



Australian Government

Department of Communications and the Arts

Our Reference: MC16-003198

Mr David Boxall
[REDACTED]

Dear Mr Boxall

National Broadband Network regional rollout

Thank you for your email dated 31 March 2016 to Senator the Hon Fiona Nash, the Minister for Regional Communications, concerning the prioritisation of telecommunications infrastructure and the National Broadband Network (nbn) rollout to regions outside capital cities and the major regional hubs. The Minister has asked the Department to respond on her behalf.

National Broadband Network Rollout

The Australian Government has committed to completing the nbn as soon as possible. To deliver fast broadband sooner, at less cost to taxpayers and more affordably for consumers, the nbn will be completed using a multi-technology mix. This will match the right technology to the right location and make use of existing infrastructure where possible and will see the network finished by 2020 enabling nine out of ten Australians in the fixed line footprint to get access to download speeds of 50 megabits per second (Mbps) or more.

Many parts of regional and remote Australia have poor broadband access. In the cities and big towns the nbn will be delivered over a fixed network; in smaller towns and villages, and areas surrounding them, homes will be served by fixed wireless; and beyond those areas, extending all across regional and remote Australia, the nbn will be delivered over satellite.

You may be assured that the nbn continues to be rolled out to regional and rural areas. In February 2016 - using the Australian Bureau of Statistics classification of 'Urban Centres and Localities' (defined as geographical units with a population of 100,000 or more) - it has been estimated that almost 300,000 homes and businesses of the over 1 million premises across Australia within the fixed line footprint designated as serviceable are in non-metropolitan areas. An estimated 340,000 premises of the total 735,000 premises currently in build are also in non-metropolitan localities. All of the 342,000 premises receiving nbn services at that time through fixed wireless were in regional areas as are the almost 200,000 premises in the three-year National Rollout Plan released in October 2015.

In other words, about one third of the total homes and businesses in service, under construction or in the three-year construction schedule are classified to be in regional and rural localities compared with urbanised areas.

The nbn fixed wireless network rollout is now well underway, and it is due to be largely completed by 2018 – at which point over 2,700 fixed wireless base stations are expected to be operational all around Australia. Furthermore, nbn recently launched its 50 megabit per second (Mbps) download and 20 Mbps upload fixed wireless service, which doubled its prior wholesale speed tier.

Around \$2 billion of taxpayers' money is also being spent on designing, building and launching two technologically-advanced broadband satellites and for other equipment and services needed to serve Australia's rural and remote communities.

nbn's satellite broadband service is designed to bring a step change in the experience of broadband users in regional and remote Australia, with peak download speeds of 25 megabits per second (Mbps) and upload speeds of 5 Mbps as well as much higher data caps than currently available on the interim satellite service.

nbn has developed a tiered wholesale pricing model for its satellite products which is in line with the wholesale access prices being charged across the rest of its network. This model ensures there are plans available for high-volume users needing larger download limits, while also offering a standard service at an affordable price.

Some satellite service providers have already published their pricing and plans for the nbn satellite, providing a rough benchmark for the likely price and download ranges. More retail service providers are expected to release satellite broadband plans over the coming months.

Through these innovations, businesses will have the ability to increase productivity, reduce costs and access new markets. Over 200,000 homes and businesses, including 1,600 public buildings and schools, are expected to connect to the nbn satellite service, with the exact number that will be served to be determined as nbn finalises its construction planning for other technologies.

Mobile Blackspot Programme

The Australian Government has also committed \$100 million through Round 1 of the Mobile Black Spot Programme to invest in telecommunications infrastructure to address mobile black spots along major regional transport routes, in small communities and in locations prone to experiencing natural disasters.

Last year the Government announced that under Round 1, 499 new or upgraded mobile base stations would be deployed across regional and remote Australia – 429 Telstra base stations and 70 Vodafone base stations. Nationally, the funded base stations will provide new and upgraded handheld coverage to 68,600 square kilometres and new external antenna coverage to over 150,000 square kilometres of regional and remote Australia. In addition, over 5,700 kilometres of major regional transport routes will receive new or improved handheld or external antenna coverage.

The Government has also announced that it will commit a further \$60 million for Round 2 of the Mobile Black Spot Programme, with funding to be available over a two-year period from July 2016.

Thank you for bringing your concerns to the Minister's attention. I trust this information will be of assistance.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Amelia Metcalf', written over the typed name and title.

Amelia Metcalf
Assistant Director
Broadband Implementation