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Introduction

Scope and conduct of the inquiry

1.1   The National Broadband Network (NBN) is Australia's largest ever
        infrastructure project. It will provide 'superfast broadband for all
        Australians, at affordable prices'[1]. It is being rolled out by a newly
        created, government-owned company, NBN Co, which is to operate as a
        'wholesale only, open-access network provider'[2].

1.2   Since the Government announced its intention to proceed with the NBN
        as a principally fibre-to-the-premises (FTTP) network, much of the debate
        has focussed on the cost of construction and the corporate plan and
        governance of NBN Co. While these are clearly important matters, it is
        also important to evaluate the practical impact that the NBN is likely to
        have on the Australian economy and society.

1.3   In this context, on 16 November 2010 the Hon Anthony Albanese MP,
        Minister for Infrastructure and Transport, asked the Committee to inquire
        into the 'role and potential of the NBN'. The Committee subsequently
        publicised the inquiry nationally, seeking written submissions by
        25 February 2011.

1.4   The inquiry received 252 submissions (including 17 supplementary
        submissions) and 42 exhibits. Submissions were received from individuals
        and organisations in all states and territories, covering a good proportion
        of Australia's geographic area and all of the sub-points in the inquiry's
        terms of reference.

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1   McKinsey–KPMG, *National Broadband Network Implementation Study*, 2010, p. i.
2   McKinsey–KPMG, *National Broadband Network Implementation Study*, 2010, p. i.

1.5   The Committee held 15 public hearings around Australia, including five hearings in regional centres. In addition, the Committee held a site inspection at one of the NBN first release sites at Scottsdale in North East Tasmania, as well as inspections at Fetch TV, National ICT Australia, Google and the Telstra Experience Centre in Sydney, and the Institute for a Broadband Enabled Society in Melbourne.

1.6   Copies of submissions and public hearing transcripts available on the inquiry's website:
http://www.aph.gov.au/house/committee/ic/NBN/index.htm.

1.7   Lists of submissions, exhibits and public hearing witnesses are provided at appendices C, D and E respectively.

1.8   Given the inquiry's terms of reference, issues around the NBN's governance and rollout are not covered in any detail in this report. These issues will be subject to ongoing scrutiny through the recently established Joint Committee on the National Broadband Network.

1.9   The Committee thanks all those individuals and organisations who participated in the inquiry. There was a very productive level of engagement from all involved. The collective evidence received has provided the Committee, and through the Committee, the Parliament, with an excellent insight into the 'role and potential of the NBN'.

Structure of the report

1.10   The report is divided into two parts.

1.11   Part One, Chapters 2 to 8, looks at **impacts** of the NBN on several areas as identified in the terms of reference for the inquiry: government services; health; education; infrastructure and environment; economic development, including in regional Australia; research and innovation; and community and social aspects. These chapters highlight a large number of applications that are enabled by the availability of ubiquitous fast broadband and the benefits that could result.

1.12   Part Two, Chapters 9 to 11, focuses on aspects of the **implementation** of the NBN, including what can be done to maximise the benefits described in Part One. It examines overriding themes which applied across more than one sector, and which were reflected in evidence received from many inquiry participants, regardless of any sectoral focus. Chapter 9 looks at network capacity and technology, as defined by term of reference (i),

which asked the Committee to examine the optimal capacity and technological requirements of a broadband network to deliver benefits in the sectors listed in the terms of reference. Chapter 10 looks at government coordination, including consideration of the *National Digital Economy Strategy* and its impacts at a regional and local level. Chapter 11 looks at ways in which uptake of the NBN may be encouraged, which includes consideration of consumer engagement, assistance for disadvantaged groups and services for those who remain outside the 'fibre footprint'. It also addresses the development of applications, content and skills.

1.13   Included at Appendix A is background information on current broadband technology in Australia and an overview of the NBN plan. A glossary of terms is included at Appendix B.