

ATUG Forum – Next Generation Policy and Regulation

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ALP telecoms policy

“A Rudd Labor Government will:

- Partner with the private sector to deliver the National Broadband Network;
- Undertake a competitive assessment of proposals from telecommunications companies;
- Ensure competition in the sector through an open access network that provides equivalence of access charges and scope for access seekers to differentiate product offerings; and
- Put in place regulatory reforms to ensure upfront certainty for investment.”

Bipartisan consensus

- Increased direct investment in a new BAN;
- A competitive process for selection of the private sector companies to be involved in the construction and operation of the BAN; and
- New regulatory arrangements to facilitate the stated policy goals associated with open access, price equivalence and investment certainty.

The Minister's Mind (is open)

ALAN KOHLER: And what is the \$4.7 billion, is it an investment by the Government in a joint venture with somebody, a public private partnership or what?

STEPHEN CONROY: Our preference is for it to be an equity proposal, but we have an open mind, what we are saying is the proponents should tell us what the style of structure that they would favour and that would then be part of the discussions through the negotiations process...

ALAN KOHLER: They will say, just give us the money.

STEPHEN CONROY: To be fair that is true. Everyone would like a \$4.7 billion cheque from the Government. That's not going to happen. We are not handing over \$4.7 billion to anybody, Telstra, G9, fibre to the premise consortium... Absolutely not. Our preference is for an equity consortium but we have an open mind and we will be saying to people put forward your proposals.

Key policy principles

- Technology neutrality
- Open competition
- Realignment of prices towards costs

Broadband technologies

Technology	Company	Existing coverage	Potential coverage
DSL network	Optus	270 exchanges in Sydney, Melbourne, Brisbane, Adelaide, Perth and some regional areas	Extending to 340
DSL network	Ilnet	278 exchanges in major cities in NSW, WA, VIC, TAS, SA, QLD, NT and ACT; extending to 319 by 4Q07	
DSL network	Primus	200 exchanges in majors cities in NSW, VIC, QLD, SA and WA; extending to 300	Extending to 65+
DSL network	Internode	41 exchanges	
DSL network	Amcom	179 exchanges in WA and SA	
DSL network	Telstra	1000+	
HFC network	Optus	Passing 1.4M homes in Brisbane, Sydney and Melbourne	Capital cities Major regional cities
HFC network	Telstra	Passing 2.5M homes in Brisbane, Gold Coast, Sydney, Melbourne, Adelaide and Perth	
FTTP	Optus	Melbourne, Sydney, Brisbane, Gold Coast	
FTTP	PowerTel	400+ buildings in Gold Coast, Sydney, Melbourne	
FTTP	Amcom	Adelaide (SABERNet), Perth and Darwin	
FTTH	TransACT	Forde in ACT	
FTTH	Project Vista	Brisbane – under development	
FTTH	TasCOLT	Tasmania	
FTTH	Aurora	Victoria	
3G	Telstra	95% population reach	
3G	Optus	Main capitals and some regional areas	
3G	Hutchison	Main capitals and surrounding areas only	
3G	Vodafone	Main capitals and some regional areas	
Pre-WiMax	Unwired	Sydney and Melbourne (part)	
Pre- WiMax	Austar	Wagga & Tamworth	
Mobile wireless	iBurst	Sydney, Melbourne, Perth, Brisbane – distributed mainly by Chilli and Big Air	
Fixed wireless	BigAir	Sydney – offering connections up to 100 Mbps	
Broadband over Power Line (BPL)	Aurora	500 homes in Tolmans Hill near Tasmania	
Satellite	Various	Australia wide	

Public policy and subsidies

- Budgetary subsidies
- Providing services below cost
- Capital cost subsidies
- Creating transfers through a market mechanism