

Good morning. Thank you Jane for opening today's event and thank you Chris for the warm welcome, and also the important work that Department of Jobs, Precincts and Regions is doing with the Connecting Victoria project.

I'd like to start by acknowledging and giving thanks to the Traditional Custodians of country throughout Australia and their connections to land, sea and community. We pay our respect to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples today.

I'd also like to extend my thanks to Minister Jaala Pulford and Treasurer Tim Pallas. I'm not sure if they are tuning in today, but I would like to acknowledge their support, vision and commitment in delivering a landmark agreement between NBN and the Victorian Government to deploy more fibre and faster broadband services to more areas of this great state.

As we saw with the recent release of the Victorian Government's infrastructure strategy, this state has in place a well-defined and ambitious plan to reduce disadvantage, to build on its economic strengths and address the major environmental risks of our time.

I was particularly pleased to see that within this strategy there is a strong focus on embracing and adapting to technological transformation, on harnessing infrastructure for

productivity and growth, and on the importance of developing our rural and regional areas.

These are key areas that closely align with our purpose at NBN – which is to lift the digital capability of Australia.

And they are focus areas that will be essential if we are to fully transition to a digital economy in the future.

Not only that, they will become increasingly important as we navigate our recovery from the economic and social impacts that COVID-19 has caused.

I'll also have more to say on some of these themes later, but for now I will run you through the topics I'd like to talk about today.

To begin, I will talk about what NBN is, what we do, and the role we play in connecting Australian homes and businesses to the opportunities made possible by ubiquitous broadband access.

I will speak about the importance of this connectivity to our social and economic wellbeing, and the role NBN has played in keeping the nation connected through COVID-19.

And finally I will talk about some macro themes like the increased regionalisation of our communities and better healthcare access that we are seeing play out as Australia becomes a more digitally connected nation.

But first, a little about NBN.

AUSTRALIA'S DIGITAL BACKBONE

NBN is the government-owned, wholesale-only company that provides high-speed broadband access to homes and businesses across the entire country.

Essentially, internet providers purchase wholesale access from us, which is then sold on to homes and businesses as retail and business internet plans.

To put it more simply, we are the digital backbone that delivers high-speed broadband to your doorstep.

Just like the electricity and gas distributors who keep our lights and heating running, we are the utility that makes Australia's internet work.

But more than just keeping the internet working, NBN also exists to transform Australia's telecommunications market through major structural reform.

This important policy goal has improved the competitiveness of the retail internet sector, and improved services in the bush. More recently, the connectivity provided by these policy goals has helped us all stay connected through the challenges of COVID.

Over the past decade we have been working hard to build this digital backbone that is the NBN.

We have built one of the world's largest and ubiquitous broadband networks that passes 12 million homes and businesses through regional, remote and metropolitan areas.

More than 8.2 million residential and business premises are now using the network, which covers an estimated 17 million Australians.

As for the rollout across Victoria, we have made over 3.1 million premises ready to connect of which more than 2.1 million homes and businesses using the network today.

We've travelled across the entirety of the state, connecting homes and businesses of all sizes - from Mildura to Mallacoota and to the MCG itself. We've even connected Rod Laver Arena and St Paul's Cathedral in the middle of Melbourne.

Like the rest of Australia, the build in Victoria has been incredibly complex with some very unique challenges.

Take, for example, the small seaside town of Mallacoota in the far east of Victoria.

Before NBN came along, Mallacoota was a town that had been stuck on ADSL era technology for decades. A town that was just months away from going live on the NBN when the devastating bushfires of 2020 tore through the region and incinerated the aerial backhaul link that was almost ready to connect the town to the NBN.

After establishing interim communication services for the town, our people got to work rebuilding infrastructure in the area. It has been a complex build, involving multiple approvals from Parks Victoria, Aboriginal Victoria and Gippsland Council and a lot of

coordination that was made possible thanks to the Department of Jobs, Precincts and Regions.

Given the township of Mallacoota is hemmed by National Parks and hectares of old growth forests, we were determined to make the network more resilient to any potential bushfires or extreme weather events in the future. So, this time, we went underground, laying 62 kilometres of cable, ducts, pits and joints between Cann River and Mallacoota, including through the National Park.

Today, the township and its 1000 premises are now reconnected and enjoying the benefits that access to broadband can enable.

This is just one example of how we regularly engage with, and work with, the states and territories to help ensure communities are connected to the vital communication services that NBN provides.

NETWORK INVESTMENTS

Having completed the initial build of the network last year, we are now in the midst of NBN's next evolution with a \$4.5 billion investment to increase the capability, reach and value of this critical asset for the nation.

This investment will see us extend the reach of our fibre networks deeper into communities so that we can continue to meet the digital needs of households and businesses, today and into the future.

By the end of 2023, this will mean that 75 per cent of the NBN fixed line footprint – or approximately 8 million premises across Australia - will have access to download speeds of close to 1Gbps.

We are also making significant investments to boost connectivity for business of all sizes with the creation of dedicated Business Fibre Zones.

And for rural and regional Australian, we have launched a \$300 million co-investment fund to increase regional and rural Australia's access to the reliable, fast, secure and resilient broadband services they need to thrive in a digital economy.

CONSUMER CHANGES AND COVID

With the path set to evolve the reach and capability of the NBN, we as a nation now need to think seriously about how we make the most of connectivity to ensure we meet the challenges of today, and build a stronger economy and society for the future.

COVID has caused great disruption to our social and economic lives, but it has also created opportunities for us to fundamentally rethink how we work, how we plan our cities, how we commute, how we entertain, learn, and connect with each other.

Notwithstanding the devastating health impact inflicted by COVID around the world, I believe this confluence of the risk of COVID, and the opportunities of technology, have placed us at one those rare inflection points in history.

The usual forces that drive technology change and adoption – like competition, ubiquity of access and globalisation – have been pushing at the edges of our ways of work, education and health systems, for years.

But it took the pandemic to accelerate the decisions of individuals, businesses, our institutions, and even our political systems, to embrace what was thought only possible a few years ago, but has now been made real because of technology.

According to the Australian Bureau of Statistics, COVID restrictions have coincided with the accelerated use of a range of customer and business applications. This includes work video calls (which are up 75 per cent), online health services (which are up 67 per cent), online education (which is up 58 per cent) and online grocery shopping (which is up 38 per cent).

To put the scale of this advance into perspective, according to research from McKinsey, COVID has triggered changes to technological adoption over the last 12 months that would otherwise have taken three to four years to play out.

In the home, you might have noticed this through increases in online shopping, or the addition of a connected security sensor, or perhaps the purchase of a digital assistant for your kitchen.

But on a macro level we are seeing the adoption and widespread use of digital connectivity translate into more significant behavioural changes.

We shifted workplaces from the office to the home.

Our children adapted to studying and learning from home.

Broadband technology became the only way to see friends and relatives, and for many it has been the safest way to see their doctor.

And many small businesses pivoted to the online world to access new markets and customers.

REGIONAL AND REMOTE AUSTRALIA

As we move towards a more digital economy and the lifestyles it enables, I believe there will be a stream of positive flow-on effects to the more regional and remote parts of Australia too.

Indeed, we are already seeing this play out across many parts of the nation.

Infrastructure Victoria chief executive Michel Masson recently noted that much of the demand we are seeing for new infrastructure is in outer growth and regional areas.

To quote Mr Masson: “By better connecting outer suburban growth areas and the regions to Melbourne, we can provide fairer access to jobs, transport and services for all regardless of postcode.”

I believe broadband connectivity is the key to making this a reality.

It is estimated that Melbourne’s outer northern and western suburbs are expected to attract more than 800,000 new residents over the next 30 years.

These sorts of population growth projections are exactly why urban planners spend so much time and effort considering and debating big issues such as ‘smart cities’ and ‘30-minute cities’ where every life and lifestyle need is within 30 minutes of your home.

Because, by definition, a liveable city is **not** one where these extra million or so residents hit the road at the start and end each day to commute to and from the CBD.

As a society we **cannot** hold on to these ‘old ways’ of being. It is imperative that we embrace technology – and find new and better ways!

This is a trend we are seeing Australia-wide.

For the five quarters on record since the start of the COVID pandemic, we have seen net migration out of our capital cities and into the regions increase by close to 55,000 people.

That is 120 people per day.

Some have started calling this migration to peri-urban and regional centres as the “Great Reshuffling.”

This has triggered a demographic shift from cities to regional and urban fringe areas and resulted in job growth for these areas - more than 66,000 jobs in April this year, which was the highest since the mining boom a decade ago.

I have no doubt that this Great Reshuffling will be a boon for the regions. Increasing access and usage of broadband services in remote and rural areas - and the digital skills, online education, and better healthcare access that comes with it – will lead to increased job and population growth, higher rates of business creation and lower unemployment rates.

HEALTHCARE

Broadband connectivity can also improve health and life outcomes by offering access to remote healthcare providers, online social networks and educational opportunities.

This has been made evident through the increased take-up of telehealth consultations over the last 18 months.

What was once only possible in the confines of a hospital or GP's office can now be done from our homes.

With population shifts to regional areas, an aging population and the rise of chronic conditions, it has now become a necessity to treat patients from the comfort of their own home.

The ability to treat patients remotely thanks to connectivity is even more important when you consider the disproportionate number of doctors in urban areas which creates a healthcare scarcity in rural and regional areas.

The rise of telehealth services is also playing a critical role in helping to limit the spread of COVID in our more vulnerable communities.

Take for example Dr Tony Bongiorno in Ballarat.

As COVID struck last year, he quickly embraced telehealth and video conferencing as a key defence to prevent the further spread of the virus in his community, and to improve his patients' care.

He says this shift to the online world of patient care has been a game-changer for people who traditionally lack medical services because of their isolation or because of their frailty. It's allowed busy parents to avoid the chaos of bundling their kids into the car or to spend an awkward time in a waiting room.

And for indigenous patients in remote areas where communities often lack real health services, it's provided far simpler ways to communicate with their doctor to get the health outcomes they need.

Prior to the pandemic, Dr Bongiorno told us that "this would have never happened in a million years".

DIGITISING AUSTRALIAN BUSINESSES

The final theme I want to speak about today is how we can better support business of all sizes to take advantage of the digital opportunities that broadband access enables.

We all know that businesses power the economic engine of the nation. But without the digital tools to participate on the world stage, our good intentions and hard work will wither on the vine.

I believe the most important thing we can do to build the right environment for digital businesses to thrive is to foster communities and cities where the use and adoption of digital tools, skills and technologies is the norm for all homes and businesses, not just a few.

This is why we continue to make significant investments to support Australia's small and medium businesses.

Working in partnership with internet providers, we have committed up to \$700 million of initiatives to support business innovation, productivity and growth over the next few years.

So far this investment has included the creation of 295 Business Fibre Zones nationally, that today cover more than 860,000 business premises.

These zones are giving businesses access to symmetrical download and upload speeds of up to one gigabit per second, at significantly reduced wholesale prices.

As I mentioned earlier, last week we signed a landmark agreement with the Victorian Government that will see significant co-investment to deliver more fibre and faster broadband services to more areas of Victoria.

As part of this deal, the Victorian Government has committed \$73 million to be held on trust by NBN Co for co-funding new broadband infrastructure around Victoria.

The projects that the Victorian Government has in mind are the creation of new Business Fibre Zones, flipping fixed-wireless and satellite served communities to fixed line and upgrades to our fixed-line network.

Through this partnership we will create eleven new Business Fibre Zones covering approximately 10,000 businesses in Victorian suburbs and towns including Benalla, Hamilton and Lara, to name a few.

We are delighted to work with the Victorian Government to identify opportunities to co-invest in the development and delivery of new NBN infrastructure to support the Connecting Victoria program.

These investments in smart infrastructure are not just about providing the speeds and services that businesses need to stay connected and productive.

They are also about providing the network infrastructure into new areas that will kickstart competition for small and medium businesses, wherever they may be.

CONCLUSION

Digitising our regions, enhancing healthcare outcomes for patients, and creating new employment opportunities through the support of Australian businesses will be critical as we continue to recover from the impacts of COVID.

It so easy to be distracted by the myopia caused by COVID. Particularly, when the return to normality seems so far off.

But with strong vision, a clear strategy to get there and the will to commit, I believe we can come out of this stronger than before.

This is why the infrastructure strategy laid out by the Victoria State government is so important – and why we are looking forward to doing our part to help the nation bounce back from this pandemic.

Thank you.