

**SENATE SELECT COMMITTEE ON NATIONAL BROADBAND NETWORK
HEARING**

Questions on Notice

May 2010

Department of Broadband, Communications and the Digital Economy

QUESTION 1

Ms Spence—To install so as to minimise the cost of retrofitting down the track.

Senator LUDLAM—Can you give us an idea now—or take it on notice for next week—of some of the orders of magnitude of what is being installed at the moment with or without fibre or fibre capability?

Ms Spence—I will take it on notice. I cannot guarantee that we can get that kind of detail for you but we will certainly see what we can find.

ANSWER:

On page 5 of the Regulation Impact Statement (RIS) in the Explanatory Memorandum to the Telecommunications Legislation Amendment (Fibre Deployment) Bill 2010, the Department of Broadband, Communications and the Digital Economy estimated that around 150,000 new dwellings and around 60,000 other premises such as commercial, industrial and government premises are constructed each year. Generally the occupants of each of these premises will want access to telecommunications, if not immediately then at some stage during the life of the premises.

The Department understands from discussions with industry that increasingly when passive infrastructure like pit and pipe is installed for telecommunications in new developments it is suitable for the later deployment of fibre. This reflects the widely accepted view amongst stakeholders that this is a sensible future-proofing measure. The benefit of the fibre-ready requirement in the Fibre Deployment Bill is that it can ensure fibre-ready infrastructure is installed in areas where, for whatever, reason this may not happen, and that such infrastructure meets appropriate standards.

In terms of the number of premises that are already passed by fibre or are connected with fibre, the available public data is limited.

On page 7 of the RIS in the Explanatory Memorandum to the Bill the Department estimated that a total of around 11,000 new residential dwellings were connected with fibre-to-the-premises at December 2009. This was based on a range of industry sources. The RIS noted that the rate of connection was increasing as about a quarter of these connections were added in 2009.

In addition to these, fibre connections are frequently used by large volume users, such large and corporate users, for example, in central business districts, educational institutions, medical institutions and government agencies. For example, in a 2009 survey of school broadband connectivity 46.5 per cent of schools reported using fibre¹.

¹ See: <http://www.deewr.gov.au/Schooling/DigitalEducationRevolution/HighSpeedBroadband/Pages/ImplementationApproach.aspx#a> survey of school connectivity across states and territories and school sectors