

NBN Futures Group Report

Statement from the Minister for Communications, Cyber Safety and the Arts

With the volume rollout of the National Broadband Network complete and available to more than 99 per cent of all premises in Australia, a priority for our Government is making sure this significant national investment contributes to Australia's long-term economic productivity. This includes the benefits that ubiquitous broadband can bring to key sectors of the economy including agriculture, construction, education, health, tourism and media – which have been affected by the COVID-19 pandemic – and are also sectors the Australian Broadband Advisory Council has been asked to consider. The report from the NBN Futures Group provides useful input in considering the longer-term outlook for broadband in Australia.

NBN Co completed the initial rollout build in June 2020. NBN Co's 2020-21 first quarter financial results show strong revenue growth, with a 22% increase on last year, and it is in a sound position to meet its 2020-21 target of \$4.5 billion. By September 2020 NBN Co had taken the total number of ready to connect premises to 11.82 million, with 7.66 million connected premises and 70% of customers signing up to a broadband plan with speeds of 50 Mbps or more.

The COVID-19 pandemic led to higher demand on services due to more Australians working and studying online. During this period, NBN Co continued to meet demand; it exceeded rollout targets; and it successfully provided ongoing services when the network was experiencing very high levels of peak data traffic.

In September 2020, NBN Co announced \$4.5 billion in network upgrades, to be funded via private debt raising rather than Commonwealth funding. These upgrades will see around 8 million premises having access to ultra-fast broadband speeds of up to 1 Gigabit per second, and the creation of 240 Business Fibre Zones nationwide, by 2023.

The Government's approach has provided NBN Co the flexibility to adapt over time. This allowed NBN Co to adjust dynamically to leverage future technological improvements across all types of technologies and to reflect changes in customer demand. The approach also recognised that NBN Co was established as a commercial business and it needed to earn revenue quickly to establish a sustainable business model. Adopting a demand driven approach for future investments allows for efficient network planning, construction techniques and use of resources.

These investments will create 25,000 jobs and support businesses to boost their digital capabilities, in turn contributing to the Government's goal for Australia to be a leading digital economy by 2030. The Government welcomes ideas, such as those in the NBN Futures Group's Report, on how we can continue to leverage the NBN, as the backbone of the nation's digital economy. The Government believes that we are only beginning to capture the full scope of the benefits that access to fast broadband can deliver.