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PARLIAMENTARY DEBATES



**HOUSE OF REPRESENTATIVES**

**PRIVATE MEMBERS BUSINESS**

**Broadband Services**

**SPEECH**

**Monday, 16 September 2002**

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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## SPEECH

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**Questioner**  
**Speaker** Billson, Bruce, MP

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**Question No.**

**Mr BILLSON** (Dunkley) (3.45 pm)—I have some sympathy for the motion moved by the member for Greenway on broadband services and understand the circumstances he refers to. My outer metropolitan community is experiencing some of the concerns that he has outlined, but his solution—that we should therefore not sell Telstra—is a solution looking for a problem. The member says, ‘Don’t sell Telstra and all these issues will be fixed.’ I think we are mature enough in this place and in this nation to know that the ownership question and specific issues around service are not as directly related as some would like us to believe.

For those who have a philosophical objection to the sale of Telstra, any argument will do—any line of thought will do—to justify that basic premise. Let us go back to the PMG days. How responsive was that organisation under full government ownership? I think we are past the stage where ownership itself is the sole determinant of service. I would like to put on the record my view that the key to responding to some of the concerns that the member for Greenway outlined has already been road-tested by Telstra. It has already been embraced through Telstra’s CountryWide initiative. I am calling for Telstra to realise that ‘country’ includes the outer metropolitan area. TOMI, Telstra’s outer metropolitan initiative, is a distinct measure to deal with the kinds of issues the member for Greenway has outlined and to put in place the kinds of solutions that have already been put in place quite successfully and quite profitably through Telstra’s CountryWide operations.

I pay tribute to Doug Campbell and those people in CountryWide. There are about 28 or 29 CountryWide centres, with area general managers having whole of business responsibility to develop and deliver telecommunications solutions for rural and regional Australia. My question is this: can we have another Doug Campbell? Can we have an outer metropolitan version of Doug Campbell? Can he and a team that is equally committed and with whole of business responsibility focus on the demands of the outer metropolitan area? Tonight I am calling for TOMI—Telstra’s outer metropolitan initiative—because I believe the model developed under CountryWide has all the characteristics that will bring about the kinds of outcomes I, along with the member for Greenway, seek to achieve.

The government has the view that all Australians should be able to access a reliable and affordable telecommunications service. Quality Internet access is not a luxury any longer; it is a basic tool for families, for small businesses and for educational institutions. In my view, infrastructure does not cater particularly well for new and developing outer metropolitan neighbourhoods. The area of greater Frankston, and further down into the peninsula, is an example of that. I will come back to the specifics shortly.

In 1998 there were 1.6 million Internet subscribers. By 2001 this had grown to four million. Over 50 per cent of Australian households have a PC and in excess of 69 per cent of small businesses are Internet connected. The number of web sites has exploded, from 30,000 in 1997 to well over 200,000 in 2001. Broadband Internet connections allow users to download web pages and data many times faster than conventional or narrowband Internet services. The ACCC recently reported that the number of broadband subscribers had more than doubled in the past 12 months. Narrowband Internet access runs at around 56 kilobits per second. Broadband access can run at over 500 kilobits per second. That bandwidth—that pipeline of information, ideas, tools of commerce, education and communication between families and friends—is something we all seek to have within our reach. This motion recognises that in some outer metropolitan communities it is not within affordable reach and it is not within reach in a form that is responsive to the local service requirements.

The TOMI proposition I have put to you, Mr Deputy Speaker, will bring together some of the excellent work that is happening within the telecommunications industry and will deliver it in a manner that is affordable and accessible to outer metropolitan communities. The government has embraced the concept that improved telecommunications services can be achieved through competition, and we are seeing the results of that. The best way to improve telecommunications is to have a number of providers and a number of technologies trying to best respond to consumers’ needs. The regulatory safety net ensures that no-one will be left behind. There are minimum standards for services to the community, and there are a number of taxpayer funded programs to implement and support infrastructure development in areas of specific deficiency.

Over 80 carriers provide services around Australia to consumers and businesses under this framework. The ACCC continues to report declines in the price of a basket of telecommunications services. The broadband industry is still at the early stage of its development. There is still much uncertainty with regard to the speed of the infrastructure required to support basic applications and technologies, and new technologies are emerging as each year goes by. The government recognises that the ability to broadband services—and the availability of them—is an important key to the development of our economy and of our citizenship. During the year ending 30 June 2002, there was a 131 per cent growth in the number of broadband services connected across Australia—that is, to 285,000 subscribers—and a 299 per cent growth in the number of businesses using broadband technologies.

That is the broad picture across the country. What sits within it is a range of different stories. In some areas of the member for Greenway's electorate, they have cable running across the front of their properties—it is coming out of their ears! But for many of the outer metropolitan communities, two things happened. Firstly, there was a cheer when the Howard government was elected in 1996, and so came to an end the reckless disregard of some of the telecommunications companies for their local communities, which provided cable under the free-for-all regime of the former Labor government. That, rightly, came to an end. It did not stop those companies from rolling out that technology; it just made them be a little more responsible in the way they did it. In areas such as the one that I and the member for Flinders represent, overhead cables stop at Humphries Road, in my electorate. In some areas, the appalling deployment tactics used by the telecommunications companies ended at Humphries Road.

But there are new areas where cable technology has been included with the basic services when the land has been subdivided. There are options available to underground the cable or to co-locate—something that I was particularly vocal about, as the House may recall. Those options are still there, but we are finding that, through technology such as XDSL, we are able to get more out of the basic technology. That XDSL applied by Telstra in its brand, which is ADSL, is making normal twisted copper wire start to look like broadband cabling. But we know there are limits to that as well. We know that the reach from an exchange to access that technology is about 3½ kilometres. We know that through compression technology and packaging we could make that reach further and we could enhance the speed even more, but we still want to talk over those telephone lines, and we would start to see deterioration in the quality of voice.

On the Mornington Peninsula and in the greater Frankston area, we have 31 exchanges, of which only 19 have been ADSL enabled. If you are not near one of those 19 exchanges—if you are not within that 3½-kilometre radius—you cannot get a piece of that action. Having said that, we are also not benefiting from the CountryWide approach that Telstra has toward customers in rural and regional Australia, where it says, 'Okay, that's not for you but let's work through this other suite of technologies that is available through our network and through our relationships with other providers, to make sure you have access to what you want'—that is, bandwidth at appropriate speeds.

An example that the member for Flinders and I have been canvassing relates to the Chisholm Institute of TAFE. Campuses in Berwick and Frankston, and also in Wonthaggi and Rosebud, simply want to network their campuses. Do you think they can get access to decently priced bandwidth? They have had link proposals at around \$25,000 a year between Rosebud and Frankston. That is cost prohibitive. It need not be that way, and that is what we are working through with Telstra. But it took the local federal members—the member for Flinders and I—to burrow into the Telstra monolith and find a solution. If we had TOMI, Telstra's outer metropolitan initiative, operating on the same model as CountryWide, they would have done the legwork. They would have said, 'Yes, we understand your needs and we will try and find a solution for you.' That is what Doug Campbell and his team at CountryWide have achieved, and that is what we should be achieving for the outer metropolitan area. There are service issues involved in these issues. There have been changes to the call rates, and the constituents of Dunkley can now ring the Melbourne CBD for the cost of a local call. I will continue to inform my constituents about these things and, even though Telstra does not do a very good job of it, let me say to all those constituents in my electorate, 'You must request the wide area call option on the Homeline Plus or Homeline Complete pricing package.' It is not that hard but you need to know what the answer is.

With an initiative like TOMI, we would get CountryWide performance, with Doug Campbell and his band of merry folk going out and saying, 'What is your need? We will go through the range of technologies and we will find the solution.' That is the focus that is required for the outer metropolitan community. That would be a beneficial outcome from the member for Greenway's motion. This has nothing to do with ownership. Telstra is already kicking great goals through CountryWide in a profitable manner. Another day, I will talk more about telephone directories and a whole bunch of other things. (*Time expired*)