JULIE McCROSSIN: We've just been joined by Helen Wellings, but we'll go to another speaker first and let you settle in. A big welcome to Helen, who will be speaking later. If you could practice that clapping again. In a moment I'm going to introduce Matthew Lobb, the general manager of Fixed Broadband for Vodafone. First of all, we've been sent a message from the CEO Inaki Berroeta to introduce our speaker. Our just throw to the screen again. Thank you.

>> I wanted to congratulate Teresa Corbin and the whole ACCAN team for these fantastic 10 years. Unfortunately, I cannot be with all of you tonight. I am in Melbourne, defending our merger in front of court. Defending the benefits of it for our customers, so I just wanted to make sure that Teresa and the team, from us, we think it's been a fantastic 10 years. The work that ACCAN has done to make telecommunications more accessible and also more affordable for all Australians is remarkable and will work for many years to come. Congratulations and thank you for all this time that we have worked together.

JULIE McCROSSIN: A round of (APPLAUSE), thank you, and I love the thought that he's in court defending something. Of course, he'll be briefing us on the merger. Could I welcome Matthew Lobb, general manager of Fixed Broadband and Matthew has established the fixed broadband business for Vodafone over the last three years. Prior to that he led Vodafone's public policy agenda. He's previously worked for NBN Co, for Telstra, he's been chair of the Australian Mobile Telecommunications Association and also a ministerial adviser and he's a current board member of Communications Alliance. Please make him welcome. (APPLAUSE)

MATTHEW LOBB: Thank you very much. As mentioned, Inaki Berroeta is actually in the booth at the moment getting cross-examined by the ACCC commissioner. I'm sure a little bit of him would prefer to be here than there today, but very important issue for us and the industry. I'm glad there's been a theme emerging about the 10 years, because that's largely what I want to talk about today. Usually I'm at the end of the day at the conferences, so I'm quite excited about being at the beginning. Usually people are more slumped in their chairs. I thought also worthwhile, 10 years always brings nostalgia about what have we done for the last 10 years? I thought I'd start with, what has the last 10 years been from an industry point of view? Well, firstly as of today, the same number of mobile phones as humans on earth. It's been one of the fastest take-ups of the technology in human history and as you can see -hopefully you can see -the fast-rising line that's getting close to the human population is Smartphones and in a few years there'll be a Smartphone for every human on earth. Down at the bottom is the fixed line numbers for fixed voice and for fixed broadband. You can see they haven't grown very much, but still waters run deep when it comes to fixed broadband. In Australia, in 2009 we had already reached more mobile phones than humans and that trend has continued. There are now 1.4 mobile phones connected, not in your drawer, actually connected to a mobile network in Australia for every Australian. Over that 10 years, virtually all of them are now on a 4G network and a Smartphone. Australia, I would say, has a Smartphone for every Australian. So, looking back, I think Deidre mentioned a few of the things that have happened, in 2009 was the first connection of the nbn and now we're getting close to the end of the roll-out period, the majority of households are now connected to the nbn and those consumers on the whole are experiencing substantially faster speeds than what they experienced in 2009. In mobile, the 4G hadn't been connected. That happened in 2011 and now 93% of our users use 4G. 3G is starting to become a redundant service. What has that meant? This is a graph off in the distance for you, but Australian consumers have absolutely loved the telecommunication networks and there's been an exponential growth in data use for both mobiles and for fixed broadband. For mobiles, the amount of data consumed has doubled every two years. And, I'll just give you some statistics. In fixed data, we moved from 400,000 terabits to 18 million terabits and a terabit has 1,000 gigabits, so that's 18,000 million gigabits. That's grown by 43 times or 4,300%. So, still waters continue to run very deep, 18 million terabytes, so the majority of data is on a fixed phone, so on mobile phones the majority of the data the mobile phone or a tablet consumes is actually via Wi-Fi in the home or in the office, but mobile data is going pretty well, as well. In 2009 it was 3,000 terra bits and that's grown to 1.2 million terra bits. That's a multiple of 430. So, it's grown even faster, the rate of growth has been even faster. In 2009 mobile broadband was 0.7% of fixed broadband. Now, it's 7%, so it's growing very fast and we're predominantly a mobile business. Fixed and mobile are definitely complements. They both complement each other, and most devices today use both the mobile network and the broadband network. So, what does that kind of data consumption mean? In 2019, my estimate is about 20 million terra bits of data will be consumed. That's the equivalent of 40 million years of CD music, it's 1 million, million photos and this is a stat that I hope is true, I got it off Dr Google. It's the equivalent storage of four times the words ever spoken on earth. So, it's a massive amount of data. At the same time, we've seen this massive increase in data use, and we've seen a massive increase in the speed performance. We've moved from 3G to 4G, ADSL2+ to the nbn and increasingly we're seeing consumers by 50 megabits, in that time increased speed and use every year since 2010, mobile and fixed prices are fallen and the largest reductions have been on mobiles and on top of that, the amount that you get for the price you pay has substantially increased, as well. Over the last 10 years we've moved from 2009 when the fixed voice you were starting to see unlimited call subscriptions. We certainly saw that emerge over the last 10 years with mobile voice. Now, most people use their mobile phone for voice calls. Certainly, on the nbn, we're starting to see more unlimited data plan. Vodafone, for example, only sells unlimited plans and we're starting to see that emerge in mobiles. The amount of use, the quality and the overall speed have improved, and prices have fallen. But, of course, I'm from industry, so I would say that, but that's the reality. So, what has this done? This is the thing that's most pleasing about being part of this industry. It would be fair to say that mobile and fixed broadband have transformed everything we do. In 2009 we heard the unhappy news of Michael Jackson's death and we it was yesterday's news in the paper. That was the way we consumed our news. These days, what we expect is we actually see a live streaming of the news event on your mobile and we saw that really unfortunate incident in the CBD, that's how we saw it. We saw it live with someone from their mobile phone. We've come to grips with that kind of immediacy in our media. What we saw in music interestingly, is music and entertainment, people still want the same amount of music, the same amount of entertainment is sought, but it's profoundly changed because of the broadband revolution. So, in 2009 we were at peak CD and the vast bulk of CDs were bought in an album form on a CD and Lady Gaga was the hit in 2009 and she had the Telephone song, if you recall. Similarly, drake in 2019 is talking about his cell phone, but what's emerged now is we've moved to music streaming. So instead of buying your favourite album, so about 10 songs, you pay a monthly subscription and you can essentially listen to any song ever recorded it feels like. Millions, and millions of songs. So, we've moved away from the album -which I kind of miss -to be able to say, "I want to find out what ever played ever", and all the obscure albums that you hear. Interestingly, vinyl sales have increased by 20 times in the last 10 years. Vinyl fell off the cliff in the last decade but had a resurgence and that's the old people like me that still want to buy the albums. In entertainment, we were at peak free-to-air in 2009 and MasterChef was the hit and 3.7 million people watched the final show on their free-to-air. In 2019 the biggest TV... well, one of the biggest anyway TV hits was "Game of Thrones" and 3.5 million people watched the last episode of that via a subscription video on demand service. So, the water cooler conversation couldn't really happen with "Game of Thrones", because you weren't sure if somebody had watched it or not because of the video on demand revolution. 70% of households have a TV connected to the Internet and 60% have a subscription service, so that's been a dramatic change. The other thing that's amazing is the number of devices now connected to the Internet. In 2009 there was one device connected to your Internet and that was your computer and you thought it was pretty cool. TV, the average is about 17 and that sounds surprising until you start to think about it. It's your phone, it's your tablet, it's your PC, it's your TV, it's your game station, your stereo, it's your watch, it's your heating, it's your lighting and yes, it's your fridges. I was surprised to find out my new toothbrush connects to the Internet. Not particularly useful. And that trend is going to continue, and this is going to be one of the big things for the next 10 years. The device connections to the Internet rather than just being a connection for humans. So, the next 10 years is going to -we've seen an amazing transformation over the last 10 years, but the next 10 years are going to be even more transformational and one of the things I've come to realise is that it's very hard to predict what consumers would do with the connectivity capability they're given. It's consumers that drive what is used on the Internet, but what we do know is now there's ubiquitous connectivity essentially and it's of a quality much better than today there's enormous opportunities in nearly every part of our society. Health care is exciting, education, the way we work, the way social services are delivered, the way agriculture is done, the way smart cities do things. I can try to predict it, but one thing that is true is consumers will drive how things work. Who would have thought that SMS would have taken off in the 2000s and so, you can't predict what's going to happen in the next 10 years? A massively transformative 10 years of telecommunications. What does that mean for consumers and for industry and for advocates? In my view, the more things change, the more things stay the same. What this industry is about, quite simply, is connecting humans to other humans and connecting them to information and making their lives easier. That fundamental mission is still present. That's what we're all about, and so the need to connect and what's important about connecting is not going to change. So, as the world transforms again, I think we need to think about basically the four main areas. So, how do we encourage investment and competition to deliver speed, capacity and innovation? How do we keep that desire for data going? How do we ensure that the disadvantaged aren't left behind? How do we ensure that there's no regional digital divide? And, how do we deliver consumer protection without locking down redundant solutions. I'll talk about that in a minute. Those are the high-level things. I'm sure there's a couple more, that's what the conference will deliver, but these are the most important ones. When it comes to those four issues, what are the most pressing issues today? The first one is making sure we can optimise the nbn to deliver the best service for all Australians. How do we ensure that the effective roll-out of the 5G networks is done quickly and safely? My passion, how do we get USO reform so we can actually use those funds to deliver real improvements to Australian consumers? The most pressing one I think and a really important issue, is this thing about people's needs change and all Australian's needs change. We were impressed with our 45 kilobit modems in the early 2000s, but these days that would be seen as completely inadequate by all Australians. Similarly, 10 megabits a second which was ADSL2+, the norm 10 years ago is not a worthwhile service for any Australians. The needs have improved, and so the issue now is not the nbn roll-out, but the pricing and the way nbn is sold is the key issue and that at the moment you've probably seen in the newspapers, there's disincentives to sell faster speed services for all Australians. At the moment, about half of consumers are buying the nbn 50 service which is great. We'd like to see all of them get that. We're really driving for consumers to buy faster speeds. So about 70% of our customers are buying the nbn 100 service, and that's what we should be working towards and that's not just for the everyday Australian, but that's for all Australians and that I think needs to be the priority. Just to give a bit of Tasman rivalry, in 2009 Australia and New Zealand had around about the same level of speed, average speed across the markers. New broadband networks and old broadband networks. We essentially were getting below 25 megabits a second. That's essentially what that graph is showing on the other side. You see on the other side the purple lines there. New Zealand has got nearly all of its customers to above 50 megabits a second and yet, we still have the vast majority of our customers below 25, and that's not about the nbn infrastructure it's about how it's sold. This is a really important issue that I think consumer groups need to work with us on, which is that it's not a good idea to lock in today what is the norm. It's critical that that moves with the times and so locking down and mandating a low-speed services for the disadvantaged is not a particularly useful mission. You need to be more ambitious about that and the consumers will love you for it. That's a key issue, which is how do we get all Australians to get the fastest speed possible? New Zealand is doing a far better job than we are today. Nbn is doing a pricing review at the moment and this is what we're talking about is the universal perspective of industry. It's not about locking down the slow speeds, it's making sure that we get the faster speeds for all consumers. Another key issue which is tantalisingly close, because I think there is essentially consensus on this matter which is the USO. The USO is a $300 million a year fund that funds uneconomic infrastructure, which is a very worthy cause. The problem with it at the moment, and it has been for some time, is that it's funding the fixed voice service. What's known actually in the regulations as the plain old telephone service. That plain old telephone service is an indication of how out of date it is, and it would be far better if that fund was released to be targeted to more flexible and more exciting opportunities. That's not to say the connectivity mission is still there. We're ensuring everyone is connected to the best service that we can afford, but that that moves and changes with the time. At the moment it's a very prescribed fixed voice service. It's not about broadband, it's not about mobile. And, there's been a number of reviews over the last 10 years I would say. Probably Teresa's first submissions would have been on this. It's time to reform this and move to a technology-neutral fund and use those funds to ensure nbn continues to deliver services to all Australians in regional Australians and in difficult areas to get to. It could be used for mobile black spot funding and consumer infrastructure initiatives as well like Wi-Fi and those kinds of things. So, releasing it from its current contract from Telstra and moving it towards a fund for new opportunities would be a fantastic and exciting legacy for the next 10 years. The nbn is now entrenched as the key -is now the main broadband provider, so that's now sorted. That's the mission they're working on, but I think USO reform is very important. As we like to say, your feedback is important at ACCAN. We want to make sure we can work together to continue to lead the transformation. It's very important that we get constructive criticism. It's very important that you call it out when we're underperforming. One of the things about telecommunications is it's delivering fantastic, beneficial change, but it's also disruptive and we need to work with consumer groups to make sure that those problems are kept to a minimum. So, here's to the next 10 years. Thank you. (APPLAUSE)

JULIE McCROSSIN: Can you just give him another clap? That was a seriously good presentation. Any questions or comments, ladies and gentlemen? I'll run to you with surprising speed. Do you mind introducing yourself?

>> Malcolm Moore. I just came in a bit late on this unfortunately, but you were talking about the USO, the Universal Service Obligation and a few days ago there was the closing of a tender from the government regarding regional communications for about $200 million if I recall correctly. Now, I would have thought they could basically get the USO, close it down very quickly, because it basically is about 20 years out of date at least like you're saying, and look at the regional and remote areas, because remote could be done very quickly and easily, I know that. Because they've got half the infrastructure already in place. The other problem is you mentioned competition and infrastructure competition as far as I'm concerned is the worst possible arrangement economically because it ends up with multiple duplicated infrastructure that a lot of it doesn't get used.

MATTHEW LOBB: I completely agree with everything you're saying. That's completely right. The key issue when it comes to marginal infrastructure is, who's going to pay for it? What we have is a $300 million fund that is ripe for the picking to be used for modern telecommunications services. What's going to happen in the next 10 years is with that kind of data consumption, the expectation of speed is that there will need to be upgrades on the satellite and fixed wireless. Who's going to be paying for that when already nbn is running at a loss? This fund could be used for those upgrades and mobile black spot upgrades, as well. That's currently separate, but we can bring it into this program, as well.

JULIE McCROSSIN: Other questions or comments guys? Thank you.

>> I'm Wendy Hick from the Isolated Children's Parents' Association and I'd like to provide feedback about assumptions that everything is smooth and rosy out in remote areas. Our members live rurally and remotely, and I beg to differ that our voice services are extremely important to us and wiping out the USO, as long as something is provided. You made the comment sir that infrastructure is there, but what we're seeing, the only offering we're getting the other alternative is satellite voice which is not practical for a lot of us out there. We rely on it immensely. Believe don't forget it isn't that simple for us out there.

MATTHEW LOBB: Absolutely. What I'm saying is that the minimum requirement is now more than just fixed voice. It's also broadband and so what we need is funds to upgrade the service and target it more innovative solutions that deliver a better than current minimum. Definitely not trying to reduce the minimum, but to try and increase the minimum and at the moment it's basically, it's essentially a waste of money the USO, the vast bulk of funds and it could be used in a far better way for better services, not for worse services.

JULIE McCROSSIN: Another question or comment, ladies and gentlemen? Why are those mongrel New Zealanders doing better than us?

MATTHEW LOBB: No good, we can't have it.

JULIE McCROSSIN: What do we have to do change it? I'm on a Facebook group with New Zealanders and they taunt us.

MATTHEW LOBB: My daughter was born in 2009, she's never seen the Wallabies beat the All Blacks. This price review will hopefully deliver a better outcome than today.

JULIE McCROSSIN: Spell it out, what's going to happen so we're same or better than New Zealand?

MATTHEW LOBB: At the moment, the nbn is selling most services are on the nbn 25 service and that's the most -currently around about the most economic service. If they reduce the price of the 50 and the nbn 100, so the industry can make some margin to sell it, then you'll see like New Zealand -because they have prices better for faster speed services -they will become the norm. This idea that we should be locking down... this is another theme similar to the USO, don't lock down the solution, keep striving for a better solution. Wouldn't it be better that all Australians got at least 50 megabits a second? Because that's the norm today. Our customers and these days they're watching Netflix in one room and watching iPad in another, so you need more and more fast broadband in people's houses and all Australians need the faster speed and we need it so we can beat New Zealand.

JULIE McCROSSIN: Look, Teresa Corbin is the CEO of ACCAN, but also a beautiful assistant and she's going to move forward now in her beautiful assistant mode.

TERESA CORBIN: Never had this role before, it's great! Given that it's our 10-year anniversary we're doing something a bit different this year and we're going to acknowledge some of the champions in industry and consumers that have actually helped us get part of the way. So, our first champion that we want to acknowledge today is Vodafone for being a champion of innovation and my beautiful assistant the chairperson Deidre is actually giving the award. Maybe you could move forward to the banner. Get you lined up a bit better. This is because Vodafone were the first to move on international roaming packages, no lock-in contracts and also they've really been pushing the barrel when it came to 4G in the early days and we find they are the ones that really go out there and push the debates, particularly rural and regional, lots of things like that. Later on, you'll see the full blurb as to why we've chosen this award for them. But, congratulations, sir.

JULIE McCROSSIN: Thank you so much, I'm shocked to admit this to someone who's won an award and also as a sponsor, but I am an ageing baby boomer originally a primary school teacher and so I keep, as I tweet, trying to spell phone "ph", but that will finish by the end of the day. It will be with an "f" for me for the rest of my life!