



**Senator the Hon Stephen Conroy  
Minister for Broadband, Communications and the  
Digital Economy**

**Deputy Leader of the Government  
in the Senate**

**Address to ATUG Regional Conference**

**Australian War Memorial, Canberra  
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20-25 mins

Thank you and good morning everyone.

Once again it is a pleasure to be speaking at an ATUG Conference.

In particular, it is a pleasure to be here today to speak about a very valuable part of our nation as a whole.

ATUG should be congratulated for its continued focus on regional Australia.

Its efforts to improve communications services outside of our major metropolitan centres are of great benefit to the regional community.

Programs such as ATUG's regional roadshows help to promote the value of new communications applications and contribute to the development and availability of services.

The Government has a shared priority with ATUG to improve the availability, affordability and quality of communications services.

We share the desire for improved outcomes in areas such as broadband access and pricing, encouraging investment and developing services in regional Australia.

Broadband will transform our regions.

It will assist the development of economies by opening up new employment and trading opportunities.

It will provide social benefits such as improved access to healthcare and education.

It will strengthen communities by providing new and enhanced communications.

You will all be aware by now of the ambitious plans the Rudd Government has announced for the National Broadband Network.

This project is of historic significance for the telecommunication sector and for our nation.

The National Broadband Network will be the single largest nation-building infrastructure project in Australian history.

It will be Australia's first truly national wholesale-only communications network.

It will drive employment and business activity in the short-term, helping stimulate the economy for our recovery from the global economic recession.

It will also form the platform for our future economy, ensuring we are best placed to capitalise in the years ahead.

The Government is moving boldly to ensure that this country has the infrastructure it needs to grow and prosper into the 21<sup>st</sup> century.

This includes investing with the private sector to build a high-speed Fibre-to-the-Premises broadband network connecting 90 per cent of homes and businesses.

This of course includes our regional centres, cities and towns across the country.

In addition, for the 10 per cent of homes and businesses not reached by the fibre network, we are deploying next-generation wireless and satellite to ensure enhanced broadband for all Australians.

The National Broadband Network will reach 100 per cent of Australian homes and businesses.

It exceeds our election commitment and establishes Australia's broadband sector for the future.

Unfortunately, some of our opponents have sought to create confusion about our commitment to regional Australia.

It is worth therefore dispelling some of the myths once and for all.

It should be understood that this investment will be made in the national interest, for all Australians no matter where they choose to live or work.

As I have said, the fibre optic component of the National Broadband Network will reach 90 per cent of Australian homes and businesses.

As a guide, this means that every town with a population of over about 1,000 will be connected by fibre.

However, this does not mean that towns with under 1,000 people will automatically miss out – as has been claimed.

Locations with less than 1,000 people may well be connected by fibre if their proximity to relevant infrastructure is favourable.

If small communities are well positioned in relation to backbone fibre links and other facilities, then it is very possible that they will be served by fibre.

Already, in Tasmania, where we are negotiating with the State Government to begin a rollout in the short-term, indications are that towns with well under 1,000 people will receive Fibre-to-the-Premises connections.

In fact, Tasmanian Premier David Bartlett believes the rollout could reach towns with as few as 50 people.

This is because their proximity to infrastructure make this economically possible.

National Fibre-to-the-Premises coverage will be considered by detailed commercial and engineering studies as part of network implementation planning.

This is due to begin mid-year and be complete in early 2010.

Our opponents appear determined to opportunistically misrepresent our position on regional broadband.

They are also intent on walking both sides of the street when it comes to regional investments.

On one hand they criticise our fibre coverage for not going far enough and on the other hand complain that our investment is too high.

In fact, evidence suggests that 100 per cent coverage of the population with FTTP is the exception rather than the rule.

South Korea is one of the very few countries planning to get that far.

Recognising the underlying economic realities, other countries such as Japan and Finland are planning fibre coverage of around 90 per cent of population.

In Australia, our low density of population and large physical distances would result in extremely high deployment costs for fibre beyond 90 per cent of homes and businesses.

However, what our opponents insist on ignoring is the fact that the National Broadband Network offers an enhanced solution for all Australians.

For the 10 per cent of Australian homes and businesses not connected by fibre, the National Broadband Network will provide access via next-generation wireless and satellite.

This includes the potential launch of two new satellites to specifically meet our needs and achieve 100 per cent national home and business coverage.

These will be next-generation services with upgrade paths offering services over and above the 12 megabits per second benchmark.

Experts agree that wireless and satellite will always be an important compliment to fibre broadband and that will be especially the case for large geographic spaces such as regional Australia.

The Government will work through implementation planning to ensure that these next-generation services provide the very best facilities for regional Australia.

The level of service and coverage will exceed our election commitment and represent a vast improvement on the services left behind by the previous government.

As I have said, broadband has the potential to revitalise Australia's regional, rural and remote communities.

The Government is serious about regional broadband and is investing as a priority to ensure people in regional Australia enjoy the opportunities on offer.

This includes our fast-tracked investment in regional backbone transmission links.

We are moving to immediately improve the competitive market in regional Australia and are fast-tracking a \$250 million investment in regional backbone blackspots.

These links are the broadband highways that connect our cities, towns and rural areas to the wider world.

In parts of Australia – particularly links connecting our rural and regional areas – competition and capacity is limited as there is only a single provider of these services.

Broadband service providers have given a strong indication that improved backbone competition will allow them to expand further into regional Australia and deliver new options for users.

The ACCC has previously confirmed that places with only a single provider of backhaul services include:

- Geraldton in Western Australia,
- Mt Gambier in South Australia,
- Broken Hill in New South Wales,
- Mildura in Victoria,

- Mt Isa in Queensland, and
- Darwin in the Northern Territory.

This is an indicative list and the Government has consulted with industry and other stakeholders on exact locations to benefit from this immediate stimulus.

A competitive tender process for the backbone rollouts will soon begin and construction for these links is expected to start as soon as September.

At the Budget last week, we also announced a \$5 million investment for Rural National Broadband Network Coordinators.

These coordinators will work to stimulate local government, community and business broadband adoption to improve the affordability of services.

A key role for these coordinators will be to encourage take-up of the opportunities provided by the Regional Backbone Blackspots Program and they will be assigned to specific regional backbone projects.

The coordinators will live and work in the local community and have a sound knowledge of broadband.

They will quickly establish strong working relationships with local governments and businesses.

Like initiatives such as the ATUG regional roadshows, we expect these coordinators to raise awareness about the business and social opportunities of broadband, and to stimulate demand.

Another program announced at Budget last week will help drive adoption for broadband and its application in regional parts of Australia.

An investment of \$15.3 million will support the ABC to expand its Local Regional Broadband Hubs.

These hubs will attract content generated by people within local communities and create online avenues for people to connect and collaborate.

The ABC will establish community web sites and portals, and create 'virtual town squares' for communities to share experiences.

This new funding provides for more than 50 enhanced regional broadband hubs to be rolled out over the next three years.

Funding will be used to identify and employ local producers to work on cross-media stories and to train audiences to create their own content.

The expanded interactive sites will build awareness of local issues and stimulate and facilitate community-generated content.

They will be supported by education, training and equipment to enable local communities to generate and publish their own content.

This project will complement the rollout of the National Broadband Network and will build on ABC Local Radio's established track record as a key participant in recruiting and assisting storytellers in local communities.

Expanding the availability and influence of broadband across the economy is a key goal for the Rudd Government.

We want to ensure that we establish an environment where Australia gains maximum benefits from our investments in broadband infrastructure.

We are working to stimulate the creation and adoption of broadband applications, and to foster our future digital economy.

This initiative with the ABC demonstrates some key social opportunities made possible by high-speed broadband.

Broadband also presents major opportunities to improve the delivery of vital public services.

This is particularly the case in regional Australia where resources are often lacking due to distance and sparse population.

The Digital Regions Initiative we announced earlier this year aims to deliver improved healthcare, education and emergency services using high-speed broadband.

Working with states and territories, we aim to identify and fund broadband-enabled projects that meet these goals, specifically in regional, rural and remote communities.

The projects will include but will not be contained to:

- remote medical consultation, diagnosis and treatment to address regional skills shortages,
- digital resources and services such as teleconferencing to improve access to educational opportunities for regional, rural and remote students, and
- digital technologies to improve emergency and disaster response.

Funding will be allocated through a competitive process and draft guidelines will be released for comment in mid-2009.

We expect projects to commence in early 2010.

With funding bolstered to \$60 million in the Budget, the Digital Regions Initiative forms part of the Government's initial response to the Regional Telecommunications Review.

This review, led by Dr Bill Glasson was an important examination of Australia's regional telecommunications landscape and offered a number of recommendations to improve services and service availability.

In addition to the Digital Regions Initiative, the Government announced new funding of \$11.4 million to increase and extend the subsidies available under the Satellite Phone Subsidy Scheme.

This scheme provides important support for Australians living and working in areas without terrestrial mobile coverage.

Improvements we have made include:

- increasing the subsidy to 85% of the handset cost, up from the current 60%, and
- additional individual handset subsidies for health and emergency service organisations, up from the current limit of two.

Also in response to the Glasson Review, the Government is making an additional \$3.7 million contribution to a \$30 million refocused Indigenous Communications Program.

This program will improve essential telecommunications services, basic public internet access facilities and computer training for remote Indigenous communities in partnership with states and territories.

These are important investments that have been directly informed by the review undertaken by Dr Glasson and his committee.

It should be recognised that the Government will respond to other recommendations related to the National Broadband Network as we progress this important nation-building project.

We will also address a number of the recommendations in collaboration with state, territory and local governments through the Online and Communications Council, and other forums.

We will also engage with the telecommunications industry and consumer groups on particular issues of continuing interest to regional communities raised in the review.

You may also be aware that the Government continues to fund the Australian Broadband Guarantee.

The ABG provides an important safety-net for people unable to access metro-comparable broadband and will be of continued importance as we work to deliver the National Broadband Network.

By definition our rollout will result in an increase in the availability and quality of broadband services across the country and raise the standard for metro-comparable services.

These considerations and investments help to demonstrate the high importance that the Rudd Government places on improving communications for regional communities.

It is clear that people in regional, rural and remote areas deserve better communications systems and greater participation in the digital economy.

Ensuring universal broadband access in Australia represents a significant undertaking and is why the Government has committed so strongly to invest in the National Broadband Network.

Despite the challenges, and with existing services in place, we can already see the potential for major benefits.

The York Peninsula in South Australia is a case in point.

The region has a population of just over 11,000 people with 35% employed primarily in agriculture.

Population is decreasing.

In 2005, broadband arrived on the Yorke Peninsula.

A study produced two years afterwards estimated that broadband was delivering \$9.4 million in benefits annually.

Local businesses are collaborating and trading with partners in distant locations, while doctors are using broadband to transfer medical files and access records.

Further investment through the National Broadband Network will help ensure that other parts of regional, rural and remote Australia reap these types of benefits on offer in the digital economy.

Our investment will help to enable more ground breaking projects such as the Virtual Trauma and Critical Care Unit in Victoria.

Since March, trauma and critical care patients across the Loddon Mallee region have had access to specialist diagnosis and treatment thanks to virtual connections with major hospitals in Melbourne.

Specialists have instant access to the patient's vital signs, clinical test results, high resolution x-rays, images and video allowing them to provide diagnosis and treatment advice.

This solution has obvious benefits for regional communities.

It helps overcome skills shortages, enhances the capacity of hospitals and improves patient welfare.

It puts Victoria at the forefront of a revolution in medical services and offers a glimpse of what our future broadband-enabled healthcare system will look like.

In addition to improving vital services, broadband also raises huge potential for regional businesses and industry.

Indeed, the Australian Local Government Association estimates \$3.2 billion and 33,000 jobs are lost to regional Australia annually due to inadequate broadband infrastructure.

In fact, the National Broadband Network alone will create 25,000 jobs annually for the period of its eight year rollout, peaking at 37,000.

This means new business for regional construction and contracting firms.

It means jobs for the people:

- digging the ditches,
- running the fibres,
- planning and engineering,
- connecting homes and businesses,
- supplying network hardware, and
- other associated activities.

The National Broadband Network also means jobs and business opportunities in the future.

Regional businesses can benefit from improved access to online services, including finance and banking, research and information.

Regional and rural companies can reach new trade partners and opportunities across the country or across the world.

City-based employers can also use broadband to support a decentralised workforce spread throughout our regional areas.

Since our announcement in April, the need for reliable, affordable high-speed broadband has been recognised by a growing number of regional businesses and representatives.

David Cane, an orchardist in Tasmania's Huon Valley has said:

*"Everything we do now you have to refer back to the internet."*

Broken Hill City Council general manager Frank Zaknich said:

*“The internet is the great leveler as it allows businesses in isolated areas to compete equally with those in metropolitan centres, and that’s the way it should be.”*

David Murchie, who is broadband officer with the Central Highlands Development Corporation in Queensland said:

*“Anything that makes broadband better is going to benefit us.”*

Indeed, in the words of David Crombie, National Farmers Federation president:

*“Broadband technology is an economic driver, opening new doors and heralding new opportunities. It’s vital for Australia’s economic development and prosperity.”*

For these reasons, the Rudd Government is driving forward with its investment with the private sector in the National Broadband Network.

The project will exceed our election commitment and deliver high-speed broadband to every home and every business across Australia.

It will ensure our nation is at the forefront of the global digital economy.

Importantly, it will revitalise our regional economies, provide new job opportunities, drive efficiency, enable new trade links and improve the delivery of social services.

The National Broadband Network is a bold nation-building project.

In fact it is the largest infrastructure project undertaken in Australia's history.

It will ensure that all Australians, no matter where they choose to live or work, will have the best opportunity to participate in the digital economy.

Thank you.

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