



Australian Government
Department of Communications,
Information Technology and the Arts

Broadband in Rural Australia

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Session 7: Government Programs and Rural Broadband
OECD Workshop
25-26 October 2004

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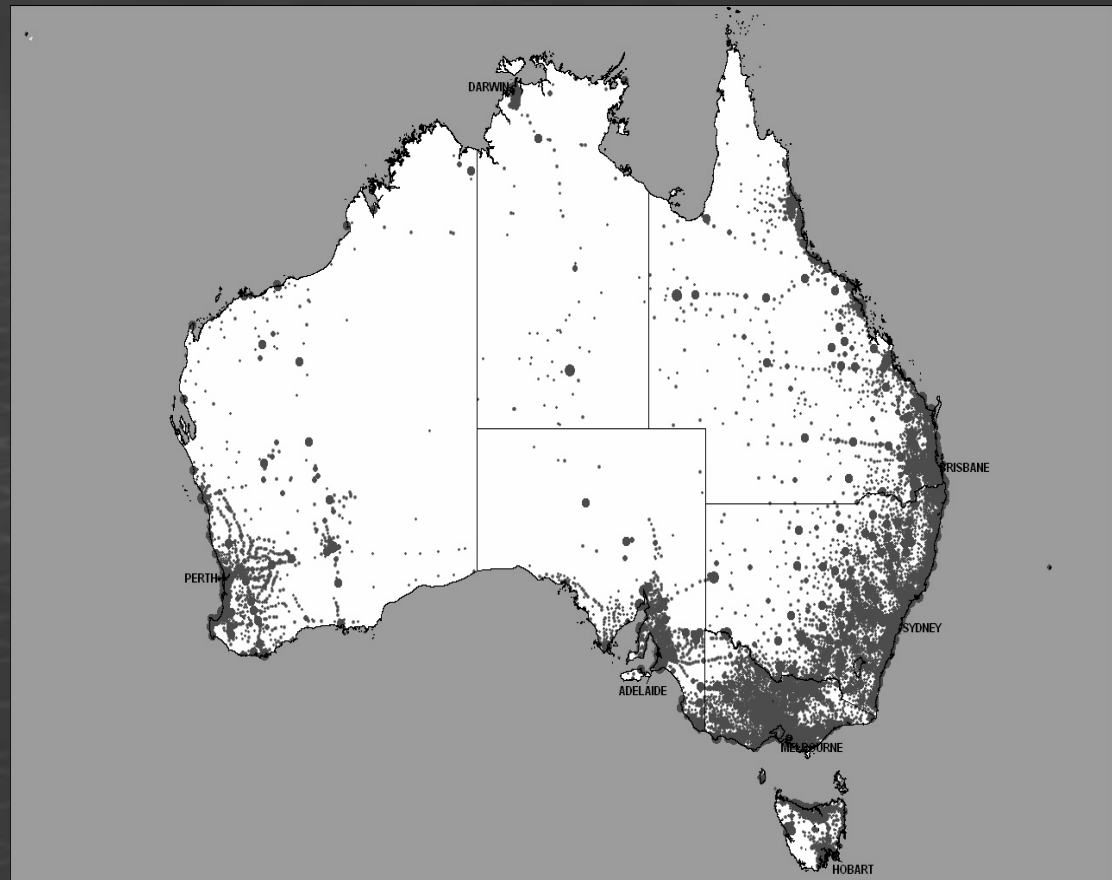
Report Map
Commonwealth of Australia
(Australia) 1996





Demographics

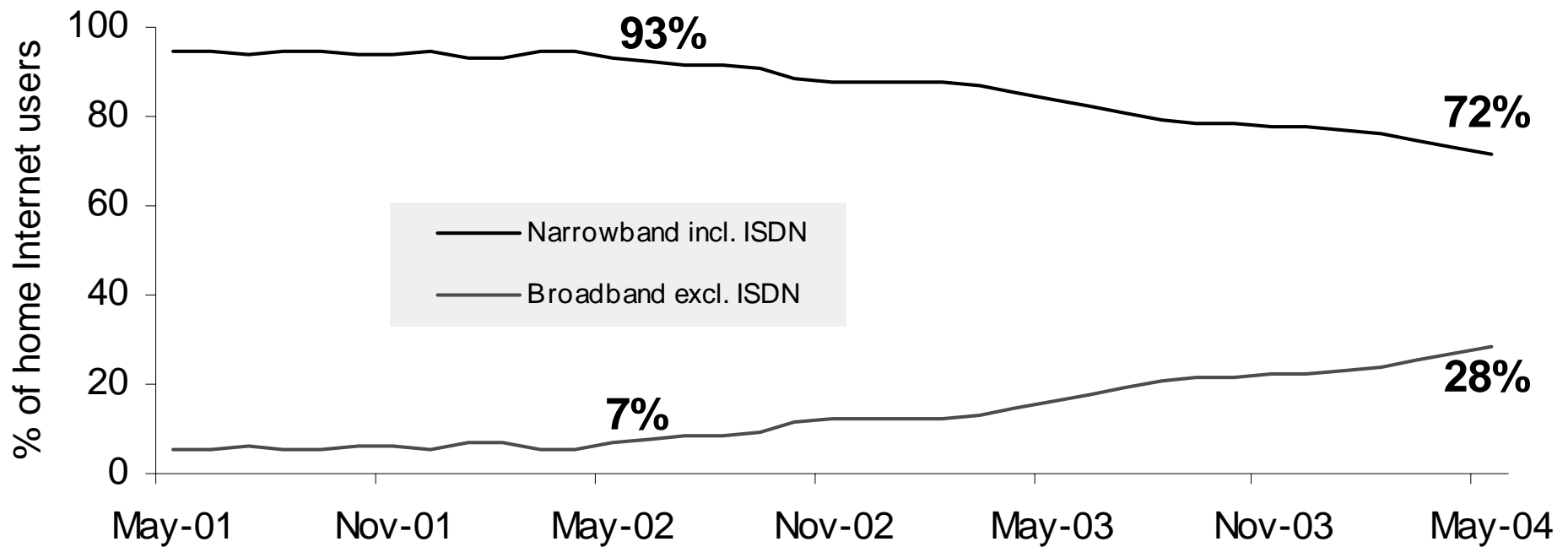
- 20 million population
- 64% of population live in the capital cities
- Telecommunications infrastructure roll-out largely follows population spread





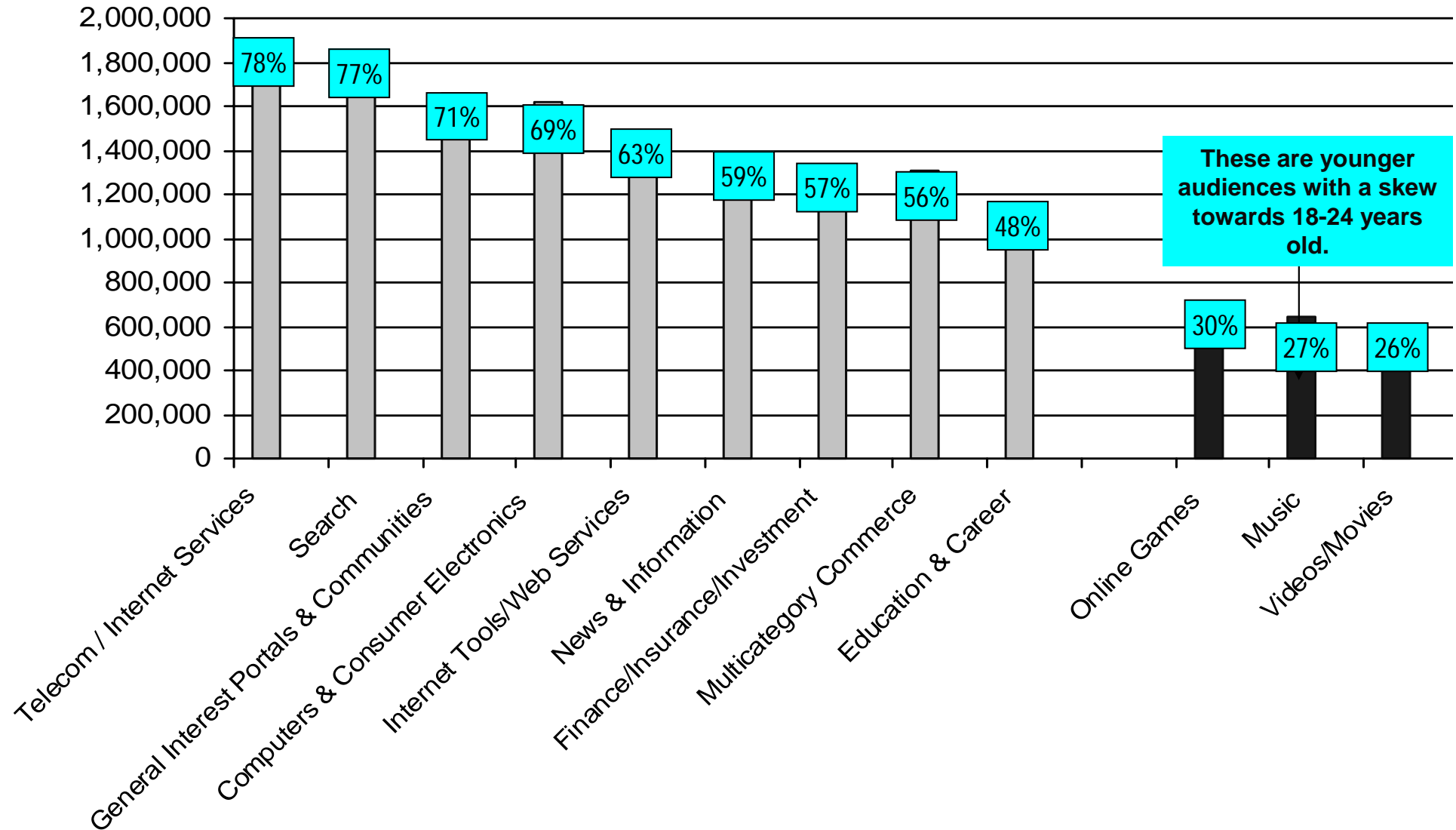
Home Internet users, Australia

(Source: Nielsen Net//Ratings)



For home broadband users in Australia, the top web site categories accessed are mainstream

(Source: Nielsen//NetRatings)





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Rural policy challenges

- Provide equity of access, service quality and price
- Encourage sustainability, innovation and competition
- Ensure effective use of Government funds
- Avoid regulatory burden on the market
- Respect existing commercial interests



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Regional Telecommunications Inquiry

- Independent Inquiry in 2002 assessed the adequacy of rural services
- Findings
 - broadband access increasingly vital economically and socially in rural Australia
 - cost a significant barrier to take-up
- Recommendations
 - Establish an incentive scheme for the provision of higher-bandwidth services to rural Australia
 - Provide further support for community demand and take-up



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Government Response to RTI

- Government providing \$180.00 million (€120 M) towards a National Broadband Strategy (NBS) comprising 4 key elements
 - National Broadband Strategy Implementation Group
 - Coordinated Communications Infrastructure Fund
 - Demand Aggregation Brokers
 - Higher Bandwidth Incentive Scheme (HiBIS)

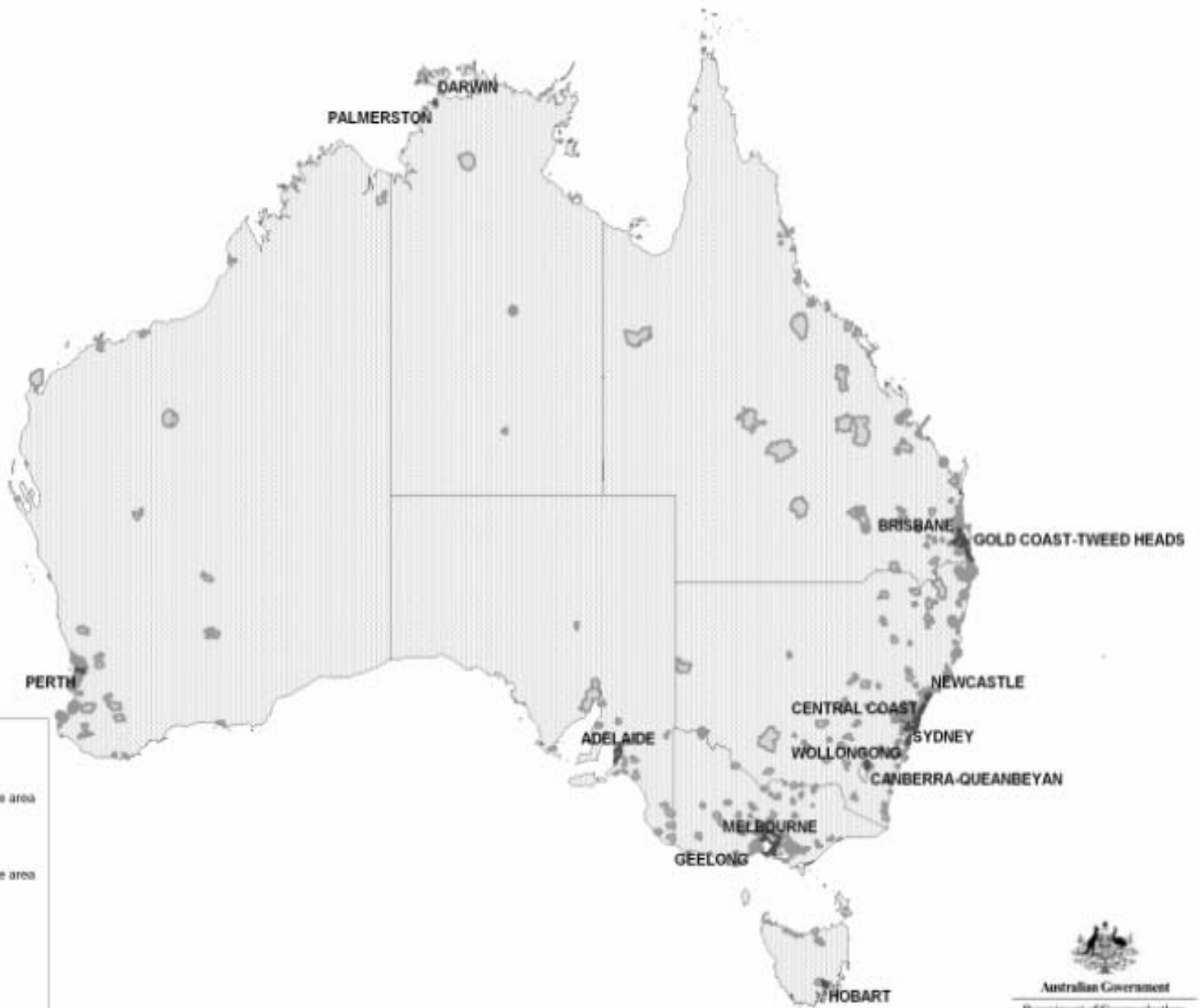


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Higher Bandwidth Incentive Scheme (HiBIS) Model

- HiBIS designed to
 - be exclusive to rural Australia - Metropolitan Exclusion Area (MEA) defined
 - target residential, small business and not-for profit customers
 - provide incentives to ISPs
 - deliver higher-bandwidth services
 - encourage the provision of metropolitan comparable services at metropolitan comparable prices



	Urban Centre boundary
	Metro comparable service area
	Eligible HBIS area
	Metro comparable service area
	Major Highways
	Freeways
	Main Roads
	Sealed Roads
	Unsealed Roads
	Vehicular Tracks



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HiBIS Service Providers

- Open to all Internet Service Providers (ISPs)
- HiBIS ISPs set their own service areas
- HiBIS ISPs can provide their own infrastructure or re-sell the services of others
- Wholesale service providers can register under HiBIS



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HiBIS Threshold Service

- Peak speeds of least 256kbps download and 64kbps with a minimum of 500MB monthly usage
- Minimum average speed requirement of 60% of the peak speed achieved 75% of the time
- 3 year package inclusive of equipment, installation and usage at a maximum cost of:
 - \$2500 ADSL service (€1500)
 - \$3000 Non-ADSL service (€1800)
- Quality Standards to protect customers against service decline



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HiBIS Added Value Services

- Scheme needed to be flexible to allow for and encourage service choice and competition
- HiBIS allows providers to offer added value services that exceed threshold requirements and/or offer greater functionality and features
- Added value services subject to more flexible pricing arrangements
- Price points for additional performance and functionality must reflect market value



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HiBIS Incentive Payments

- There are two categories of incentive payments available to ISPs registered under HiBIS:
 - a standard payment of \$1540 (€900) for each HiBIS service provided to premises that have ISDN access
 - a high cost payment of \$3300 (€1800) for each HiBIS service provided to premises that have no ISDN access
- These incentives are payable to HiBIS providers who deliver HiBIS services to eligible customers at eligible premises



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Current Status of HiBIS

- Scheme launched in April 2004
- Currently 16 registered HiBIS providers
- Mix of technologies available
- Continuing provider interest
- Demand levels strong - over 6000 customers registered interest in 2 – 3 months



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Future challenges

- Ensuring ongoing service benefits to regional, rural and remote Australia
- Encouraging sustainable supply and demand
- Monitoring and maximising market developments and opportunities
- Targeting support to priority needs



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Questions?



tel:info
 the regional landscape



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Welcome to telinfo, where you can find out more about telecommunications services, safeguards and developments across rural and regional Australia, and HiBIS (Higher Bandwidth Incentive Scheme).



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