



**Senator the Hon Stephen Conroy
Minister for Broadband, Communications and the
Digital Economy**

**Deputy Leader of the Government
in the Senate**

**Australian Industry Group
National CEO Broadband Survey Launch
*High Speed to Broadband: Measuring industry
demand for a world class service***

**House of Representatives Alcove
Tuesday, 21 October 2008**

5–10 mins

Thank you Damien [Tampling, Deloitte Lead Partner, Technology Media and Telecommunications] and Heather [Ridout, Australian Industry Group CEO] and good morning everyone.

It is a pleasure to be with you for the launch of the Australian Industry Group's National CEO Survey — *High Speed to Broadband*.

I would like to start by publicly congratulating the Ai Group and Deloitte Australia.

This is the third in a series, exploring the views of our industry leaders on major economic policy issues, and a comprehensive report measuring the importance of high-speed broadband for industry in Australia.

Ladies and gentlemen, the results of this survey indicate a strong desire by industry to link with government to drive the digital economy.

They also tell us that Australian business is ready and willing, to embrace digital technologies powered by high-speed broadband.

And importantly, they show that the chief executive officers of Australian businesses, recognise there are productivity gains to be made by utilising digital technologies.

The survey gives us a few key pointers:

- more than 85 per cent of CEOs say internet access is highly important to their business [page 18];
- more than 93 per cent say the internet, has a positive impact on productivity [page 22];
- two-thirds of chief executives reckon their business will benefit greatly from a faster broadband network [page 24] and
- there is a thirst for higher capability broadband services, with 73.5 per cent of businesses indicating they are likely to upgrade to high-speed broadband.

The deployment of the National Broadband Network – to quote from page 10 of the survey – ‘is something that Australian industry overwhelmingly supports’.

That is a very strong statement.

The Rudd Government welcomes that statement of support because we too understand the vital need for a world-class, reliable, affordable, high-speed broadband service.

Broadband is a key part of the Rudd Government’s national infrastructure agenda... because improved business productivity means improved national productivity.

Infrastructure investment — and I’m not just talking about broadband, I’m also talking about roads, ports and railways — has been sorely lacking.

Investing now will help Australia weather the current global economic climate.

We need infrastructure that:

- lifts national productivity;
- strengthens Australia's international competitiveness;
- develops our cities and regions;
- reduces greenhouse gas emissions; and
- improves the quality of life of all Australians.

The *High Speed to Broadband* survey notes an urgent need for broadband improvement in Australia to support business growth and productivity.

Respondents indicated that financial activity and data exchange enabled by high-speed broadband is highly important to their businesses.

And this is reflected in the objectives of the National Broadband Network.

They include:

- construction of a network that delivers a minimum downlink speed of 12 megabits per second to 98 per cent of Australian homes and businesses;

- open access for wholesale customers; and
- the ability to support advanced symmetrical applications such as high-definition video-conferencing.

The deadline for submission of proposals to build and operate the National Broadband Network is 26 November.

In just five weeks' time, the Government will begin the evaluation to determine which proposals offer the best solutions for Australia's high-speed broadband future.

The NBN is not just about access — it is also about opportunity and securing our long-term prosperity.

We need to be working right now, to ensure Australia is best-positioned to make the most of our investments in broadband.

The Rudd Government understands this and is taking action today to develop Australia's digital economy.

I know a number of you here today attended the recent Digital Economy Forum in Melbourne.

The forum helped uncover some of the issues impeding digital uptake — issues such as capability, confidence, and content.

The Australian Industry Group's High Speed to Broadband survey provides us with some valuable information on these issues.

CEOs indicated a desire to use broadband, to better utilise current capabilities, and to train existing staff to take advantage of digital advances.

More than 70 per cent of respondents in the retail and wholesale services sector, said faster broadband was very important to increasing innovation [page 30].

The Government is currently preparing a Digital Economy Future Directions Paper, and I welcome the interest of Australian industry in the process.

The views of Australian industry will be more than valuable to the creation of our future digital economy road map.

The survey highlights this and provides ample evidence of the future potential for broadband in Australia.

It shows that Australian industry understands the issues at hand.

Australian industry understands the productivity potential presented by the Rudd Government's National Broadband Network investment, as an enabler of the digital economy.

It recognises that broadband is a critical component of Australia's infrastructure agenda.

I welcome these results today as confirmation of the productivity benefits that industry and the nation will drive from this investment.

Thank you.