

Maximising the Value of the NBN; comparing our NBN to Australia's Top 10 trading partners and the OECD

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Broadband Transforming Lives - ITU/UNESCO

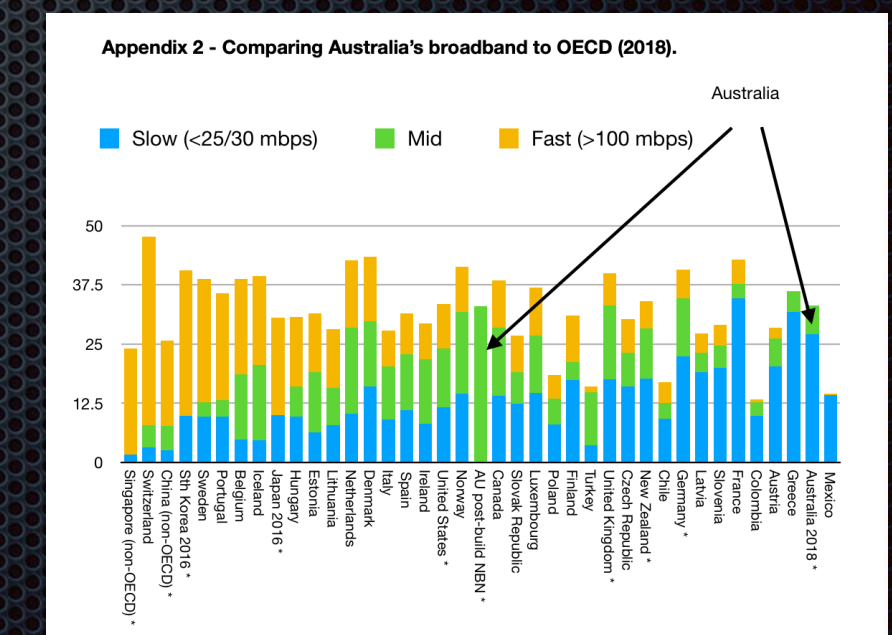


‘Meaningful universal connectivity’ encompasses broadband that is available, accessible, relevant and affordable, but also that is safe, trusted, user-empowering and leads to positive impact.

1. By 2025, all countries should have a funded National Broadband Plan or strategy or include broadband in their Universal Access and Service (UAS) Definition
2. Affordable Broadband
3. 75% user penetration worldwide
4. Minimum digital skills
5. Digital Financial Services
6. Connected SMEs
7. Gender Equality across all targets



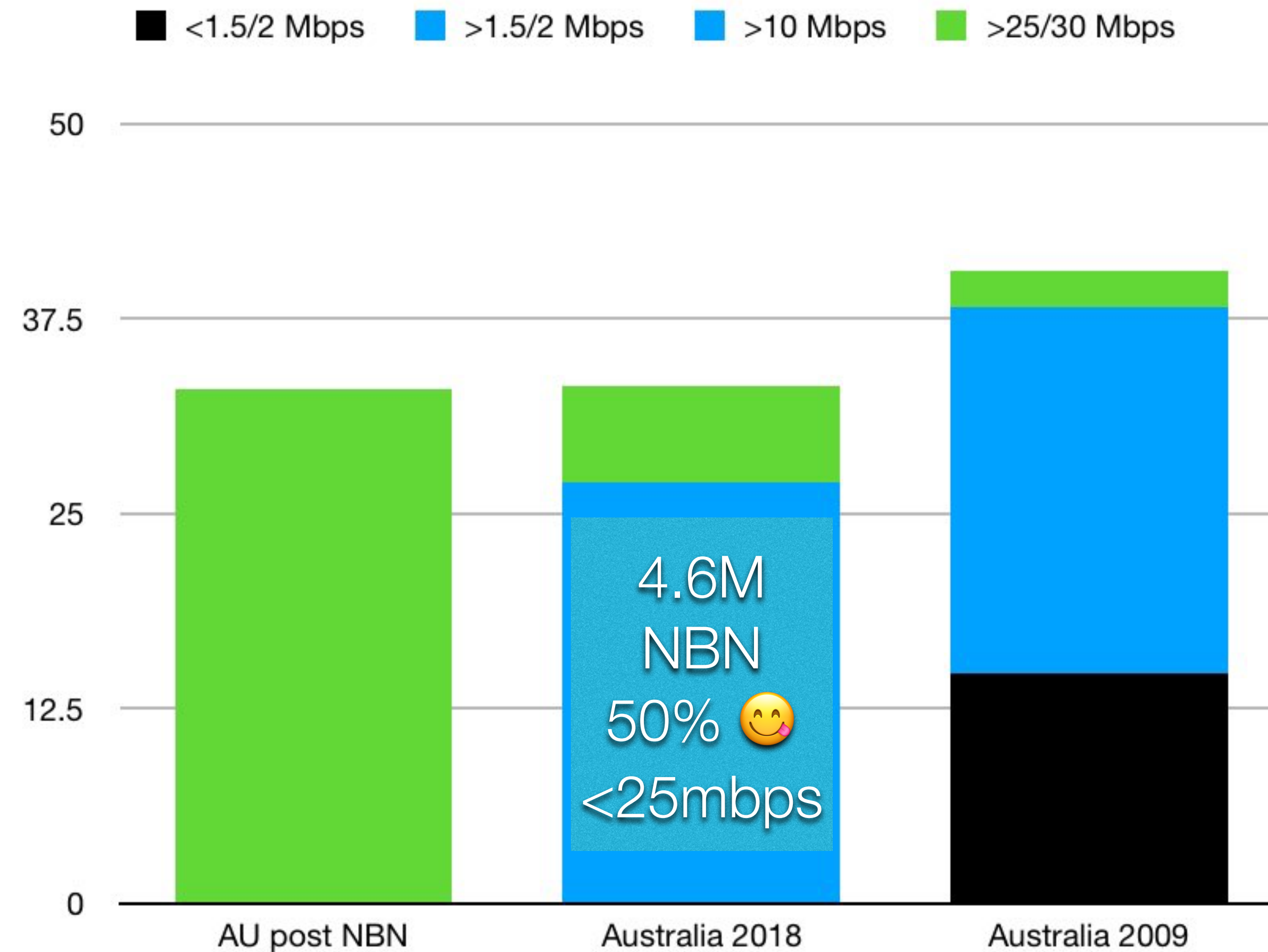
- ✧ 1. Where have we come from?
- ✧ 2. Where are we now?
- ✧ 3. Where are we going?



NBN's view

1. The past - we need speed... NBN is speed

Source:
OECD,
ABS
8153.00,
NBN



2009 dialup:
100MB/mth
2009: 6GB/mth
2019: 250GB/mth

Substantial
progress...

2. NBN:

Many countries with over 100mbps users.

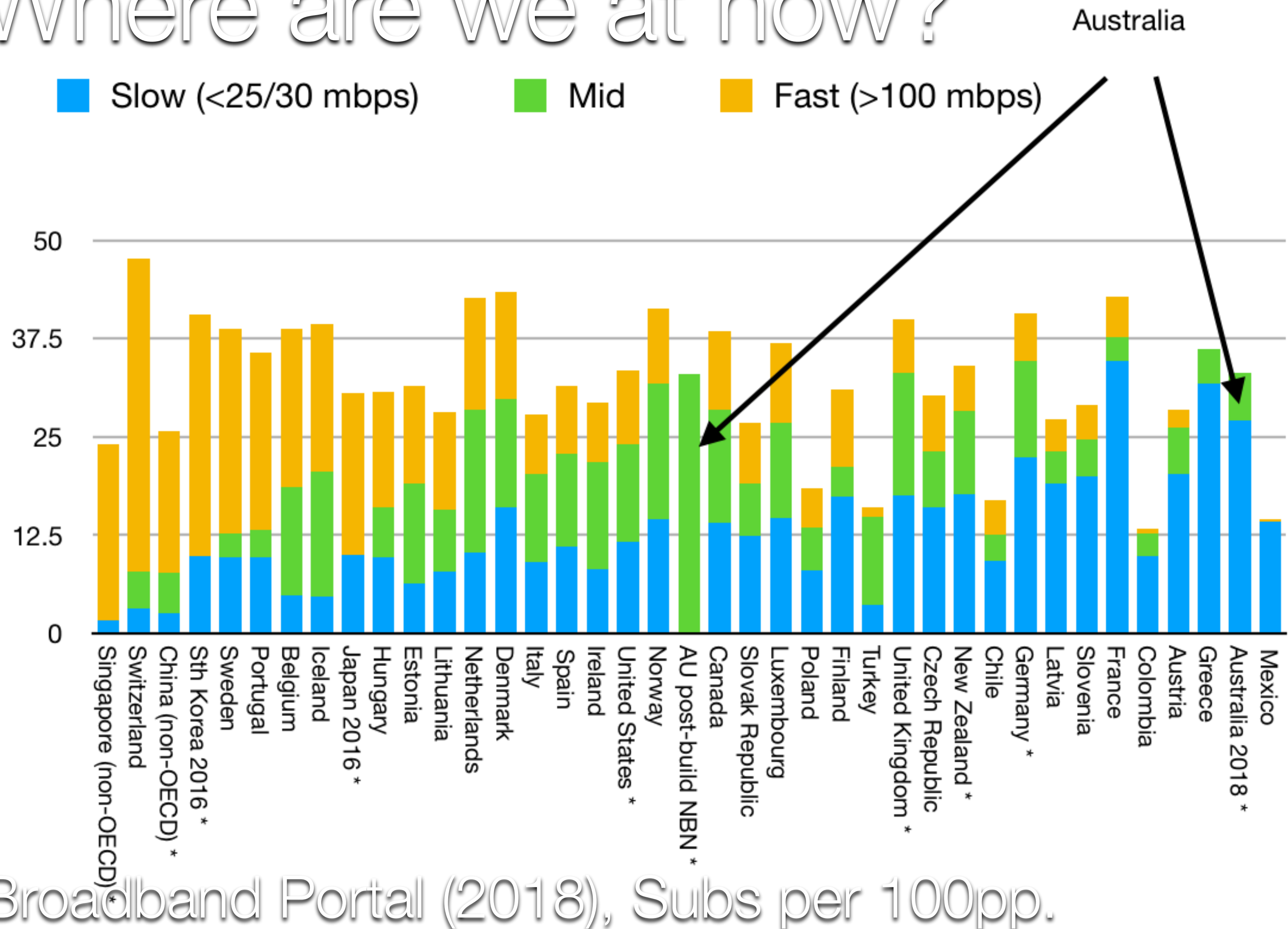
<- fastest
slowest ->

Users per
100pp

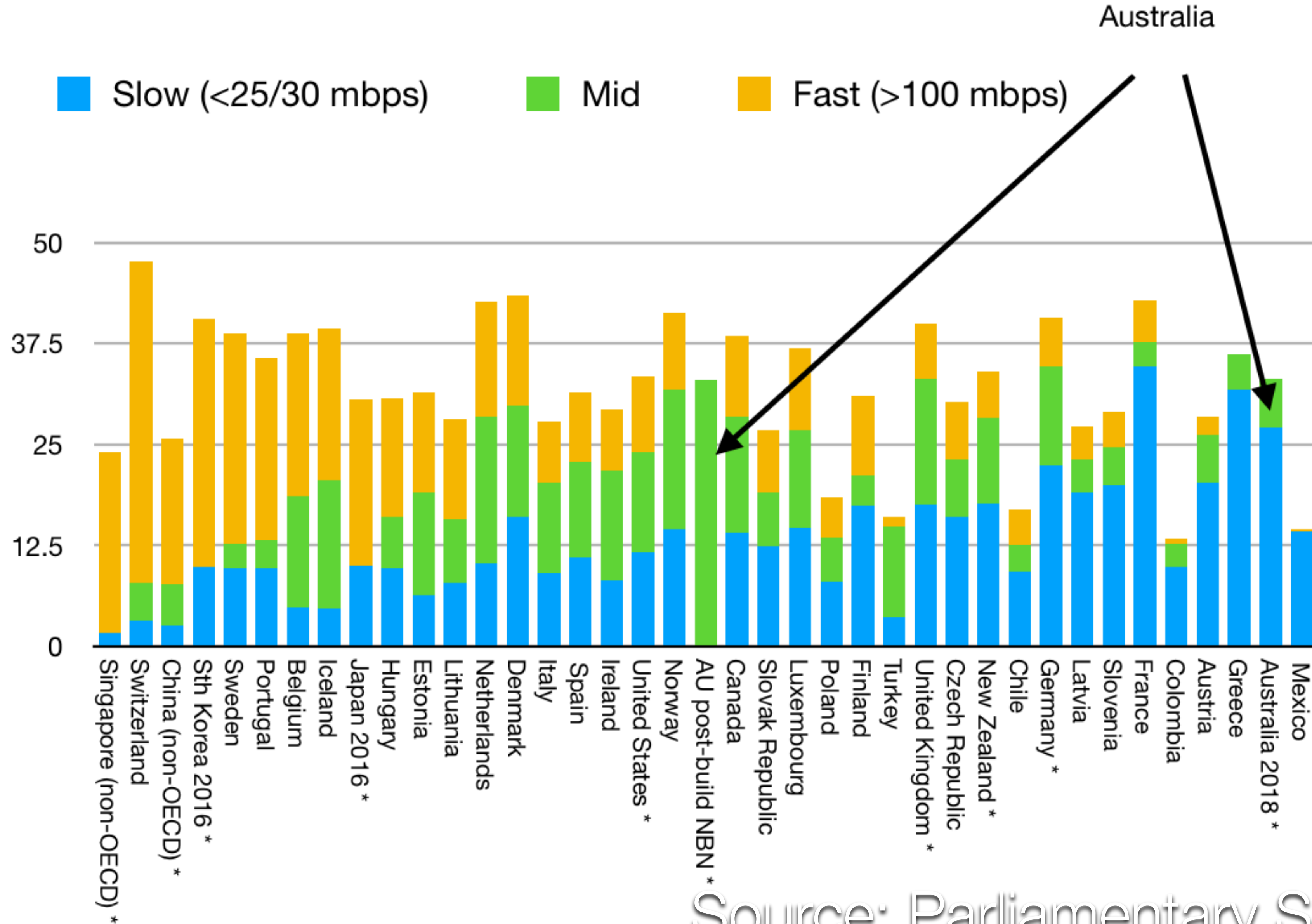
Source: OECD

Appendix 2 - Comparing Australia's broadband to OECD (2018).

Where are we at now?



Appendix 2 - Comparing Australia's broadband to OECD (2018).

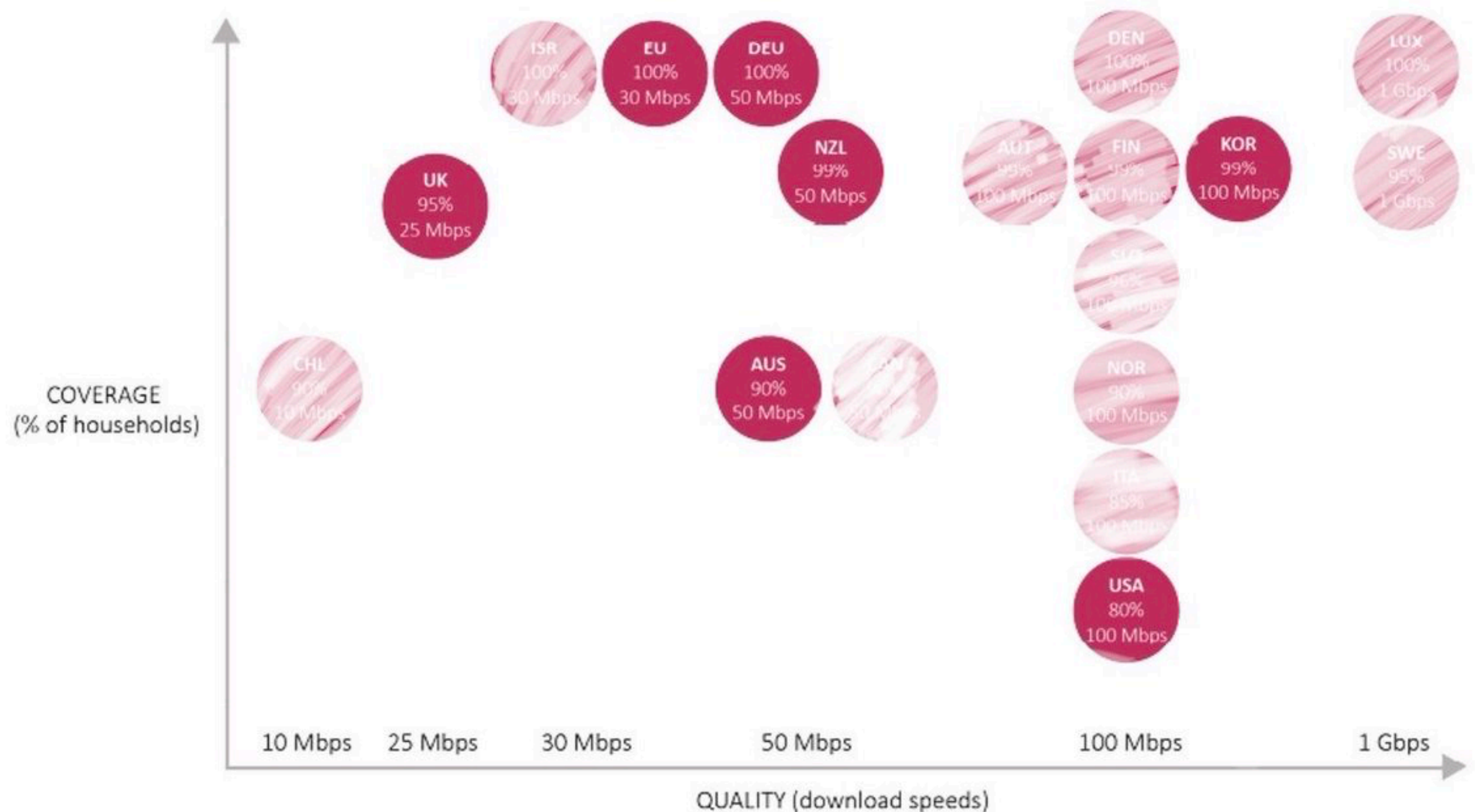


Source: Parliamentary Submission #16

3. Comparing NBN to our Top 10 Trading Partners

- ✦ OECD: UK, Germany, NZ, US, Sth Korea, Japan
- ✦ Plus Singapore, India

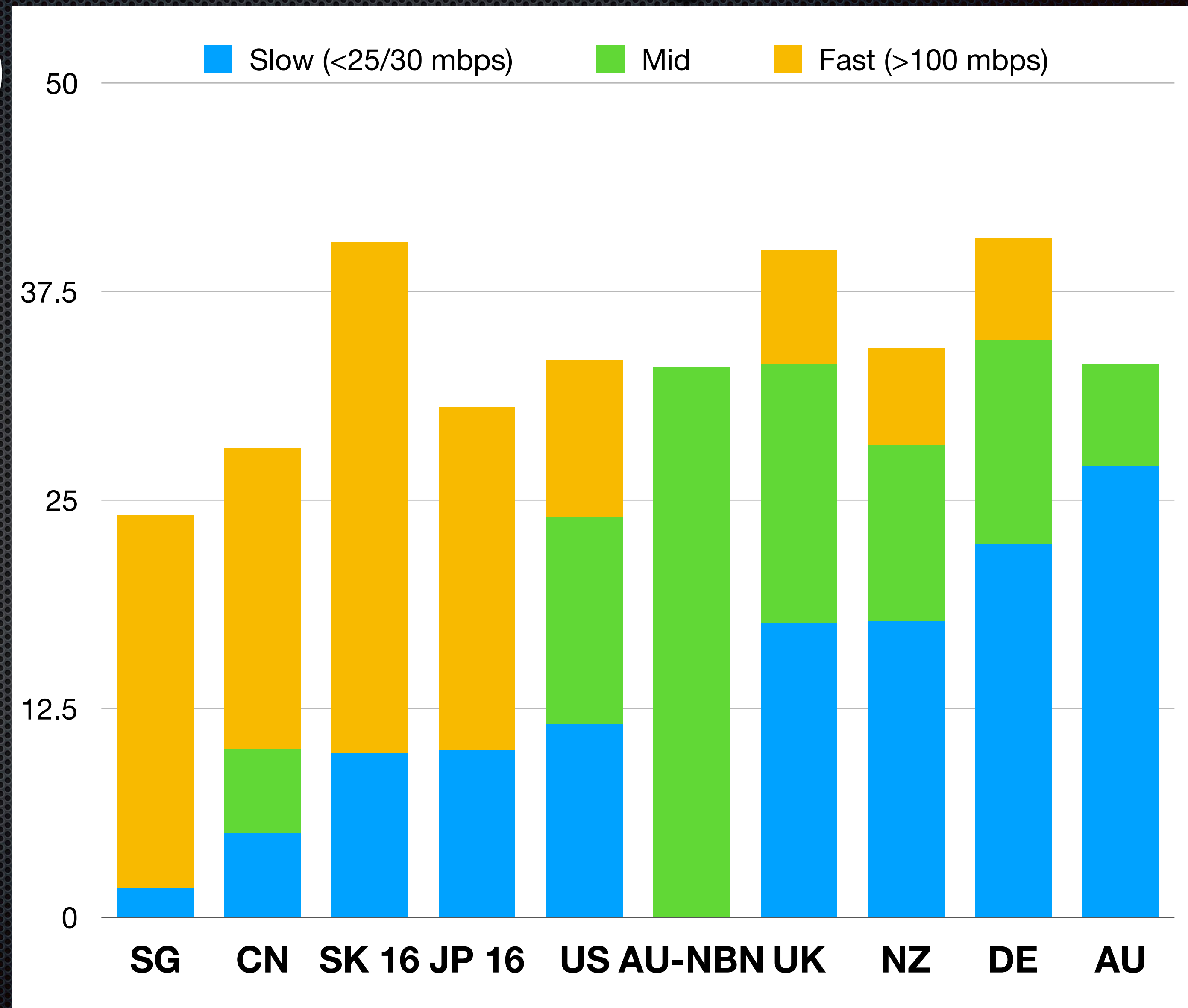
Cases: China, South Korea, Thailand



OECD National Broadband Targets. Source: Broadband Commission: [The State of Broadband](#) (2018), p.37.

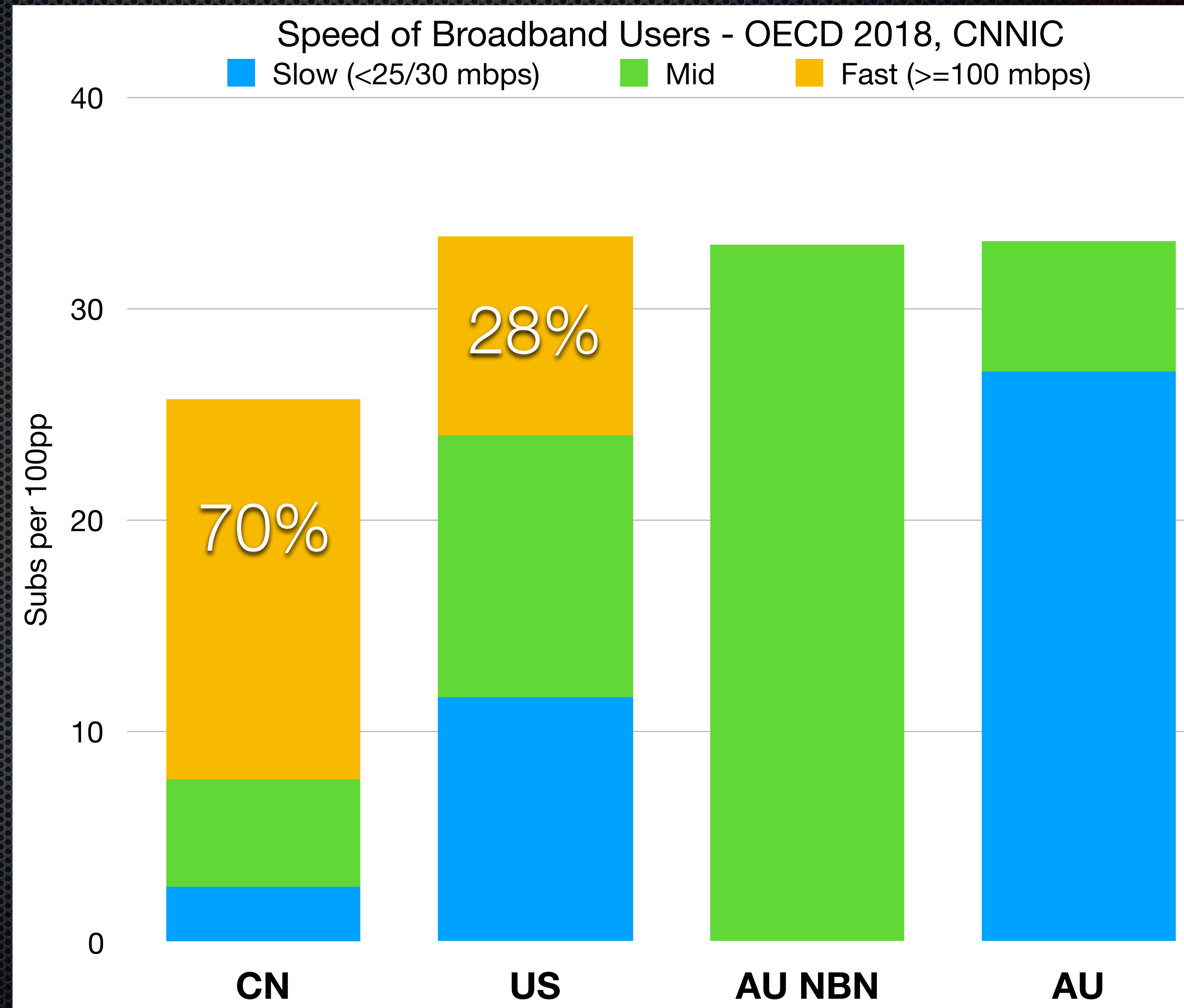
3.1 Compare NBN to Top 10 Trading Partners (OECD '18)

- ✦ AU lowly ranked OECD (2018)
- ✦ Compared to our OECD Trading Partners - bottom (+ SG, CN)
- ✦ Post NBN mid-ranked
- ✦ Scale: Subs/100pp
- ✦ Ranked: <- fastest | slowest ->
- ✦ R5: Compare to Trading Partners in NBN Corp Plan



3.2 China vs US vs AU

- ✦ US, China both have 90% of homes able to access 100mbps
- ✦ China has more than double fast broadband users (2019 - 77%)
- ✦ R3: NBN needs to focus on more high speed usage
- ✦ R1: NBN new affordable Gigabit pricing coming May 2020



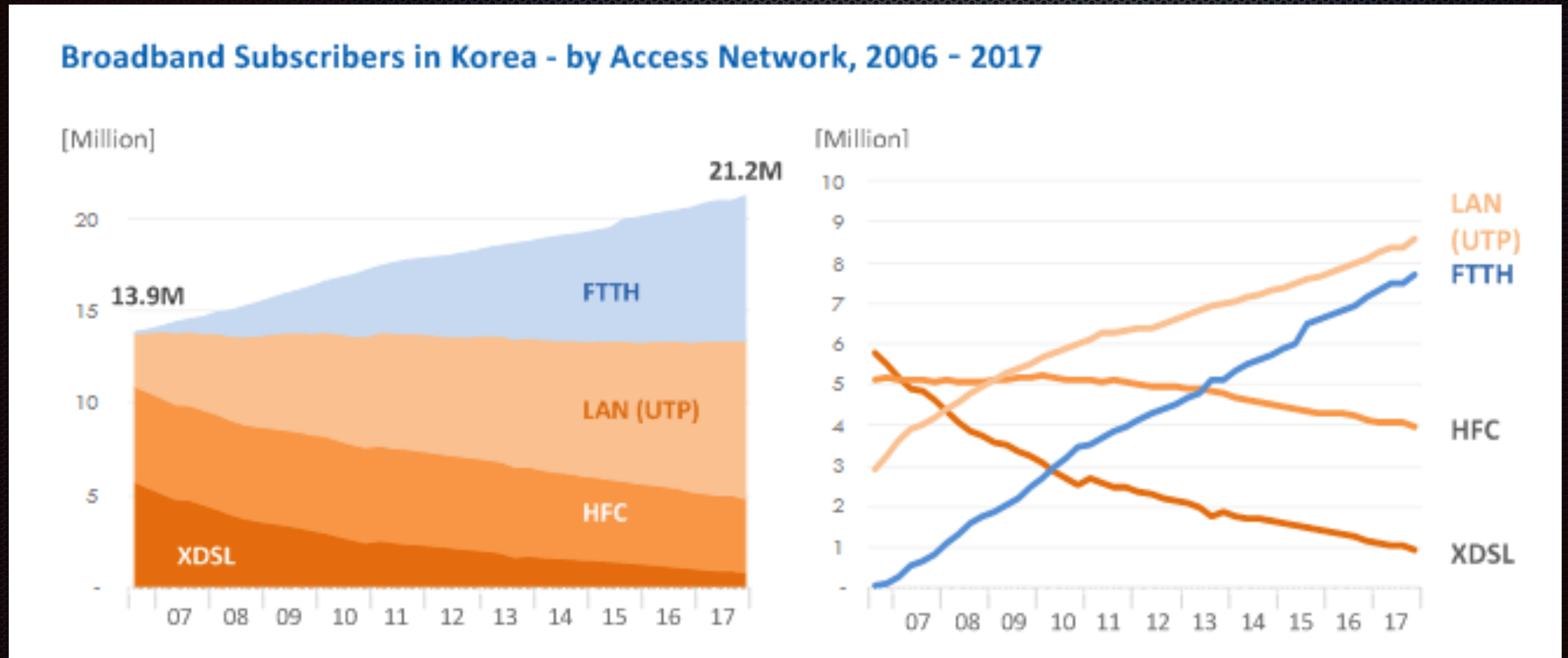
Cases: Many NBNs - AU Trading Partners

- Australia - All access to very fast broadband, as soon as possible, >25mbps for all, >50mbps for 90% of fixed line (2016)
- South Korea - 99% access to Fibre to the Home; 50% coverage to 10gbps by 2022
- China - By 2020, 70% of urban have 50mbps, 50% at 100mbps, plus some gigabit (2013)
- Thailand - Cities to have 100mbps plus broadband to 95% by 2020 (National Broadband Policy 2015)

More: Appendix 1 - Parliamentary Submission #16

In 2007, there were 34 NBNs, now over 150. ITU/ UNESCO

Case 1: South Korea - it's an MTM

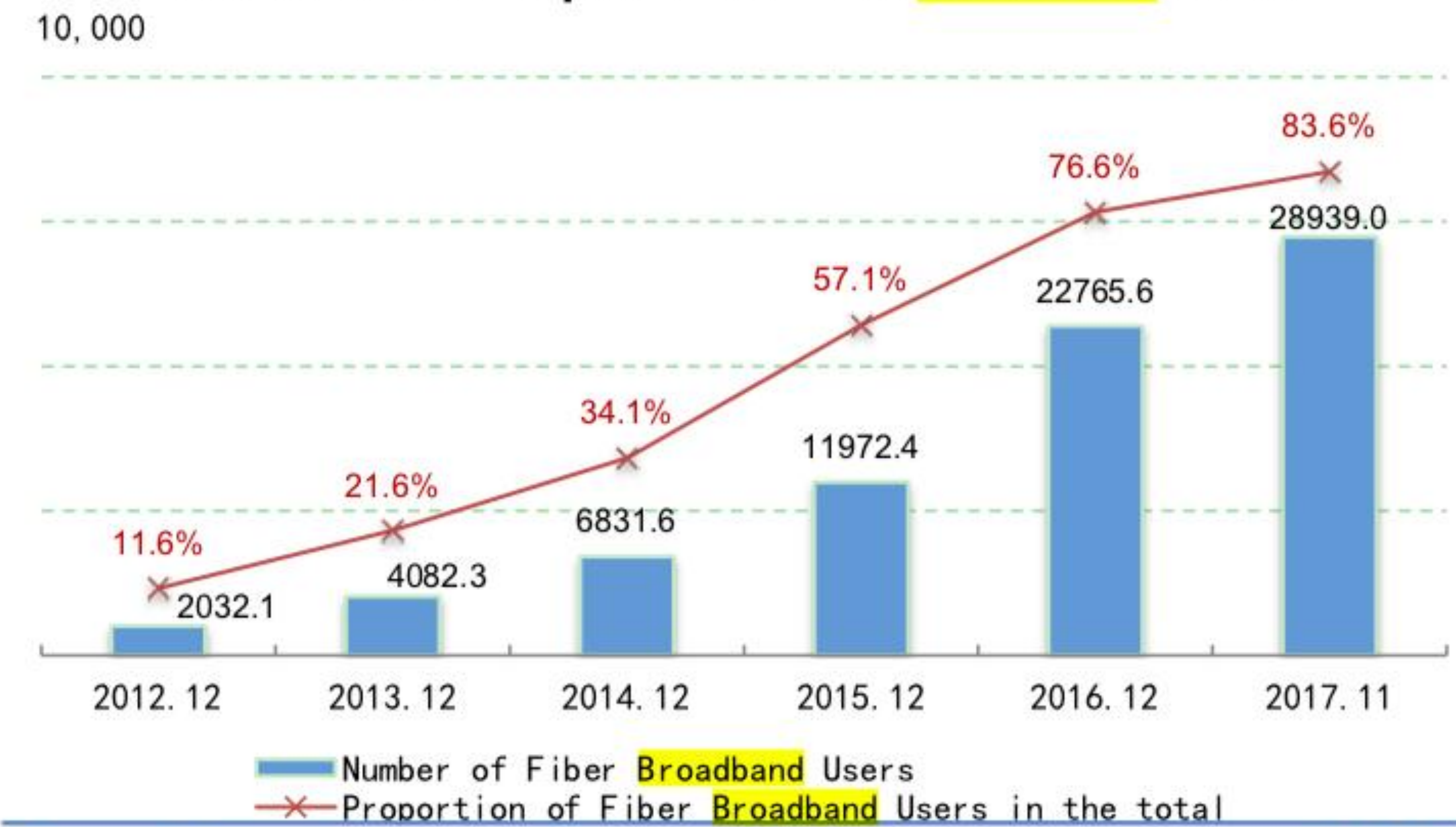


Case 2: China

Video
7m

Source:
CNNIC
2017,
pp 27-8.

The Scale and Proportion of Fiber Broadband Users



Source : Ministry of Industry and Information Technology 2017.11

Figure 18 The Scale and Proportion of Fiber Broadband Users

2019:
91%
395M
fibre
users

Case 3 - Thailand some fibre, not quite NBN



Richard Ferrers @ValueMgmt · 29/1/20

Replying to @ValueMgmt

Q1 2018 - Thailand has 7M [#fibre](#) optic users, some 39% of 18M households; not quite [#nbn](#) - but with up to [#gigabit](#) speeds pushes their average speed way way past AU...



True slashes 1Gbps fibre internet price by 70%
bangkokpost.com

Gbit : now
\$140/mth,
was \$499/
mth

Video:
[AIS Fibre 2m](#)
[Fibre One 3m](#)
[Business 2m](#)

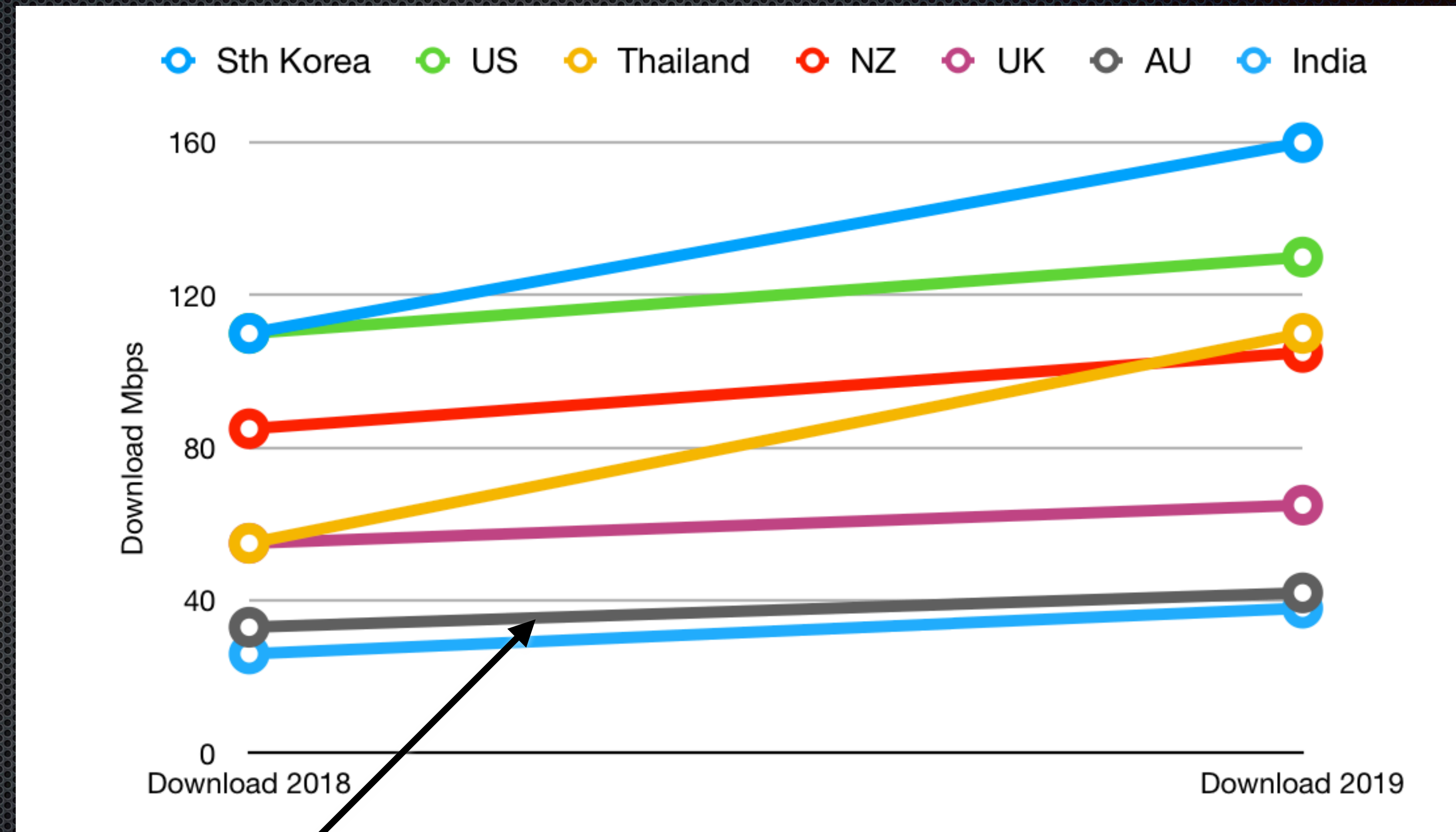
Source: [@valuemgmt](#)

Cases - Compare NBN to Trading Partners

Australia is towards the bottom (except for India ie 9th of 10) of all our major (Top 10) Trading Partners. However some countries accelerate quickly eg Thailand 2018 55mb 2019 110mbps

Japan, China similar to NZ.
Germany similar to UK.

Source: Ookla 2018, 2019



Australia

4. The Future - NBN gigabit and beyond...

- ✦ First NBN (affordable) gigabit services offered soon - May 2020
- ✦ Half the network can access gigabit; FTTP, HFC, FTTC
- ✦ Significant potential impact on national average speed
- ✦ But... Tyranny of Averages... NBN is speed ...

4.1 Impact of gigabit NBN on avg speed...

Impact of Gigabit services on NBN average speed - Subs per 100 people

Scenario	Avg (Mbps)	Ookla Rank 2019 - AU Top 10 trading partners	OECD 2018 rank
Australia 2018	21	10th	35 / 36
AU post-build NBN	50	10th	18 / 36
5% gigabit	98	7th=	1 / 36
10% gigabit	145	3rd	1 / 36
20% gigabit	240	1st	1 / 36

4.2 Lessons for NBN from international neighbours

- ✦ R1: Gigabit services  rankings
- ✦ R3: Focus on usage; affordable (China v US)
- ✦ R4: Measure and plan for value;
R5: compare ourselves with others. How?



Fletcher, Rowland - agree on value for NBN

- ✦ “get the maximum social and economic impact from the \$51B taxpayer’s money” Minister Fletcher
- ✦ “how best to leverage this extraordinary national investment” Minister Fletcher
- ✦ “maximise the benefit of [NBN] investment now and in the future” Shadow Minister Rowland



Telsoc Future Forum 31.7.19

5. Recommendations; maximise the value of NBN

- ✦ R1: Affordable gigabit - May 2020
- ✦ R2: Post- build NBN upgrades; upgrade, upgrade, upgrade...
- ✦ R3: Post-build focus on usage (China v US)
- ✦ R4: Plan/measure customer satisfaction eg Choice
- ✦ R5: Plan/measure NBN vs International (OECD, Top 10 Trading Partners)
- ✦ More in submission to NBN Parliamentary Inquiry Jan 2020) Data

Let's get our NBN..
... improved, valued, well used...

NBN1 is speed...

NBN2: Value is more than speed....

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