by uncertainty, will it happen, how will it happen, what will it deliver, who will undertake it? This has resulted in consternation and anxiety in the community.

2.2 Local Government are in the difficult position of seeking to navigate the uncertainty whilst providing positive support for the NBN. As the primary interface with the residents and business sectors that will be effected by and need to embrace the NBN, local government must be more clearly informed. It must be recognised that while NBN Co are seemingly to be responsible for the rollout of the NBN, that local government will be required to undertake the roll of advocate for the system including perceived inconvenience, building works, heritage issues etc.

- 2.3 It is only now as the first test areas are rolled out that the NBN is becoming a reality. This in itself has resulted in a frenzy of activity by local authorities who are fearful that they will be left behind in the roll out process. The timing of the implementation appears largely unknown so that local authorities and other stakeholders involved in the operational aspects are not able to plan adequately.
- 2.4 As an example, the City of Greater Geelong took a policy decision and amended its planning scheme to force developers in Greenfield sites to provide infrastructure suitable for the NBN in advance of any Federal Government processes. A clear program citing processes and criteria is required to ensure parity in preparing for the implementation phase of the NBN.
- 2.5 If Australia is committed to the NBN, the country needs to move forward with this as a plan, not an optional plan. Delivered as an “opt in system” rather than an “opt out system” sees the success of the system reliant on the communications plan – the sell – to the community. The benefits of technologies and the use of these technologies when these technologies have not yet been invented is a difficult argument.

Recommendation

- NBN Co provides a timetable for the roll out.
- Clearly indicate what is expected of local government regarding the operational aspects of implementing the NBN.
- NBN Co pursue an opt in system of delivery i.e. individuals are taken to be in the system unless they specifically opt out of it.

3 Operational issues

- 3.1 The City of Greater Geelong embraces the NBN as the next essential service in the same way as it does electricity, water, and drainage. It is recognised however that responding in town planning terms for example, the effect of construction in heritage areas, is challenging and requires ongoing dedicated resources to work with concerned communities.
- 3.2 Under the present system Telstra act as the referral authority for planning permit applications, under the NBN system the future of this role is unclear. In consequence how are standards to be maintained and what authority will be responsible for checking the appropriateness of schemes? Local authorities do not have the expertise to fulfil this role.
- 3.3 It is anticipated that many of these issues will be solved during the test phase and the lessons learned communicated to areas identified in the next roll out. The City of Greater Geelong is anxious to provide whatever support it can to assist the roll out including the provision of

local information, knowledge and the adaptation of internal processes. To do so will require NBN Co to be explicit in its approach and the type of information it requires.

Recommendation

- The Federal Government decide the most appropriate level of government to arbitrate what organisation should act as the responsible authority for telecommunications infrastructure.

4 Communication

4.1 NBN Co the delivery arm of the NBN has faced an immense task to set up and staff a completely new entity to deliver one of the worlds largest infrastructure projects in a politically charged environment. Only recently has NBN Co begun to look at the challenge of communicating with and engaging the many and various communities that it will serve. There is a danger that the enormous potential of the NBN in terms of the services it can provide may not be realised because take up is slow, as a result of a lack of understanding and misperceptions of the implementation process. For example, the disruptions associated with construction. The City of Greater Geelong welcomes the opportunity to work with NBN Co in its communication planning to ensure community buy in.

Recommendation

- NBN Co prepares in consultation with local government a communication and engagement plan as an integral part of their rollout planning process.

5 Competition and pricing

5.1 The NBN is to be an open access wholesale network that will drive enhanced choice and value for money pricing because of increased competition in the market. This issue is yet to be resolved but is crucial to the success of the NBN. The benefits of the NBN only work if consumers use it. Clarity about competition policy and thus the retail price of services to consumers will be a crucial influence on the level of take up.

Recommendation

- That in framing a regulatory system, competition is encouraged that will deliver a level of service pricing that will allow the potential of the new technology to be realised.

6 Business and training opportunity

6.1 The City of Greater Geelong encourages NBN Co to source materials and labour locally so that the economy benefits during the implementation phase. Further more that local businesses are advised how best to tender for potential contracts arising from the NBN.

6.2 Discussions took place over 12 months ago with the local TAFE regarding the possibility of skill and labour shortages resulting from the implementation of NBN. The City of Greater Geelong would be pleased to work with NBN Co and local organisations to maximise the training and educational benefits associated with the NBN.

Recommendation

- NBN Co include as an integral part of the communications and engagement plan how they intend to work with local businesses to ensure opportunity to participate in any tender processes.
- NBN Co investigate and develop if necessary strategies to address skill and labour shortages that may arise from the implementation of the NBN

7 Summary

7.1 The capacity for the NBN to effect change in all the areas identified is very much a function of NBN Co ability to embrace the areas outlined in this submission. In particular, the operational issues and development of a robust communication plan that engages and educates the community as to the potential benefits high speed broadband can achieve for their lives and livelihood. The regulation of the telecommunications industry and thus pricing and competition are no less important and will have a direct effect on the take up of services and the potential of the technology to effect change.