

○ THE NATIONAL BROADBAND NETWORK

THE DEFINING ISSUE IN AUSTRALIAN POLITICS IN 2010

The Coalition parties spent most of 2010 criticising the NBN, and threatening to shut it down, without offering any broadband policy of their own. Perhaps this reflected their difficulty in finding common ground between the Liberal Party's preference to 'leave it to the market' versus the Nationals' determination to win a subsidised roll-out of broadband infrastructure in the rural areas they represent, based on their long memory of market failure. After all, their Senate leader Barnaby Joyce's first reaction to the upgraded NBN plan, when announced in April 2009, was 'How could we disagree with something that is quite evidently our idea ...'

The myths peddled about the NBN this year have been quite extraordinary. They include 'The technology [i.e. optical fibre] will be out of date by the time the NBN is implemented', 'Nobody needs 100 Mbps' and 'The current technologies [HFC cable, advanced DSL and mobile access] can provide 100 Mbps to the home without any need for government subsidy in the cities'. The absurdity of these and other claims provoked Rod Tucker to publish an excellent article in our previous issue debunking these 'urban myths'.

Yet many of these myths were sustained in the Coalition's Broadband Policy, when it finally appeared on 10 August (eleven days before the elections) and was found to be a composite of two disparate policies. The first policy was for the regions (and outer metropolitan black spots), where \$6.315 billion would be spent via the private sector (over seven years) to roll out an Opel-like network based on largely fixed wireless solutions, bringing rural Australia to parity with current metropolitan broadband. The second policy, for the majority of Australian dwellings, in the cities, would offer no subsidies and therefore rely on the private sector to provide more of the same (using DSL, HFC cable and mobile access). As Rod Tucker memorably wrote in an opinion piece published on the same day:

The idea that we could use very fast broadband based on mobile technologies and existing fibre defies the laws of physics. (The Age, 10 August 2010)

Most surprisingly, the Coalition's policy was to overturn Telstra's hard-won agreement with the Government to sell its fixed network access infrastructure to the NBN. If implemented, this policy would return Telstra to the dominant market position that has, in the view of the ACCC, the Productivity Commission and most independent commentators, stifled all competitive infrastructure investment in broadband access since 1997.

Closely following the Coalition's broadband policy announcement, an 'Alliance for Affordable Broadband', consisting of seven junior telcos, proclaimed their support for this policy and, by implication, their willingness to share the \$6.315 billion on offer. Given the long struggle by most Australian telcos to achieve any profitable business whatsoever in competition with the formidable Telstra, it is understandable that these seven would be attracted by the possibility of getting a slice of such a huge and unexpected government subsidy to the private sector.

As we know, the Gillard Labor Government was returned to office on 14 September with the support of the Greens and three independent MPs – all of whom had strongly supported the National Broadband Network. Indeed the two NSW Independents informed the public on 7 September that the NBN was a crucial reason for their choosing to support the Gillard Govern-

ment. Given the Coalition Opposition's trenchant attacks on the NBN throughout the election campaign, it can be accurately said that the Australian electorate on 21 August voted, by a very narrow majority, for a Government based on the parties and independents that would support the implementation of Labor's NBN policy. As a result some have called this 'the broadband election'. Indeed it is difficult to find any other policy issue on which there was such a gulf between the positions of the winning and losing parties.

So the NBN, a rather complex policy for implementing advanced telecommunications infrastructure, has become the defining issue in Australian politics in 2010. It is as though Australians are divided into those who are pleased to see Australia leading the world in implementing a strategically valuable piece of national infrastructure, and those who are worried that we are leading and not following, spending far too much on it, and/or simply not 'leaving it to the market'.

Since Malcolm Turnbull was appointed Shadow Minister for Broadband and Communications on 14 September, he has exhibited characteristic pragmatism, and has moved the Coalition policy, slowly step by step, towards potential acceptance of much of the electorally popular NBN. The structural or functional separation of Telstra is now conceded as 'sensible'; and on 24 October he declared that

if the Productivity Commission were to report on the [NBN] as they should,
and if they were to give it a big tick from a cost-benefit point of view, it would
be incredibly persuasive.

Whether this position will be supported by his Party Leader is yet to be seen; it would seem to be almost a 180 degree shift from the marching orders Mr Abbott gave Mr Turnbull, 'to demolish the NBN'. TJA looks forward to publishing articles providing critiques of the NBN policies of the major parties, and of the NBN rollout, in the year ahead.

* * *

Just four years ago, in November 2006, Rupert Murdoch told his Australian shareholders that 'Australia's Internet speeds were a disgrace', and that Australia was being 'left behind because of poor broadband Internet'. One might have assumed that he would therefore have been a strong supporter of the NBN.

Perish the thought! Four years later his Australian newspapers, led by 'The Australian', are engaged in a relentless attack upon the Government for sticking with its NBN policy, and have made extraordinary claims that the NBN will cost every household between \$3,000 and \$10,000 in wiring costs. (The actual minimum wiring cost to the householder in the Tasmanian rollout of the NBN has been found to be zero: householders were able to use their existing WiFi networks, and got better access speeds from the NBN than from ADSL+2.)

Clearly the anti-NBN campaign is just a minor battle in News Ltd's larger war to control the national agenda. But by resorting to gross distortions in this battle, it has risked becoming an object of national ridicule.

* * *

IN THIS ISSUE

Professor Jock Given (Swinburne University, Melbourne) spots an interesting trend in the politicisation of wired versus wireless communications, and generously contributes two papers on this theme, concerning events separated by 104 years. The first is a scholarly version of the witty historical vignette from 1904 that he delivered at the 75th Anniversary Dinner celebrations for TJA, held in Melbourne on 2 August. The second paper analyses the recent alignment of political forces, both in Australia and the USA, with wired versus wireless broadband network offerings during 2010; but it also discusses the complex relationships between the apparently competing technologies, in terms of their 'interdependence, symbiosis and competition'.

Related to the same theme of wired versus wireless access (but in this case, fixed versus mobile) is a paper from Brian Williamson (of Plum Consulting, UK) on recent trends in the take-up of mobile versus fixed access communications, and the relationship between the two.

Liz Fell's interview for this issue is with one of the most consistent, long-term supporters of the Australian ICT industry, Senator Kate Lundy. Shortly after the interview took place (in October) Senator Lundy flew to Paris to be named the winner of the 'International Top 10 People Changing the World of Internet and Politics' at the 11th World eDemocracy Forum, and to receive the International eDemocracy Award from the French Foreign Minister. Congratulations and well deserved, Kate!

TJA is grateful to our Guest Theme Editor for this November issue, Professor Catherine Middleton of Ryerson University, Canada, for attracting some very interesting articles in this issue, particularly from Canadian authors (Professor Kim Sawchuk from Concordia University; Professor Barbara Crow from York University; and Dr Wendy Freeman from Ryerson University), on the important theme of 'User experience of modern communications'. Together with Melbourne secondary school principal Dr David Warner's paper on 'Preparing young people for an instant communication, networking world', their papers span four interesting age groups: teenagers, undergraduates, graduate students and 'seniors'. In addition Dr Linda Leung (University of Technology, Sydney) looks at the communications needs of recently arrived refugees in Australia. Catherine's own paper explores how broadband services can be effectively delivered to customers over Next Generation Networks, such as Australia's NBN.

Professor Brian Fitzgerald (Queensland University of Technology Law Faculty) contributes a valuable analysis of the role of the fast-growing Creative Commons licensing concept in online intellectual property. And Jim Holmes provides a book review of C T Marsden's *Net Neutrality – Towards a Co-Regulatory Solution*, which analyses regulatory policy, both potential and implemented, in the USA and Europe (especially in the UK).

* * *

This issue is the last of TJA to be published by Monash ePress, which was rebadged as Monash University Publishing in September, with a set of new priorities, which did not include this journal. I would like to sincerely thank Joanne Mullins and Nathan Hollier of ePress/MonashUP for their support while they were our publisher, and for making the transition to our new publisher as painless as possible. The PDF files of all articles published online in TJA from 2007 to 2009 will be made available (via online open access) by Monash University's ARROW depository from January 2011.

I am pleased to announce that, starting in February 2011, our future online issues will be published by Swinburne University's online journal service, Swinburne Online Journals. The four 2010 issues of TJA (Vol 60), with all articles accessible to TJA subscribers and ACS-TSA members, will be transferred to Swinburne Online Journals early in 2011.

I am grateful to John Costa for helping me investigate our new publishing options, and to Blair Feenaghty (of TJA) and Derek Whitehead, Teula Morgan and Rebecca Parker (of Swinburne Online) for assisting us with the transition.

Peter Gerrand – Editor-in-Chief