



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

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

**Australian Telecommunications Users Group
Conference**

**Australian Technology Park, Sydney
Friday, 13 March 2009**

15-20 mins

Thank you David [Swift, ATUG chair] and good morning.

It is a pleasure to be here once again to address the ATUG annual conference.

This event is an important gathering of stakeholders from across the communications industry.

It is always a great opportunity to take a snap-shot of the state of the sector and to discuss with colleagues the challenges and opportunities that lie ahead.

The Australian Telecommunications Users' group has long held an esteemed position in this sector.

Representing the views and interests of telecommunications users - large and small - ATUG has played a vital role in the evolution of the current market environment.

It has has contributed strongly to industry progress over the past two and a half decades.

It has consistently helped users by promoting choice and competition.

And, ATUG continues to advocate strongly and constructively for improvement in the emerging and next-generation environment.

ATUG should be congratulated for the role that it performs and for the range of issues that it takes up.

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

We share concerns in areas such as broadband access and pricing, encouraging investment and developing services in regional Australia.

One important campaign undertaken by ATUG in this area is its annual series of regional broadband forums.

In the last year the roadshow visited 14 regional centres across the country.

ATUG has visited some 70 regional communities since the establishment of its roadshow program in 2003.

This type of activity is important as we seek to accelerate broadband availability and awareness 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 health and education services.

And, it will strengthen communities by providing new and enhanced communications.

These ATUG roadshows help ensure that users are well informed.

They ensure that issues around availability and affordability are better understood and that industry and government can appropriately respond.

Despite challenges and the limitations of existing services, there are already strong signs that regional, rural and remote areas are benefiting from broadband.

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

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

The area has a higher than average proportion of people aged over 50.

The region includes an extensive system of salt lakes and seasonal swamps, as well as pastoral lands.

In 2005, broadband arrived on the Yorke Peninsula.

A study produced two years afterwards, in 2007, estimated that broadband is currently delivering \$9.4 million in benefits annually.

Local businesses are now 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 ensure that similar stimulus is created in other parts of the country.

Regional, rural and remote parts of Australia make up vital components of our national economy, society and character.

The Rudd Government has made clear its commitment to ensuring these areas are prosperous and sustainable.

We have committed to ensure that people living and working in these communities can actively participate in Australian society.

This includes the digital economy, which will deliver benefits for all Australians and has particular relevance for areas separated from major economic centres.

At the time of the last budget the Government announced that it was prepared to commit up to \$400 million to respond to the Regional Telecommunications Review, chaired by Dr Bill Glasson.

The Review appraised the adequacy of telecommunications services in regional Australia, and provided a report to Government on its findings.

Last week the Government tabled its initial response.

The Glasson Report urged the Government to invest between ten and fifteen per cent of the available funds in an initial response to recommendations.

The \$60 million package announced last week puts the Government's initial commitment at the upper end of that range.

Firstly, the Government has committed \$46 million in new funds to a new Digital Regions Initiative.

This program will focus on digital projects enabling improved education, health and emergency services in regional communities.

The Rudd Government will partner with state, territory and local governments to fund successful projects selected through a competitive selection process.

The program will look at projects such as remote medical consultation, diagnosis and treatment to address regional skills shortages.

It will canvas digital resources and services such as teleconferencing to improve access to educational opportunities for regional, rural and remote students.

It will also support digital technologies to enhance emergency and disaster response.

Draft guidelines for the Digital Regions Initiative will be released for comment in the coming months.

The Government has also committed \$11.4 million in new funds to increase and extend the Satellite Phone Subsidy Scheme.

The Glasson Review noted that, while terrestrial mobile coverage reaches approximately 99% of the Australian population, networks only cover about 25% of the landmass.

The Government understands that access to mobile phone coverage is essential, regardless of where you live or work.

The Satellite Phone Subsidy Scheme will now provide greater assistance to people living and working in areas without terrestrial mobile coverage.

Under the improved conditions, the subsidy level has been increased to 85 per cent of the handset cost, up to a cap of \$1000.

This is an increase from 60 per cent and includes the replacement of handsets purchased over three years ago.

The Scheme will also enable greater access for health and emergency service organisations, which will be able to apply for additional handsets to meet their needs.

Finally, the Government has committed an additional \$3.7 million new funding contribution to a \$30 million refocused Indigenous Communications Program.

The Indigenous Communications Program will provide improved solutions to meet the telecommunications needs of remote Indigenous communities.

The program will provide 'community phones' to around 300 remote Indigenous communities that currently do not have public telephone access.

It ensures ongoing monitoring and maintenance for 250 'community phones' already installed.

In partnership with State and Territory governments, the Indigenous Communications Program will also support public internet access facilities and basic IT training for up to 120 communities.

The Glasson Report contains 45 recommendations aimed at addressing deficient telecommunications and improving regional infrastructure and services.

Our initial response is a \$60 million 'down-payment' on the Government's overall and continued approach to sustainable regional telecommunications development.

Importantly, the Report also acknowledges the significance of the National Broadband Network for regional Australia.

It consequently recognises that a number of recommendations should be considered in light of this process.

Therefore the Government will revisit a number of recommendations that relate to the National Broadband Network once the outcome of the current process is finalised.

One of the most significant of these Report recommendations was the development of a Customer Service Standard (CSS).

The committee recommended this include voice, broadband, mobile phone and payphone services.

Accordingly, recommendations from the related chapters covering these topics are impacted on by this recommendation.

The Report makes the point that consideration of a CSS involves substantial and complex changes to existing regulatory arrangements, which will be significantly influenced by the NBN.

It states that only once the outcome of the process is known will it be possible to plan and build infrastructure in the areas not served by the NBN.

It adds however that the outcome of the NBN process is expected to improve the viability of deploying telecommunications infrastructure for communities in these most remote areas.

The development of the Customer Service Standard including broadband is an interesting proposal and deserves attention.

I look forward to looking more closely at this following the conclusion of the NBN process.

This approach will prevent duplication of services.

It will ensure an outcome that is sustainable and comprehensive.

And, it will maximise the benefits for regional Australia from our financial commitment to the Glasson response.

As you will be aware, the National Broadband Network has the clear objective to reach 98 per cent of Australian homes and businesses.

This clearly includes the great majority of regional areas.

Additionally, the Government has committed to improve and enhance services for the most remote 2 per cent of the country.

It is vital that we ensure that all Australians have the opportunity to access improved broadband services on an equitable basis.

As you will appreciate, the Government is locked down, giving very close and careful consideration to the Panel of Experts report on the five NBN proposals.

This process is very much live and I am therefore highly restricted in what I can say.

What I can say, however, is that the Government stands 100 per cent behind to its election commitment to deliver the National Broadband Network.

We will ensure that Australia reaps the full competitive benefits that a national wholesale network can provide.

We will ensure that we unlock the potential of the digital economy for all Australians.

You will be aware of much speculation in the media – and probably here at the conference today – on the possible timing and outcomes of the NBN process.

As I have said consistently, we have an ambition to make an announcement by the end of March and, contingent on the complexity of the considerations, this remains the case.

The National Broadband Network will be one of the largest infrastructure investments undertaken by any Australian Government.

It will be a vital building block for Australia's future economic productivity and prosperity.

It is therefore imperative and only right that the Government give this decision the full attention, scrutiny and care that it deserves.

As I have said, it is important that we ensure that all Australians are able to benefit from the opportunities presented by the digital economy.

This is of vital importance for people outside of major metropolitan centres, as it is for those inside our cities.

It is also important that disadvantaged members of our community have the ability to interact and participate in this environment.

Last month I had the pleasure of addressing a forum to examine the communications requirements of people with disabilities.

I announced at the time a feasibility study into the establishment of a new disability equipment program operating independent of telecommunications carriers.

It is important that accessible, affordable and readily available communications services and technologies are within easy reach of all Australians, including those with disabilities.

We can do more to make life a little bit easier for those members of our society who face real challenges that most of us could not begin to imagine.

I am hopeful that this study will lead to some concrete proposals for the delivery of an independent disability equipment program.

I appreciate that this study is not easy - nor is it straightforward.

It will examine the projected demand for specialised communications equipment, services and products over the next decade.

It will look at the needs of those born with a disability as well as those that acquire disabilities later in life, a factor of particular relevance to our ageing society.

The study is also examining fundamental logistical issues such as:

- possible models for the distribution of equipment;
- the selection of equipment, products and services;
and
- who would be eligible to benefit.

It will also examine cost issues, including possible funding options.

I have given an undertaking that this study will include a comprehensive consultation process.

It will include face-to-face meetings with a range of consumer, Government and industry representatives, and focus group meetings with people who are living with disabilities.

Today I am pleased to announce the publication of a discussion paper that provides the opportunity for all interested parties to submit comments on this important issue.

The discussion paper is available from the Department's website.

Everyone who has an interest in this important issue should have an opportunity to have their say.

I look forward to receiving the Department's findings before the end of the year.

Once again, it is a pleasure to be here with you today.

I know there is an interesting program of speakers ahead and I am sure that there will be some fascinating discussions related to the future of communications in this country.

Regardless of the particular topic area, I know that each of these speakers will reflect one central theme – that digital technologies, and communications in particular, are changing our lives.

It is therefore vital that we ensure that all Australians, no matter where they chose to live or work, or no matter what day-to-day challenges they face, have the ability to participate in this change.

The Rudd Government has a strong commitment to meeting this goal and to working with you all to ensure that Australia enjoys a prosperous and productive future in the digital economy.

Thank you.

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