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The Parliament of the Commonwealth of Australia

# Broadening the debate

**Inquiry into the role and potential of the National Broadband Network**

House of Representatives  
Standing Committee on Infrastructure and Communications

August 2011  
Canberra

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## Chair's foreword

Over the last thirty years the way we live and work has been undergoing significant transformation as a result of a variety of technological developments. We've moved from rushing to the bank in our lunchbreak through the whole introduction of automatic teller machines to online banking. We've gone from lining up at the payphone in holiday destinations to the constant contact of mobiles and social networks. We rarely expect mail in the letterbox but constantly check our multiple email addresses. How we work and live has been transformed and there is no reason to consider that this won't continue at exponential rates over the next thirty years.

This report looks at the ways various sectors of government service delivery, economic and regional development and social and community activity can be enhanced and expanded as a result of the fibre-to-the premises infrastructure of the National Broadband Network.

The report is divided into two parts. Part One discusses the impacts of the NBN on the sectors identified in terms of reference a) to h) of the Minister's referral. Part Two discusses term of reference i) and a number of other overriding issues concerning the NBN's implementation that inquiry participants noted will need to be addressed in order to maximise the benefits outlined in Part One.

A key message the Committee received during the inquiry was that while the NBN will be enabling infrastructure for a range of social and economic benefits across all sectors, in order for the potential of the NBN to be maximised, further 'demand side' action is needed. Related to this, inquiry participants told the Committee that an overarching strategy is needed to outline the Government's goals for how the NBN will be used and how those goals can be delivered through demand side interventions.

The Committee welcomes the recently launched *National Digital Economy Strategy* and the cross-government approach that is being taken to its implementation. The Strategy goes a long way to addressing concerns raised during the inquiry about the Government's strategic direction on digital economy matters. The Committee

also welcomes the new government initiatives that are associated with the Strategy.


Many submissions to the Committee highlighted the opportunities for dealing with the 'tyranny of distance' that we face as a nation – both between our centres of population and in linking with the international community. Evidence was presented to the Committee about the ways in which developments such as on-line business activity, connected communities, tele-working and tele-commuting, remote video consultations and delivery modes, only now being imagined and developed, will change the way we are connected to each other and the world.

The external benefits of this progress also extend to greater productivity and efficiencies, including cost savings, across the economy; improved environmental outcomes and greater social inclusion. Many submissions and reports referenced by those giving evidence outlined some existing empirical evidence by individual companies and organisations of all of these forms of flow-on benefits.

Since the Federal Government announced its intention to proceed with the NBN as a principally fibre-to-the-premise (FTTP) network, much of the public debate has focussed on the cost of construction and the corporate plan and governance of NBN Co. While these are clearly important matters, it is also important to evaluate the practical impact that the NBN is likely to have on the Australian economy and society. In particular, Chapter Nine outlines the importance that speed, technological future-proofing, complementary technologies, symmetry, ubiquity and reliability play in the proposed infrastructure's capacity to deliver the transformations outlined in the earlier chapters.

This report seeks to contribute significantly to the national conversation by broadening the debate and the Committee greatly valued the many considered submissions made by many individuals, organisations and communities across the nation.

Ms Sharon Bird MP  
Chair



## Membership of the Committee

Chair Ms Sharon Bird MP

Deputy Chair Mr Paul Neville MP

Members Mr Paul Fletcher MP  
Mr Ed Husic MP  
Mr Stephen Jones MP

Mr Robert Oakeshott MP  
Mrs Jane Prentice MP  
Mr Mike Symon MP

## Committee Secretariat

Secretary Ms Julia Morris


Inquiry Secretaries Mr James Nelson

Mr Andrew McGowan

Researcher Mr Shane Armstrong

Administrative Support Ms Tamara Palmer





## Terms of reference

The Committee will examine the capacity of the National Broadband Network to contribute to:

- a) the delivery of government services and programs;
- b) achieving health outcomes;
- c) improving the educational resources and training available for teachers and students;
- d) the management of Australia's built and natural resources and environmental sustainability;
- e) impacting regional economic growth and employment opportunities;
- f) impacting business efficiencies and revenues, particularly for small and medium business, and Australia's export market;
- g) interaction with research and development and related innovation investments;
- h) facilitating community and social benefits; and
- i) the optimal capacity and technological requirements of a network to deliver these outcomes.





# Background and recommendations

Since the Federal Government announced its intention to proceed with the NBN as a principally fibre-to-the-premise (FTTP) network, much of the public debate has focussed on the cost of construction and the corporate plan and governance of NBN Co. While these are clearly important matters, it is also important to evaluate the practical impact that the NBN is likely to have on the Australian economy and society.

In this context, the Hon Anthony Albanese MP, Minister for Infrastructure and Transport, asked the Committee to inquire into the 'role and potential of the NBN' with respect to its capacity to contribute to government services, health, education, resource management, environmental sustainability, regional economic growth, business efficiencies, research and development, and community and social benefits. The Committee was also asked to consider the 'optimal capacity and technological requirements of a network to deliver these outcomes'.

This report is divided into two parts. Part One, consisting of Chapters 2 to 8, discusses the impacts of the NBN on the sectors identified in terms of reference a) to h). These chapters highlight a large number of applications that are enabled by the availability of ubiquitous fast broadband and the benefits that could result. Part Two, consisting of Chapters 9 to 11, focuses on the implementation of the NBN and discusses term of reference i) and a number of other overriding issues that inquiry participants noted will need to be addressed in order to maximise the benefits outlined in Part One. Part Two contains a number of recommendations for the Government, as listed below:

## Recommendation 1

That the Government continue to coordinate the implementation of the *National Digital Economy Strategy* across government, ensuring appropriate regulatory frameworks are in place and promoting a consistent trans-sector approach to supporting its goals.

#### Recommendation 2

That the Government require its departments to report against the goals identified in the *National Digital Economy Strategy* in their annual reports.

#### Recommendation 3

That the Government continues to implement broadband-enabled technologies into its own services and operations as a means of improving efficiency, as well as to encourage NBN uptake and utilisation.

#### Recommendation 4

That the Government continue to support strategically targeted pilot projects in cooperation with relevant industries and communities that model innovative applications of the NBN.

#### Recommendation 5

That the Government consider allocating resources to each Regional Development Australia committee to allow these bodies to provide enhanced local digital economy leadership. This leadership role should include identifying regional goals and implementing related strategies and programs.

#### Recommendation 6

That the Federal Government develop a comprehensive engagement strategy incorporating a range of approaches to promote the uptake of broadband and digital technologies during the NBN rollout.

#### Recommendation 7

That, recognising the important roles of public libraries and community centres, the Federal Government works in an appropriate capacity to implement a network of public access points connected to high speed NBN services in as many communities as possible.

#### Recommendation 8

That the Federal Government, with other organisations as appropriate, develop targeted programs for those currently disadvantaged by the digital divide to improve awareness of publicly available high-speed internet facilities, to improve access, and to promote the development of relevant skills.

#### Recommendation 9

That the Government provide continued support for organisations involved in the development of high speed broadband applications.



**Recommendation 10**

That the Government maintains regulatory support to encourage increased levels of research and innovation in the private sector and recognises the NBN's importance to the realisation of its innovation agenda.

**Recommendation 11**

That the Government develop a strategy for the digitisation of Australia's culturally and historically significant content.

**Recommendation 12**

That the Government facilitate discussions between representatives of key content industries and internet service providers to work towards an agreed framework for minimising online copyright theft.

**Recommendation 13**

That the Government provide further support for digital literacy programs, based on the Broadband for Seniors kiosk model, making use of existing resources such as libraries and not-for-profit groups where possible.

**Recommendation 14**

That the Government continue to support programs that equip small and medium enterprises with the knowledge and support they need to compete in the digital economy.

**Recommendation 15**

That the Government develop strategies for the collection and provision of data on workforce needs in the ICT sector into the future.

**Recommendation 16**

That the Government develop a long term strategy to up-skill and/or retrain the existing workforce and develop new training programs to address emerging skills gaps.

