



# TelSoc

## Telecommunications & the Digital Economy

Published on *TelSoc* (<https://telsoc.org>)

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### The Tragedy of Australia's National Broadband Network



*Submitted by Rod Tucker on Sat, 08/04/2017 - 12:56*

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[1]

☆ 195<sup>[2]</sup>

Rod Tucker's article appears here <sup>[3]</sup>, in the March 2017 issue of TelSoc's journal, the Australian Journal of Telecommunications and the Digital Economy.

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#### Topics:

Optical communications

Australian telecommunications

National Broadband Network

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### Comments

How should the FTTx investments be recouped? <sup>[7]</sup>

Frank den Hartog

- 12/04/2017 at 11:59

I agree with Prof. Tucker's conclusion that the NBN will not bring Australia higher up the international ladder of fixed broadband connectivity speeds. But "being high up the ladder" should not be a goal in itself. The real tragedy is that we (industry, public, government) do not seem to have a shared (!) vision on our society's needs for broadband now and in the future, how these needs would translate into a measurable improvement of the society's well-being, and how this improvement subsequently would translate into everybody recouping a fair share of the investment costs and taking a fair share of the investment risks. Said otherwise, a viable business model and business case seems missing, plus a vision on how to implement such a business model given the existing organisation of Australia's telecommunications market.

As an illustration: the article discusses the costs of FTTN and FTTP deployment internationally, but costs may differ greatly per country, especially the OPEX part of it. Besides, who cares about the costs if there is a clear vision on how to earn them back? And what role could mobile networks (5G) play in this discussion? But lacking that vision, the only thing we can do is minimising the investment costs, and then comparisons like presented become relevant indeed. And, to be honest, even \$2500 then sounds like a lot of money to me: with a fee of \$50/month per household it would take ~10 years to earn this back, depending on which part of the fee should cover the infrastructure investments (here estimated on ~50%). Which company, nowadays, or even government (with its <3 year cycle), is prepared to take such a long term risk for an unclear outcome?

I firmly believe that Australia should be much better connected than it is now in order to maintain our standard of living, or even improve it. I believe that FTTN will help too little too late. But as long as we discuss broadband policies on the basis of just beliefs instead of facts and evidence, we will lose a lot of time, energy, and money in discussing and fighting. Resources we should better put into updating the network. I support Prof. Tucker's conclusion that NBN needs a vision for the future beyond 2021. But that's easier said than done. The lack of this vision is the real tragedy.

Gary McLaren

- 18/04/2017 at 19:36

Frank makes up some great points.

But unfortunately there is common ground across the ideological and partisan NBN debate about the fundamental disconnect in Australia's telco policies - everyone seems to consider the NBN Co monopoly as sacrosanct. This is starting point for everyone's disparate "visions".

Australia seems to be the only country that starts from this position. This is the core of Australia's problem. Monopolies do not invest unless someone provides extra funds, usually taxpayers or customers who have no choice! As a result investment either doesn't happen or is too late.

Any vision for the future of Australia's telecom policy must first consider the fundamental issue of telecom monopolies.

Why is Australia the only market that considers this a no go zone?

Tim Herring

- 12/04/2017 at 16:11

Transferred to the main blog under "Broadband"

## online fashion products <sup>[9]</sup>

JASMINE LEE (not verified)

- 01/05/2018 at 17:52

You have posted the great knowledgeable article.If you want to grab some money on the camera, mobile phone, and fashion clothing visit my site latest trending phones <sup>[10]</sup>Thanks for visiting.

## Many countries are adopting <sup>[11]</sup>

Edgar Keane (not verified)

- 19/07/2018 at 00:50

Many countries are adopting the technology in order to win the race of development.Technology Guide <sup>[12]</sup>

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