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Business attacks 'new' broadband speed

BROADBLAND

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THE broadband network planned by the Federal Government will not be good enough for Australia's needs from the day it is built, industry leaders say.

The download speeds of the new network will be no better than is available to many consumers now and will be far behind what is already available in competitor countries such as Japan, South Korea and Europe.

"I'm incredibly concerned that the Government's got blinkers on and is not being foresightful and doing what Hong Kong are doing, putting in a fibre-to-the-

SA JOURNAL Business Round Table

home, a fibre-to-the-premises network," said the managing director of Adam Internet, Scott Hicks.

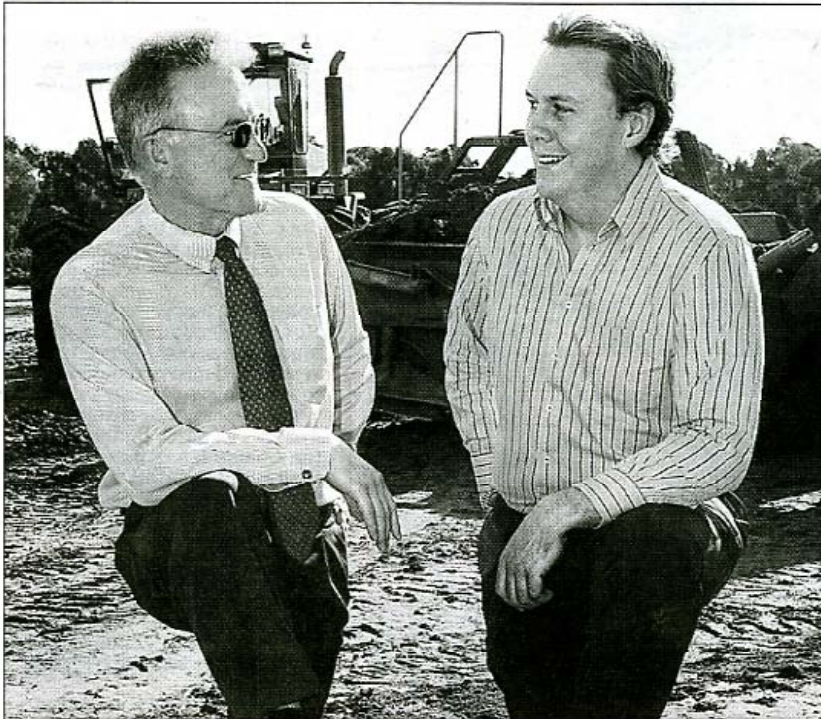
Consumers will not be able to use broadband for high definition digital television - which will be introduced next year - nor for other services such as quality video-conferencing.

Mr Hicks's views were backed by leading digital media industry figures in a round table discussion published in *The Advertiser's SA Business Journal* today.

Decent access to a high-speed network was "critical from the competitive point of view" for business, said the managing director of Via Media, Anthony Coles.

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THE BROADBAND BUILD

- Federal Government has set aside \$4.7 billion to build a fibre-to-the-node broadband network.
- The successful bidder is likely to contribute at least double that amount.
- A winner is likely to start a roll out in the city and take several years to build the full network.

MINIMUM REQUIREMENTS INCLUDE:

- Broadband access to 98 per cent of Australia's homes and businesses at a minimum speed of 12Mbps.
- Wholesale access to the network for other internet service providers.
- Bidders will include Telstra and Terria, a consortium led by Optus and including AAPT, iinet, Internode,

Macquarie Telecom, Primus, SOUL and TransACT.

- Up to five other bidders may emerge.

FIBRE IS FAST

- Fibre allows data to be transmitted at the speed of light down a glass cable.
- Fibre-to-the-node means data goes to the nearest telecommunications exchange by a fibre-optic route then by copper or wireless to the individual home.
- Fibre-to-the-home takes fibre right to the home computer.

WHAT'S HAPPENING WHERE

- The Lochiel Park housing development in Campbelltown will have fibre-to-the-home throughout.

Broadband 'new' speed attacked

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This was not only so that consumers had the best opportunities for finding bargains, enjoying entertainment or connecting with friends.

It was also so that business people could gain a deep and personal understanding of the medium and then use that knowledge in their business strategy in a world where internet use was becoming as commonplace as switching on a light globe.

The Government has allocated \$4.7 billion toward a planned national fibre-to-the-node broadband network. It is in the process of narrowing options with the eventual successful bidder likely to chip in at least another \$5 billion.

But its stated requirement is the network have a minimum of 12 megabits a second.

"A single digital broadcast of a TV channel in digital is 16Mbps, so right now this massive network that we're about to spend \$4 billion, \$5 billion on, can't broadcast a single digital channel, that's how ridiculous it is," said Mr Hicks, whose company has 70,000 customers who already get a 10 to 12Mbps service.

A spokesman for Communications Minister Stephen Conroy stressed the network requirement of 12Mbps was a minimum and a successful bidder was likely to offer far higher speeds. General manager of

media agency OMD Adelaide Gary Jaffer said Australia should be looking at a 60-80Mbps system and have a plan for further upgrading.

"Those digital channels launch full bore in Easter next year," he said.

"It's amazing. I mean I can't believe the Government sits this far behind the whole thing."

Independent telecommunications analyst Paul Budde said the planned network would be inadequate. "Two years ago 12Mbps sounded great but now the world is moving on," he said. "Already the plans are delayed, then it'll take years to build the new infrastructure so by that time we're again well behind the eight ball."

Mr Budde noted European countries were looking at 20-25Mbps by 2010-15.

The Advertiser round table heard Hong Kong is rolling out 1GBps links while South Korea and Japan have home services of 100Mbps available.

Contenders to build the broadband network include Telstra and Terria, an eight-member consortium led by Optus.

Telstra spokesman Jeremy Mitchell said the company agreed speeds faster than 12Mbps were needed. If Telstra won the contract he expected it to offer at least 50Mbps in the five capital cities.

PAGE 31: SA Business Journal liftout

INNOVATIVE: Land Management Corp chief executive Wayne Gibbings and Scott Hicks at Lochiel Park where 120 sites will have fibre-to-the-home.