



The Turnbull NBN – what of the ‘sooner, cheaper’ promises?

Does MTM stand for ‘Malcolm
Turnbull’s Mistake?’

Mobile will ‘never replace broadcast radio’

European telco wars – Vodafone looks at Liberty

Perth extends free Wi-Fi to Northbridge

ANALYSIS

Where does the latest NBN announcement leave Turnbull's promises?

As observers digest NBN Co's latest rollout plan, serious questions are being asked about the timeframe for construction, particularly in Australia's largest cities.

Sooner, cheaper – and only a bit slower. That was the mantra repeated constantly by Malcolm Turnbull before the last election when talked of the Coalition's plans for the NBN. He constantly ridiculed delays to the NBN under Labor, and promised that the Coalition's NBN would be built much earlier, and at a much lower cost, than the all-fibre Labor plan. Now both the 'sooner' and 'cheaper' parts of his promise are looking shaky. He long ago broke his promises on connection speeds.

Independent Tony Windsor departed Parliament at the election that saw Turnbull become Minister for Communications. His support, and that of fellow independent Rob Oakeshott, was critical to the survival of the minority Gillard Government, and was based on two key principles – a visceral dislike of the Coalition (which would seem to be justified by subsequent events), and the promise of a fibre to the premises (FTTP) NBN.

As Windsor famously said: "You do it once, you do it right, you do it with fibre." Yeah, right. How the world has changed. The Abbott Government is on the ropes, reeling from a succession of broken promises, insensitive remarks, and pure incompetence. As it approaches the halfway mark of its term in office, its ability to blame its predecessors for its shortcomings is wearing thin.

Now we are a month short of 2015. In four weeks we will be able to talk of 'next year's election'. That's right – the Coalition is up for re-election in late 2016, which is closer than you think. Doesn't time fly!

At this stage the Government is up to its eyeballs in trouble, mostly of its own making. The NBN has not yet been widely mentioned as one of those troubles, but despite the best efforts of the new team at NBN Co, it may yet blow up in Malcolm Turnbull's face.

After a succession of self-serving reports on the shortcomings of the network he inherited and those who planned it, after more than a year of recasting it in his 'multi-technology mix' model, after backtracking on one promise after another, Turnbull has run out of excuses. Now he has to deliver.

Yesterday we saw the nature of that delivery. NBN Co's announcement, as always, was big on the positives and skirted around the negatives. The less critical headlines picked up on

the 1.9 million premises to be connected, ignoring the fact that this number was lower than that promised at the same stage by Labor's FTTP NBN.

Of course Labor's numbers may not have been met – we will never know – but it's not a good look for "sooner". As noted comms commentator Paul Budde told Computer Daily News, "so much for Turnbull's promise of a speedier rollout."

But the overall numbers are not the big problem. As *CommsWire* noted yesterday, only 566,200 of the premises covered by the announcement – a little over a quarter – are in Australia's big five mainland capitals, and then only on their outskirts. Metro Australia, where most people live and which needs the NBN the most, has been left off the list.

The reason is simple. The big cities are the homes of the Telstra and Optus HFC (hybrid fibre coaxial cable) networks, laid down with unseemly haste in the Pay TV scramble of the 1990s, often duplicating each other, in one of the many great telco policy failures of the Howard Government.

Now, under Turnbull's 'multi technology mix' NBN, these HFC networks are slated to be the delivery medium for more than a quarter of all NBN premises, and as many as half of those in metro areas. But nothing can be done until deals are struck with Optus and Telstra.

These arrangements are taking much longer than predicted – at least longer than predicted by NBN Co and the ever-optimistic Turnbull. Of course they are. Common sense tells you that if someone has committed to buy something off you, but has not agreed on a price, the longer you hold out the higher the price you will get. That blows a big hole in both 'cheaper' and 'sooner'.

It's farcical. You can't, as the old saying has it, make a silk purse out of a sow's ear. That is exactly what NBN Co is now being asked to do. As CEO Bill Morrow says, his job is to execute Government policy, not to question it.

The fault for what is fast becoming a national disgrace lies fairly at the feet of Malcolm Turnbull, who should know better, and the troglodytic government of which he is a member.

Graeme Philipson



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The great NBN Co rollout go-slow: Does MTM stand for ‘Malcolm Turnbull’s Mistake?’

Has the NBN become as big a shemozzle under the Coalition as it was under Labor?

NBN Co has revised its figures from 2.7 million homes by June 2016 before the 2013 election to just 1.9 million homes now the Coalition is in power.

Trouble is, when the Coalition was in opposition, it promised that its use of existing copper and HFC networks in conjunction with a fibre rollout would see the NBN rolled out much faster to Australians than Labor’s ‘all fibre all the time’ network was going to deliver.

Then once various cost benefit analyses and reviews and whatnot were done, the consensus ended up being that the Coalition’s plan was going to cost almost as much as Labor’s FTTP of fibre to the premises plan.

Given that much of the complaint, from me included, was that Labor’s FTTP plan was too expensive, what is the point of a separate plan that touches up older infrastructure that will need replacing anyway that is going to cost almost as much as a full fibre plan?



It seems the NBN and the MTM has been another monumental stuff up from a government that promised to hit the ground running but has instead delivered cuts to organisations it promised not to, has made life hell for our defence forces (who put their lives on the line to keep slimy politicians safe), has scared the living daylight out of poor people and pensioners with a \$7 GP tax, and has made Joe Hockey look like a cigar smoking economic girlie man out to screw the country.

I mean, with Labor always accusing the Tories of ripping off the poor, why does the Coalition have to then actually go out and do that, when it could have instead closed the corporate tax loopholes of multinational companies, wiped out the multi-billion parental leave scheme, clamped down on massive union workplace waste, cut ten times more government red tape than it already has?

And why didn’t it also LOWER taxes so that it actually INCREASED its tax take (as always happens historically because people don't bother with the hassle of trying to avoid low tax rates, but always hate high ones and put in the effort to avoid them) and done other things that didn’t actually involve stabbing people in the wallet?

After all, it wasn’t the people that spent all the money, it was the previous Labor Government, and yet, the current lot has made itself out to be fools, even more so now with this ridiculous slow down in NBN progress when the very opposite was promised. Must

have been another 'non-core promise' from the Libs.

Still, we do have the NBN Co's latest announcement, which talks up its progress and makes no mention of the other MTM – the other Malcolm Turnbull Mistake - no signed deals with Telstra or Optus on HFC cable infrastructure yet, let alone whatever deal muddling in the Malcolm is supposed to be doing with Telstra for all that copper.

Maybe Malcolm should have joined the Labor party after all. He would have wiped Kevin Rudd and Julia Gillard off the scene with his business brilliance long before either of those two buffoons could have even sniffed the seat of power, but instead he is Malcolm in the middle of a big pile of poor work.

So, back to the NBN Co. It says it will have 'fast broadband' to 1.9 million homes and businesses by June 2016. Not super fast broadband, not ultrafast broadband. Just fast broadband.

As many have noted, we are talking 400 cities, towns and suburbs, but very little action in the cities. At least the bush and regional areas are getting some love, even if half of the places on offer are going to get wireless rather than any kind of actual wired connectivity.

The NBN Co waffles on about 'its goal of 8 million connections to the NBN by 2020'. There'll probably be more households by then but in the meantime most of us are still on hold trying to get a decent broadband connection – talk about 'house hold'.

Then we get to NBN Co's Bill Morrow, to spin away the NBN Co's go slow with the usual kind of Sir Humphrey Applebee buzz we expect from an episode of 'Yes, Minister Turnbull': "We're committed to bringing fast broadband to all Australians as quickly as possible. The new multi-technology approach enables us to do just that.

"Over the past year, we have carried out successful trials of a range of new technologies, revised our build processes and are renegotiating our partner agreements. As a result of this work, we are able to provide forecasts that reflect the next phase of our network build.

"Naturally some people will be disappointed that they are not included in today's schedule but ultimately no-one misses out as the NBN will be made available to every Australian family and business by 2020." Blah blah blah.

Look, I know this is a bit of a rant, and that the HFC network will add three million customers to the NBN Co's total when the deal is done - supposedly by the end of 2014, but does anyone truly believe that? Is anyone going to get the promised 25 Mbps minimum? Is the FTTN rollout going to have had any major rollout before the next election?

But if the NBN Co and Malcolm Turnbull keep this up, the pain of a blank cheque from PM Tanya Plibersek is going to be the reward for Labor fans and the next mess the LNP will be promising to clean up.

Alex Zaharov-Reutt

Mobile will ‘never replace broadcast radio’

More and more people are listening to streamed radio on mobile phones, but the radio industry says there will always be a place for broadcast.

A report released by Commercial Radio Australia (CRA) and written by Professor Reg Coutts says that mobile broadband communications networks, particularly in regional areas, are not a replacement for broadcast free to air radio.

The report considers the potential for mobile networks to be expanded to a point where they are viable to accommodate all live free to air radio broadcasting at the same high quality to hundreds of thousands of listeners at the same time as a replacement for broadcast radio, or instead of rolling out DAB+ digital radio, which is currently available in the five major metropolitan cities.

It says mobile networks in regional Australia are less cost effective than a potential DAB+ digital radio rollout in regional areas. “Even with upgraded 4G networks using the most advanced LTE broadcast mode, there are technical and economic reasons for radio to be delivered using free to air broadcast technology in both regional and metropolitan areas.”

Following the submission to the Federal Government’s Digital Radio Discussion Paper earlier in the year the commercial radio industry commissioned Professor Coutts to analyse the use of mobile telecommunications to deliver free to air broadcast radio in Australia.

CRA chief executive officer, Joan Warner said: “There are a lot of misperceptions around the future of broadcast radio, mobile networks and the delivery of radio online. This report shows it may not yet, or even in the longer term, be technically or financially viable.

“Listening to radio online is complementary to and not a replacement of broadcast radio, whether it’s analogue or digital. Listeners use streaming as a convenient alternative. The commercial radio industry is continually assessing innovation and economic viability.

“We recognise our listeners want to listen to radio wherever they are – in the car, at home, on their phone while in transit and as an industry we are constantly exploring the best way to achieve this.”

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Solution

Option III

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“Internet radio on smart phones cannot substitute for broadcast radio,” Professor Coutts said. “Broadcast digital radio is globally where innovation is happening. The Government is currently depriving regional listeners of digital radio, unlike their city cousins who have both digital radio and Internet radio. Innovative local radio broadcasters need broadcast digital radio which so necessary for regional communities to thrive in the future. “

There are 220 commercial regional radio stations in Australia, Professor Coutts said that, aside from questions over urban delivery, there is considerable uncertainty as to whether a plausible business model to support the upgrade of regional mobile networks from 3G to the most advanced form of 4G LTE Broadcast exists, and whether it would also mean listeners would have to pay via their data plan for what they now can receive at no cost.

“Importantly there would be significant impact on mobile cell capacity for other user’s applications (e.g. social media, Internet browsing, video on demand, etc.) even if 4G Broadcast is able to be used to replicate broadcast radio’s live reach and quality.

“The radio industry has rolled out digital radio in the five state metropolitan capitals. Like the TV industry, which has switched to digital, it is looking to secure its digital broadcast future by continuing a phased rollout of broadcast digital radio to regional Australia.”

The report says that even with upgraded 4G networks using the most advanced LTE broadcast mode there are technical and economic reasons for radio to use free to air broadcast in both regional and metropolitan areas:

- the limited range of LTE Broadcast
- the significant impact on mobile cell capacity for other user’s applications even if LTE Broadcast might be used to deliver radio
- cell capacity reductions from 10% to over 40% in regional areas
- there is no handover mechanism from LTE Broadcast to one to one streaming on 3G or 4G resulting in service drop out at the edge of LTE broadcast areas. The listener would need to manually reselect the streamed radio service.

It says business models for radio carriage over LTE Broadcast are still being evaluated but likely impacts are:

- mobile network operators (MNOs) will need to pay to upgrade each of their networks
- broadcasters will need to pay the MNO’s for using the capacity required
- listeners would need to pay to receive radio streamed via mobiles which uses their mobile data plan rather than listening free to air.
- data usage and battery drain has been consistently found to be of significant concern to listeners of mobile streamed radio.

The report is at www.digitalradioplus.com.au

Graeme Philipson

European telco wars – now Vodafone looks at Liberty

Machinations continue in the European telco space, with Vodafone now talking with Liberty about creating a new multimedia group.

Vodafone Group is considering buying or undertaking some sort of merger with European comms conglomerate Liberty Global to create a combined giant phone, Internet and TV company across the continent.

News of the talks comes as BT considers re-entering the UK mobile space by buying either EE or O2 (*CommsWire* yesterday). Liberty, controlled by US billionaire John Malone, owns cable TV assets across Europe, including the UK's Virgin Media. It has a market capitalisation of US\$39.4 billion.

Neither Vodafone nor Liberty has confirmed talks are underway, but Bloomberg [reports](#) preliminary and informal discussions are taking place. A tie-up would be consistent with Vodafone's avowed aims to grow its presence beyond fixed line and wireless telephony, as evidenced by its €7.7 billion purchase of German cable TV company and ISP Kabel Deutschland last year, beating Liberty in a bidding war. But that may have to be divested for a deal with Liberty to proceed.

"European regulators may be open to a transaction that would boost consolidation within the region's telecommunications industry," the Bloomberg report said, quoting unnamed sources.

"Vodafone and Liberty may have to sell assets in countries such as Germany if a deal goes ahead. Kabel Deutschland is Germany's largest cable operator, while London-based Liberty's Unitymedia KabelBW unit accounts for about 18% of its global revenue."

Vodafone's shares fell on news of the talks. But the fact that they are proceeding is evidence of Vodafone's concern that if BT succeeds in buying O2 or EE, it would face much stronger competition across multiple delivery platforms in the UK than is currently the case.

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Perth extends free Wi-Fi to Northbridge

The City of Perth is expanding its free Wi-Fi network into Northbridge, using Ruckus Wireless equipment.

Free Wi-Fi has jumped the tracks in Perth to Northbridge, thanks to the City of Perth, Ruckus Wireless and implementation partner Technical Services Group (TSG).

It is the second stage of the project, which began last year with the installation of a free Wi-Fi network in Perth's CBD. Stage enabled Perth to declare it was 'the first Australian capital city to offer comprehensive Wi-Fi coverage'.

With nearly 25,000 devices connected at any given time during September, and over '200,000 reliable connections' having occurred in the last 12 months, it's no wonder Perth is making a ruckus about its new "continuous link from the City centre to key public spaces and commercial areas in Northbridge, including the Cultural centre, Piazza, Russell Square, and William, James and Lake Streets."

Obviously, when it comes to city planning, you want to have some strategy about things, with the claim of a "strategic focus on public spaces, consumer businesses, support of tourism activities, and extended visitor dwell times and expenditure."

The city's council bangs the free Wi-Fi drum about how the community is increasingly mobile, how Wi-Fi is a key economic driver for enhanced business growth, while giving the benefits of free Wi-Fi to visitors.

Of course, *CommsWire*'s usual caveats here apply: if you're a business user, are you really going to trust your devices on what is effectively an open network? You'll be sure to want to use a VPN so your private data isn't hacked, sniffed or man-in-the-middle, no matter what the reassurances are from the Wi-Fi's providers - but hey, that's up to you - it's your business data/

Perth's Lord Mayor, Lisa Scaffidi said: "Our network has been designed with a strategic focus on activating public spaces and targeting areas with population driven business that support tourism activities.

"Following the success and popularity of last year's Wi-Fi deployment across Perth's CBD, we wanted to extend the network to other parts of the city. The network now covers a total area of approximately 50 hectares. What makes our network special is its blanket coverage – users can now walk from the Bell Tower to Northbridge Piazza without being disconnected."

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Phase 2 of the rollout sees Ruckus's 'ZoneFlex outdoor Aps (access points) on street lamps and 'furniture' around the city, all connected via SmartMesh networking so things are cable-free - well, presumably for the most part.

TSG's managing director Kamie Ang, said: "We continue to be impressed with the quality and design of the Ruckus APs. They're quick and easy to deploy, thanks to the SmartMesh Networking feature. Many of the APs only needed to be mounted and connected to permanent power, which reduced the disruption to the city's infrastructure."

Jonathan Stoate, the city's CIO, noted that he "chose wireless technology that could cope with lots of interference in a challenging and changeable outdoor environment," and that Ruckus technology was up to the job, with up to 2000 users trying to connect simultaneously, or a high density of users in a single location trying to connect because of something like a concert, with the Ruckus tech coping "comfortably and effectively."



The Wi-Fi network is fed by a fibre-optic infrastructure that is all owned by the city's ratepayers, we're told, which also supports functions such as CCTV, car parks and high-speed data transfers between various city spaces, with Stoate talking about how the Ruckus tech was so good it could easily stream the WA Symphony Orchestra's 'Symphony in the City', and also a TEDx Perth Event, and that the infrastructure allows the city to work with any ISP it chooses for "amazing flexibility."

The CBD and Northbridge are now Wi-Fi enabled, with Stoate saying he is "considering further expansion in these areas as well as other locations to the east and west of both major precincts."

[The City of Perth's website notes that](#): "Users have a download limit of 50mbps per connection. Once this limit is reached users will need to reconnect to the service. If users do not exceed their download limit they can remain connected to the network for an hour. After an hour users will need to reconnect."

Alex Zaharov-Reutt

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