



The Place To Be

Media release

Minister for Information and Communication Technology

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BRACKS GOVERNMENT DELIVERING AFFORDABLE HIGH SPEED BROADBAND

Information and Communication Technology Minister Marsha Thomson has encouraged property developers to seek advice from the Victorian Government to ensure that they do not pay over the odds to provide ultra fast fibre to the home (FTTH) broadband in new housing estates.

With reports that property developers in Queensland and the Northern Territory were paying between \$3500 and \$5000 per lot for FTTH connections, Ms Thomson said the Bracks Government had already achieved FTTH connections for around \$1500 per lot.

“The Bracks Government is delivering FTTH to 8000 houses at the Aurora estate in Epping at a cost to the developer VicUrban of \$1500 per lot, which also includes the provision of 6 months free internet.” Minister Thomson said

“We have also produced a comprehensive case study of the project so that property developers can learn from the project and be able to deliver FTTH at the most affordable level.”

“Modelling done for the case study by KPMG indicates that fully provisioned FTTH should be able to be achieved for \$2600 per lot.”

Minister Thomson said that a lack of understanding of FTTH by property developers and prohibitive costs were the main impediments to achieving large scale investment in FTTH technologies.

“One of the main reasons that we undertook the Aurora project was because of the lack of market information around the real cost of providing FTTH in new housing estates.”

“The Bracks Government has made these costs publicly available, to give developers a clearer picture when making investment decisions.”

“Investment in next generation broadband infrastructure in Australia is crucial and there is a currently a lack of investment because of perceived risks and costs.” Minister Thomson said

“To stimulate investment in FTTH we need ensure that the costs are driven down as far as possible and that property developers are armed with the information they need to negotiate the lowest possible cost with telecommunication companies.”

Ms Thomson said that the lack of leadership in this area by the Howard Government was the other major impediment to investment in next generation broadband technologies.

“The Aurora case study also raises a number of regulatory issues that serve as an impediment to investment in FTTH in greenfield estates.”

“For over 4 years I have been advocating to Federal Communications Ministers the need for broad telecommunications regulatory reform to stimulate infrastructure investment and I have also been pushing for action from the Howard Government to do far more in regards to providing telecommunications market information to assist investment decisions.”

“Unfortunately the Howard Government has not taken any action and it may be too late once the T3 process is complete.”

Anyone wanting a copy of the Aurora FTTH case study, or to get further details on what the Bracks Government is doing to make broadband happening Victoria, should visit the Broadband Access Office on www.mmv.vic.gov.au/broadband