



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

PROOF

**NATIONAL BROADBAND
NETWORK COMPANIES BILL 2010**

**TELECOMMUNICATIONS LEGISLATION
AMENDMENT (NATIONAL BROADBAND
NETWORK MEASURES—ACCESS
ARRANGEMENTS) BILL 2010**

Second Reading

SPEECH

Monday, 28 February 2011

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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Questioner
Speaker Sidebottom, Sid, MP

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Mr SIDEBOTTOM (Braddon) (5.36 pm)—What I would like to do in this debate on the National Broadband Network Companies Bill 2010 and the Telecommunications Legislation Amendment (National Broadband Network Measures—Access Arrangements) Bill 2010 is to remind those opposite of exactly why the NBN is being introduced, why it is being rolled out and why it is accepted by the Australian people. The Australian people are looking forward to seeing it rolled out throughout the nation. We are and were 17th out of 31 developed countries on broadband penetration, the fifth most expensive amongst 30 developed countries on broadband prices, 50th in terms of broadband speeds, equal last on deployment of optic fibre broadband and 29th out of 50 countries on an average connection speed at 2.6 megabits per second.

It is very sobering to restate those facts no-one on the other side can deny. They had 13 years to do something about it and 19 or 20 plans to do something about it as well. One cannot say they did not put up some plans. The trouble is that they could not put up anything else with them. I reckon the great testimony to that is that the second last or third last—I cannot remember now there were that many—spokesperson to put forward their plan in the last election, only last year, is now languishing somewhere on the back bench, having been thanked for the effort he put into putting forward a broadband plan for the opposition, and every now and again we hear him gnashing his teeth and screaming his head off about Bill Shorten and other people. No doubt they will drag him out for another plan, plan 25, later on.

We now have the current spokesperson on ‘Let’s not produce another plan for broadband’—the member for Wentworth. What are his riding instructions? Destroy the NBN. I am not surprised at all because everything you hear from the other side is no, negative, not now, never. Anything else associated with negativism is from that side. The member for Wentworth, the member for no, has been sent out to try and destroy broadband.

I can tell you the Australian people want the NBN. It has fantastic prospects. Did you know that a recent Akamai internet report showed that no Australian city was in the top 100 cities for average internet connection speed? How’s that for a legacy? Fantastic!

Australia was last in the OECD for fibre penetration for broadband—not second last, not third last but last, zero, zilch, bottom of the class. Australia was ranked 50th in the world for internet speeds, on a par with Russia, and lagging almost every single advanced industrial economy, including our friends across the Tasman. Australia ranks 31 out of 50 countries on the percentage of connections of more than two megabits per second. Only 45 per cent get two megabits per second in Australia. But it is rising ever so slowly for those persons who are on the NBN. Some of those people are in my electorate; so that is absolutely fantastic. The NBN is actually rolling out and this mob on the other side wants to stop it. They will use any excuse, any old negativity, to stop it.

To finish off the unfortunate statistics that are the legacy of the last coalition government before we came into power, Australia ranks 29th out of 50 countries on average connection speed. That is not a good record and we are trying to do something about it, at least on this side. I remind those opposite, because it is very relevant to this legislation, that a week prior to the 2010 federal election the opposition released a plan—I think it was No. 19 or 20—which was a \$6.25 billion alternative policy. We eagerly waited for what it meant. It was relying on a combination of public and private funding to build a primarily wireless network delivering a peak speed of 12 megabits per second to 97 per cent of the Australian population, it said. The plan included \$3.5 billion to be spent developing an open access, optical fibre backhaul network. It did not take long for the general telecommunications industry to assess it, and it was described as ‘harking back to an earlier era’, ‘lacked vision’—that is strange, is it not?—and ‘muddy and unclear’.

Indeed, I think Rupert Murdoch himself best sums up the need for NBN. In assessing the state of broadband in Australia prior to NBN, he actually said it was an absolute disgrace. That is the legacy we inherited, and now with some vision, some boldness and with some certainty we wish to continue to roll out the NBN. All those on the other side want to do is either delay or destroy it. I have got news for you: the Australian people have made up their minds about the NBN. They want it and the quicker we get on with it the better. That is what this legislation is designed to do. The two bills, the National Broadband Network Companies Bill and the NBN access bill, deliver on

our commitment to establish a wholesale-only NBN offering access on open and equivalent terms.

Mr Deputy Speaker, for your interest in this topic, what are some of the more specific aspects of the companies bill? That is at the heart of what we are discussing here. I would like to range through a few aspects to reinforce our case for this legislation. Importantly, it defines NBN Co. to include—heavens above!—NBN Tasmania and any company the NBN Co. controls. I mentioned earlier that the NBN began in Tassie. It began its history, began its journey and began its story in Tassie.

Mr Lyons—In my electorate of Bass!

Mr SIDEBOTTOM—My colleague the member for Bass is here, and it commenced at Scottsdale, I believe. It also commenced in my electorate, in the beautiful township of Smithton, where they are doing some extraordinary telecommunications work on wireless technologies as well. It is going to benefit the rest of regional Australia when all of this fantastic stuff comes out. It also commenced at Midway Point, Sorell, in the electorate of Franklin in Tassie. So the NBN is on a roll. I have had the privilege of seeing the NBN in operation. It is awesome, not only just for speed but for the clarity of the images. It was just wonderful stuff, and I really look forward to its application to a whole raft of things and for people and organisations.

The bill limits the NBN Co. to wholesale only telecommunications activities, as we promised, including in relation to the supply of services and goods and also investments. It establishes powers to enable functional separation and the transfer or divestment of assets. It enables the minister to make licence conditions, including prohibiting NBN Co. from providing specified services. It requires the Commonwealth to retain full ownership until the NBN is built and fully operational. So there will be no dilution of it. We will see it through to the end. It requires a Productivity Commission and parliamentary committee review prior to any sales process—so no little deals being made; it will be open, transparent and accountable.

The legislation establishes the framework for the eventual sale of NBN Co. It enables regulations to be made to set limits on the private control of NBN Co. post privatisation and establishes reporting obligations on NBN Co. once no longer wholly Commonwealth owned. It exempts, finally, the NBN Co. from the Public Works Committee Act 1969.

It is important to note that there is no longer a requirement that the NBN Co. must be sold within five years of its being declared built and fully operational. Rather, this will be left to the judgment of the

government and parliament of the day, enabling both to have due regard to the role the NBN is then playing, market conditions, and any other relevant factors.

As regards the NBN access bill, firstly, it makes all services provided by NBN Co. declared and thereby subject to supply and equivalence requirements and ACCC oversight, so there is accountability and transparency. It establishes the mechanisms to ensure that the terms and conditions relating to the supply of services by NBN Co. are transparent. It requires NBN Co. to offer services on an equivalent basis, with discrimination only allowed where it aids efficiency and other limited circumstances, which, again, are subject to ACCC scrutiny.

It requires the publication of access agreements with different terms from the standard ones already published to provide a high level of transparency. It provides a more level regulatory playing field for all new, extended and upgraded superfast broadband networks by extending obligations that apply to NBN Co. to owners of superfast networks upgraded, altered or deployed after the introduction of these bills to parliament.

I again would like to put on the record my support for this government and particularly the relevant minister, Minister Conroy, for developing the NBN from what was essentially a vision and then beginning to see it roll out. I look forward to the future with Telstra coming on board so that we can extend the network efficiently and effectively and of course get it to as many premises as possible—businesses, households and persons—as we can throughout Australia.

So I recommend the legislation and I suggest to those opposite that they try for once to be positive. If they are not, let me remind them that the Australian people are and, contrary to all the template answers that they pop out on that side, the NBN is being embraced by the Australian population. It is supported by the Australian population. So I ask those opposite to get on board and support this legislation, because we can have the NBN rolling out. It is as important as extending the highway system throughout Australia into the next century. That is how important it is as a piece of infrastructure in this country. And to have the other mob saying that the NBN should be postponed or deferred in the wake of the floods in Queensland and those other unfortunate natural disasters is really throwing in a red herring. It is as important that we get on with the NBN Co. now as it ever was, particularly to those areas that have been affected by the unfortunate natural disasters. So come on, the other side, get on board. I really look forward to hearing the other members talking about the legislation before them and the provisions of the bill. Let's hear you go through the provisions of the bill one by one so that we know specifically what you are talking about.

If you need to, then you be negative on each provision and explain to me exactly why you are negative. But you cannot; you have got your little template answers up there ready to rip, so don't let me stop Hansard from recording you.