

6 June 2018

Joint Standing Committee on the NBN  
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### **Additional information sought by Joint Standing Committee**

Further to evidence provided by the NSW Business Chamber to the Standing Committee in Sydney on 4 June 2018, the Chamber provides the following additional information as requested.

The Chamber's 2017 NBN and Telecommunications Survey (The Survey) found delays and disruptions with the NBN roll out are costing NSW businesses, on average, more than \$9,000 dollars.

The Survey had 840 respondents in total, of which 402 (47.9%) indicated their business was currently connected to the NBN, 432 (51.4%) reported their business as not connected and 6 (0.7%) weren't sure.

It is important to note that only those respondents who indicated their business were connected to the NBN were able (via skip logic) to answer questions regarding their experience with the NBN and therefore influence the findings of the survey.

The following additional information is provided in response to specific requests of the Joint Standing Committee.

### **Delays and reliability**

A major issue identified in the survey were delays faced during NBN installation.

The survey found that (38.7%) of respondents waited more than 4 weeks before their NBN service was up and running, with some businesses reporting no internet or phone availability at all during this period.

Member feedback on this question included:

"You can't put a price on what business has missed. Phone lines were not working for over a month, meaning lost clients and over 38 hours of company time trying to get the issue fixed" – Member

"We had no landline for 14 weeks, we had to find other means of conducting business" – Member

"It took forever to get connected, which meant we had to rely on a very expensive mobile internet solutions" – Member

Question – Have you encountered any delays when getting your NBN service installed and if so, how long was it until your internet was up and running?

| Response          | Count | %     |
|-------------------|-------|-------|
| Less than 1 week  | 120   | 30.4% |
| 1 to 2 weeks      | 62    | 15.7% |
| 3 to 4 weeks      | 60    | 15.2% |
| More than 4 weeks | 153   | 38.7% |
| Total             | 395   |       |

Another pain point for business was the reliability of their NBN service, with 42.8% of respondents finding their NBN connection dropped out either frequently, for periods of time or for extended periods of time.

Question – How reliable has your NBN connection been (i.e. do you experience any drop outs in service)?

| Response   | Count | %     |
|--|-------|-------|
| Very reliable (almost never drops out)                   | 73    | 19.4% |
| Reliable (occasionally drops out)                        | 143   | 37.9% |
| Somewhat unreliable (drops out frequently)               | 64    | 17.0% |
| Unreliable (drops out for periods of time)               | 47    | 12.5% |
| Very unreliable (drops out for extended periods of time) | 50    | 13.3% |
| Total  | 377   |       |

Member feedback on this question included:

"The quality of the internet is very poor, everything took a lot longer to do" – Member

"Constant speed issues, drop outs and a constant blame game between our RSP and NBN.Co meant the issues never get resolved" – Member

"The service isn't reliable, we regularly experience drop outs" – Member

### Switching to the NBN, disruptions and costs

Out of the 395 respondents who answered the question below, 78.2% found the process of switching to the NBN disruptive in some shape or form and the majority (34.4%) found the process very disruptive.

Question – How disruptive has the process of switching to the NBN been for your business?

| Response              | Count | %     |
|-----------------------|-------|-------|
| Very disruptive       | 136   | 34.4% |
| Disruptive            | 50    | 12.7% |
| Somewhat disruptive   | 51    | 12.9% |
| A little disruptive   | 72    | 18.2% |
| Not disruptive at all | 86    | 21.8% |
| Total                 | 395   |       |

Only those businesses who found the process of switching the NBN disruptive in some shape or form were then asked to put a dollar figure on how much switching to the NBN had cost their business due to disruptions, investment in new equipment, lost business and/or customers

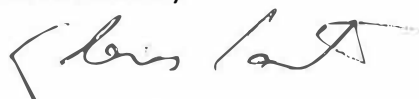
Question – If you had to put a dollar figure on how much the NBN has cost your business due to disruptions, investment in new equipment, lost business and/or customers, etc. how much do you think that would be?

| Description            | Trim Mean (20%) |
|------------------------|-----------------|
| Central Coast          | \$7,639         |
| Western NSW            | \$8,356         |
| Hunter                 | \$8,385         |
| Mid North Coast        | \$15,737        |
| New England North West | \$7,734         |
| Northern Rivers        | \$5,438         |
| Illawarra/South Coast  | \$12,780        |
| Murray Riverina        | \$10,750        |
| Sydney                 | \$6,803         |
| Whole of NSW           | \$9,181         |

The Survey found that on average NSW businesses switching to the NBN were incurring costs around \$9,000 dollars.

The information provided in this correspondence confirms that evidence provided to the Joint Standing Committee on 4 June 2018.

Yours sincerely



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