Ladies and gentlemen, it's my great pleasure now to introduce our first speaker after lunch, the Shadow Minister for Communications, Michelle Rowland MP. Michelle, prior to parliament, was a senior lawyer specialising in competition and regulation in the telecommunications media and technology sectors. You must have been excited when you got this invitation. This is smack in your world. Member for Greenway and former deputy mayor of Blacktown, please welcome Michelle Rowland.

(APPLAUSE)

MICHELLE ROWLAND: Thank you very much, and good afternoon, everyone. I want to begin by acknowledging the traditional owners of the land on which we meet, and pay respects to elders past and present. It is a real pleasure to be speaking to you at this conference today. I want to also begin by congratulating ACCAN for organising this event. It's a great event. The live captioning and Auslan available for the attendees truly underscores what it means to make communications accessible. Teresa Corbin is now into her eighth year as CEO. The fact that we are here today talking about these issues is a testament to her candour and passion. I also want to acknowledge Johanna Plante - not just for her contributions as ACCAN chair, but for her contributions to this sector over three decades. I also know many staff at ACCAN have worked tirelessly over the years to advocate for universal access to communications. I'm sure you can take satisfaction in the legislation before the parliament which seeks to ensure all Australians will have certainty of access to high-speed broadband, irrespective of where they live or work, as well as the progress on USO reform which is taking place on a separate track. Prior to the establishment of ACCAN in 2009, consumers were represented through a group of predecessor bodies including the CTN and TeddyCorp. But with the introduction of the smartphone in 2007 and increasing networking generally, it was clear there was a clear need to ensure consumers had a stronger and more unified voice. ACCAN was formed in 2009 to achieve this objective, and it filled this important gap. Recent debates on the government's media ownership changes have reminded me of other areas where advocacy on behalf of Australian consumers and citizens in the broadcasting space has been sorely lacking. There was no voice such as ACCAN to represent citizen and consumer interests during the recent changes to media laws. Changes which are set to reduce the diversity of media voices in Australia, already one of the most concentrated media markets in the world, and changes actually opposed by 61% of Australians. Last year, a review into ACCAN was under way. The public consultation process attracted 65 submissions - the majority which supported their ongoing role. The minister has been sincere in his support for ACCAN. I was very pleased that, in February, the government expressed its support and accepted the recommendations of the review to extend funding until 2022. The theme of this year's conference is "Your place in the connected world" - and this envisages a time where everything can and will be connected. According to Gartner, that time is not too far away. The firm forecasts indicate that, by 2020, more than 20 billion devices will be connected. That's why we must increasingly focus on what the network can do for Australians - not just what the network is. The applications layer is where the benefits lie. The network layer is the enabler. That's why I've argued the nbn should never be considered as an end in and of itself. For Labor, the nbn has always been a means to an end. That end being a vibrant, world-class, internationally competitive digital economy. This feeds into a whole other economy narrative about the type of country we want to be, and the quality of life we want for our citizens. I want to touch briefly on the digital divide. Labor is deeply concerned about evidence of growing inequality around digital inclusion, as reported in the Australian Digital Inclusion Index released on August 1 this year - a joint initiative of Telstra and RMIT University and Roy Morgan. Across the nation, Australians with low levels of access, education and employment are significantly less digitally included. The index shows that, for people aged 65 and over, people with a disability and Indigenous Australians are particularly digitally excluded. There is still additional divide between rich and poor Australians. The index shows that, even while internet services are becoming less expensive, as the costs per gigabyte of data continues to fall, Australians are spending more time online and a growing proportion of their income on internet services. So as the internet becomes increasingly central in the lives of Australians, declining affordability has a disproportionate effect on households with less discretionary income to spend - already, the more digitally excluded groups. Inequality is not such some abstract concept. It's an economic problem. Unless action is taken, the digital divide will continue to widen. We believe government can play a constructive role in using the levers of public policy to make things better. Just yesterday, the government announced a consultation process that will - as my colleague Ed Husic put it - hopefully, possibly, just maybe, lead to a strategy for the digital economy being released in 2018. If the strategy wants to engage with issues of substance, it will recommend the government dusts off an act, for example, on the game report, which has been trapped on the minister's desk for over 500 days. Last year, the Senate committee tabled a report - Game On - more than playing around into the future of Australia's video game development industry. The report contained eight unanimous recommendations to advance the industry, which we understand has the capacity to solve high-value problems across our society and economy. The government is yet to respond to the report, but that is a necessity. That's because of what games can do for Australian people from all walks of life, across all professions, ages and abilities. As the Game On report says, the video game industry is at the forefront of applications that do more than just entertain. Already, serious games are used in a variety of sectors, including health, education, defence, emergency planning and urban planning, just to name a few. Application areas are as diverse as engaging a person recovering from stroke in repetitive rehabilitation arm movements, to delivering critical incident response training to emergency personnel, through to educating a child living with cancer about the impact of chemotherapy on them. Game-based applications can help people with MS improve their balance and mental skills, as well as assist in dementia care. Sound Scalps, for example, identifies hearing problems in preschool-aged children. This hearing game is a successful diagnostic tool that children can enjoy playing and which drives a targeted, cost-effective health-sector outcome. The potential for games will only increase, with developments in virtual and/or augmented reality technology, and the mainstream employment of this technology in a connected world. I'd like to move to consumer protection. Labor's strong advocacy for consumers derives from the enduring principle of fairness. The early iterations of Australian consumer laws reflected motivations such as fairness, basic quality standards, and fair prices. By the mid-20th century, expectations had changed. Increasing volumes of trade and cheap manufacturing led to a new mass of consumers who were increasingly aware of their emerging rights. These consumers were eager to see those rights extended and understood the pitfalls facing them in a rapidly changing market. This is not all that different to the smartphone revolution, which led to an increase in product complexity and bill shock. Indeed, it was the election of the Whitlam government in 1972 that brought urgency to the recognition of the role of consumers in ensuring effective markets. As noted by the Australian Treasury, under the guidance of the Attorney-General, the Honourable Lionel Murphy, it enacted consumer legislation along similar lines to the state fair trading legislation, but with a more ambitious scope, and emphatically linked the interests of consumers with the competitive operation of markets by combining consumer protections with competition law in the Trade Practices Act. I recount this history to emphasise that pro-consumer policies are not a zero-sum game. This is in our DNA because we truly believe it's good for consumers and good for the economy. When values determine your actions, it gives you authenticity, consistency, and a sense of priority. So let me provide a contrast. In recent months, NBN Co were asked two questions in Senate estimates. One question asked: "How much was spent on the next-gen marketing campaign since January 2017?" A separate question asked: "How much was spent on consulting engagements relating to customer experience and customer service in the previous financial year?" I'll tell you the answers - $9.5 million was spent on one of these initiatives. $2.6 million was spent on the other. I'll let you guess which was which. It says a lot about what's going on. Values play an important role in what you focus on, so I've been out there - myself and my colleagues - listening to consumers. And I note that the government is seeking to steer blame from a distance. But we are focused on that lived experience of consumers - not on spinning rollout statistics, just as the indicator of success. That's why so many Australians are frustrated. A recent Choice survey found that nbn users reported experiencing slow speeds and drop-outs 76% of the time. A recent survey by the NSW Business Chamber found 43% of NSW small businesses are dissatisfied with the nbn, costing them around $9,000 each. I can tell you firsthand that small businesses across the country are suffering, and I'm not just talking about coffee shops and accountants. I'm talking about stand-alone professionals and consultants. Because as we all know, the nature of work is changing. More work is now being done on a project basis. That means we need infrastructure and connectivity that people can rely on to work remotely or from where they live. Not just for one day here or there, but for decades, if they choose to. Meanwhile, complaints to the TIO are also hitting new highs. Did you know the TIO receives almost five times as many complaints as the financial services ombudsman? The sense of consumer discontent is palatable wherever you go. For many years, no matter how politely we might want to say this, this government has been a disinterested spectator. They're now being pressured into action on this issue, and this brings me to a juncture. Some of these problems have been framed as arising from an nbn land grab by retail providers. The emergence of this so-called land grab - more accurately described as intense, price-based competition - is no accident. It was man-made. You only have to look at the evidence. A fibre-to-the-premises nbn, as originally envisaged, would have cost $45 billion and be complete by 2021. The rollout would have passed over 27,000 brownfield premises at its peak, and remained largely steady that level through the end of the rollout. With the change of policy in 2013, the rollout was forced to pause at substantial cost to enable the multi-technology mix to start scale from scratch. To make the 2020 completion target, the rollout had to ramp up sharply in full-year '17 and full-year '18. The impact on this can be seen in the sharp increase from the steady 27,000 brownfield premises per week under an FTTP rollout to 70,000 brownfield premises per week in 2018 under the multi-technology mix - an almost three-fold increase in capacity. These figures tell a story about the flow-on impact to consumers. Surely if a government received a corporate plan which forecasts such a sharp increase in the operating profile, and you are genuinely looking out for the consumer, it would be prudent to ask a few questions. What impact will this have on the consumer? What steps can I take today to mitigate these impacts? What are the consequences if we don't act? Will this supply of customers in an intense period intensify price-based competition? If yes, what does this mean for the variable CVS cost and, in turn, the experience of the consumer? This government never asks those questions. They should have been asked in 2014 and 2015. Not in April 2017. On Monday night, I attended an nbn forum with Dr Anne Aly, the member for Cowan in Western Australia. Anne had recently undertake an broadband survey and wanted to provide some feedback to her community about the concerns they had articulated. We need proactive MPs like Anne to be open and honest with constituents about what they need and what they expect. Something has struck me - that constituents are very consistent in speaking about the things they value in a broadband service. These include speeds, price, customer service, and service levels and reliability. I want to touch on these because they are all in the nbn spotlight and worthy of a mention. Firstly, to price and speeds. nbn pricing continues to be a controversial topic. In competitive markets, we often see a trade-off between price and quality. In using the mobile market as an example, the ACCC chairman made some useful observations on this point. Mr Sims argued that having new entrants to the mobile market who cannot compete with Telstra on coverage should not be of concern, because not every consumer wants to pay the premium Telstra charges for its coverage advantage. Having mobile networks that differ from each other in terms of coverage, quality and consumer service will produce a range of offerings that cater to the needs of different segments. This means not every offering has to be the gold standard. And that is a good thing. So long as the offerings are transparent and consumers have a choice. This is a better outcome than the banking industry, for example, where there is little differentiation between the big four. The tension between quality and price is relevant to the current nbn debate. nbn pricing is currently based on a 2-tariff design. One element, known as the AVC - which is fixed. The second element, known as CVC, which is a variable. The fixed charge gets you access to the network, and the variable charge allows you to configure the quality of your service over the network. One feature of this pricing design is it provides scope for differentiation, whilst creating a framework where competition can cater for affordable, entry-level prices. This approach has merits if the underlying economics are sound and consumers have good information. The underlying economics of a fibre rollout were sound. This is why the ACCC approved the pricing framework for a $45 billion network and left nbn to manage its demand-side risks. A fibre nbn was well-suited to this task, because it preserves an indefinite performance and reliability edge. However, we now have a $49 billion multi-technology mix that costs more to maintain, delivers slower speeds, and will require expensive upgrades that could have been avoided. This network is also exposed to more wireless competition, generates less revenue from those willing to pay, and infuses an enormous amount of systems complexity into the project. Critically, for the taxpayer, none of these costs or risks are reflected in the $49 billion price tag. The long-term economics of the nbn have been compromised, and we have a pricing design that is increasingly not matched to the capabilities and economics of the network. There are no simple choices here, and difficult choices will have to be made. But in the interim, we need the ACCC's broadband speed monitoring program in place and operating soon, because good information is critical. Service providers must be clear and honest with their advertising. The promises they make must be backed in by the wholesale inputs they receive. We have a coregulatory approach in this sector, but general consumer law still exists for a reason. Consumers are telling us they cannot understand why broadband is treated like some separate or special category of service. They want the ACCC to take a stronger stand, because they expect truth in advertising. To be clear, taking action on advertising will not solve the underlying economics of the multi-technology mix. But it will mean the product better matches the label. Once we have that, the market can operate more efficiently than it does now. If some providers are charging a high price but not delivering better than average speeds, the monitoring will make that transparent. In contrast, if few providers are delivering optimal performance, the speed monitoring can differentiate those who choose to step into that void or are already doing so. We have learned the ACCC presented a proposal for the speed monitoring program to government in February 2016. It could have been up and running at the start of this year. Instead, it was sat on for 14 months. Consumers are suffering, and we need to get this moving. I now want to move to customer service. There are two common complaints I hear regularly about this topic. The first is blame-shifting between nbn and retail providers, and the second is the inability of the TIO to cut through this blame-shifting. This leaves the consumer stuck in the middle with nowhere to go. We know nbn and the industry must do better, and it comes down to basics. Across the supply chain, we need more clearly defined roles and responsibilities. Parties need to be accountable for their areas of responsibility. Retail providers are accountable to their customers, and in many respects to the TIO. Admittedly, it is really not clear who NBN Co is accountable to. And this, in my view, is not sustainable. The TIO has explained that it does not have formal powers to coerce nbn and retail providers to resolve issues. This is something Labor has been pressing for some time. So I was pleased to hear the ombudsman recently put forward that "having the authority to require all the relevant parties in the supply chain to cooperate with the TIO, and to provide information to the TIO, would assist with the resolution of complaints." The proposed changes to the terms of reference are a step in the right direction. In cases where the solution of fixing a problem is outside the scope of a retail provider, and within the control of NBN Co, it would be appropriate for the TIO to engage the entity best placed to resolve that problem. It just makes sense. We don't need to get caught up in the semantics of who has a contract with the customer. Let's just focus on the outcome. And the least costly way to achieve it. Our framework should provide incentives for that to happen. Accountability should align with responsibility. Amidst this discussion about complaints-handling, we should not lose sight that improving how complaints are handled is not a substitute for fixing the issues that generate complaints in the first place. The TIO is a tool of last resort, and it certainly should not be seen as a solution of first. We need to tackle the root causes, and this is where the industry is best placed to lead. Behind the public debate sits an important reality. Customer experience is a collective function of the systems, processes and people which the industry uses to coordinate its interactions. This is an operational endeavour where regulatory or coregulatory signals can tilt the balance when parties cannot agree on a sensible way forward. Just to give you an example - Telstra has developed extensive experience in designing systems and processes to enable efficient interactions with access seekers on its network. I think the new network owner can learn a few things here. It would be best served to learn them sooner rather than later. nbn should not be insisting on business rules which make it unreasonably difficult for service providers to escalate legitimate problems. This is not a recipe for success, because those problems will not go away. I am confident the industry can move in a better direction. It may require some creativity and give and take in terms of how we get there, but it's certainly possible. Lastly, I want to touch on service levels. We know service levels can arise in two ways, between a provider and the customer, and between the wholesale network operator and a retail provider. The former is typically achieved through regulatory or coregulatory mechanisms and, the latter through commercial contracts or standard forms of agreement between network owners and access seekers. It's no secret that customers have had extremely poor experiences during the installation and connection processes, as well as encountering difficulties when attempting to have faults with their nbn service rectified. I sense what has left many people stunned is not so much that these problems have occurred - Australians are reasonable, they recognise there will be disruption with an undertaking of this scale - but the public simply does not accept the lack of accountability in getting these problems sorted once they've been reported. Promises being made that aren't kept. Technicians being booked and people staying home all day for that booking, and then the technician doesn't arrive. Blame-shifting at every turn. This has a reputational impost on the industry, and it has an economic impost on those who do not have a service or who are giving up that personal business time to make appointments that don't materialise. We've had service-level regulation for the standard telephone service. Under these arrangements, there were minimum performance requirements such as a connection and fault repair time frames. If these time frames were not met, there was a remedy for the customer. At present, there are no meaningful service levels on the nbn. As the regional rural remote communications coalition has argued, "In an environment where consumers are passed between retail service providers and nbn, it is vital that lines of accountability between the wholesale provider and a customer are established. In order for consumers to use and benefit from services, there must be a minimum level of service - establishing this would provide the transparency and accountability which is currently missing." ACCAN has also noted that, while there are contractual arrangements between RSPs and nbn, these do not provide a safeguard for consumers and their services. Its submission to the nbn joint standing committee argued, "There needs to be clear lines of responsibility and standards which set out acceptable levels of network operations and services. Creating lines of accountability between the wholesale provider and a consumer is more likely to create a network responsive to consumer needs." Now, there's a common theme running through all these issues. It's a theme that I've talked about and listened to in about every corner of the country. Transparency. Accountability. Getting back to the basics. We need clear standards so consumers know what to expect. Right now, too much of it remains a mystery. In conclusion, I started this presentation with some basic principles. The challenge for any government, of course, is how to apply its principles in practice. The industry has good intentions. I know we want to deliver a better experience for our customers. Making improvements across a project as complex as the nbn isn't easy. If it were, it would have achieved those improvements by now. So I want to be clear that no-one expects perfection. But I tell you what consumers do expect - less buzzwords, and more progress. Start with the consumer. What information would help them? What information did they reasonably expect? What information would build trust and understanding? Define clear roles and responsibilities. Who is responsible for what, and are they best-placed to solve the problem? Then put accountability mechanisms in place. How can we better align accountability with responsibility? What incentives are there to be accountability? What incentives do you need to be accountable? And what action is needed to bring this about? I can assure you that Labor and myself in my role as Shadow Minister for Communications will continue to advocate for consumers and work with ACCAN. We will apply these questions to issues as they arise, and we will continue to pressure this government into action, where we judge that doing so advances the legitimate interests of consumers. Finally, we will continue to listen to the public, industry and stakeholders, engaging with them as we formulate policy to promote the long-term interests of end users. Thank you to ACCAN for organising this event - you are doing an invaluable job, and all power to your arm and your ongoing success.

(APPLAUSE)

JULIE McCROSSIN: Ladies and gentlemen, Michelle Rowland has to whiz to another commitment. I want to say, on behalf of everybody, thank you for a presentation that was rich in values but also in specifics. It was a really excellent presentation. Thank you so much. Please thank her.

(APPLAUSE)

I'm just going to give you another quick Bill Gates inspiration. Remember, there's a drone up for offer. "What would I do with a drone?" I don't want to frighten you, but Christmas is coming closer. This costs a motza. Price comparison sites - remember? 1999. "Automated price comparison services will be developed, allowing people to see prices across multiple websites, making it effortless to find the cheapest product for all industries." This guy's Nostradamus! Isn't that easy to predict? Or am I being taken in by American hype? Some of you weren't born in 1999! I think we have, also - we're going into a session on Smart Cities and connected cities, and we have what we're referring to in the technical team as Joke 9: "Caution, this light is about to turn yellow!" "This is the end of the sidewalk - stop!" "You are heading for this parking meter - veer to your right!" Thank you for teetering.

(LAUGHTER)

If you put something up called Joke 9, one's hoping for a humorous response! Ladies and gentlemen, we're now moving to our next session - Australian Smart Communities. Literally during lunch, I received a request to MC a conference on smart communities. Would you believe it? I hadn't heard that expression very often. Clearly, you've got your finger on the pulse in this room! We're going to look at the benefits of the and the challenges of connection within communities and cities, but also look at traps to consumers - on the other hand, do the benefits outweigh the challenges? Our first speaker is Catherine Caruana-McManus...? I beg your pardon. Caruana rhymes with "marijuana". That should have stayed in my mind. It shows you I'm an ageing baby boomer rather than a young thing! I'll be using it for pain relief any second, don't worry!

(LAUGHTER)