JULIE McCROSSIN: Ladies and gentlemen, it gives me great pleasure now to welcome another keynote speaker from NBN Co Gavin Williams, executive general manager for products at NBN Co and this is within the residential sales and marketing team which includes the development of fixed wireless and satellite portfolio work in regional Australia. His background is in engineering and an NBA and he spent 19 years in leadership roles with Optus. Please welcome, Gavin Williams.

GAVIN WILLIAMS: I started as a telecommunications engineer in Telstra, as well, but very much lapsed. Good morning, and thanks for inviting me to speak today and to celebrate the very notable milestone for ACCAN, being 10 years old. I'd also like to thank you very much for the award we received yesterday. I was very honoured to receive that with Sam on behalf of nbn. Sam's part of a team at nbn Local and they do a massive job. For those that think nbn is full of ivory towers in Sydney, we're not all like that. Sam and the team are out there every day reaching out to hear the voice and I almost, though, wonder one of the callouts in that award was for Sky Muster Plus. The award should have gone the other way, because we find it so valuable. Sky Muster Plus, it's a product development that's your product development, because it responded to your feedback and that's solid gold, which leads me to pay tribute to ACCAN as an organisation which has been a beating heart really for the industry for so many years that we look to keep us honest and help us do a better job every day. A massive wall of achievements for ACCAN over those many years and if I could just make an additional shout out to ACCAN in respect of what you say, an umbrella organisation that can amplify voices of special needs and of consumers across the spectrum. I get paid to stand here. Many of you do not get paid to sit there. When I think about the advocacy for some of you who aren't paid to do it, the Isolated Children's Parents' Association, you just want to get your kids a decent education. The better Internet for Rural and Remote just want to get broadband in the bush and I think it's incumbent on us to listen to you, because your care factor is immense and I'd like to pay tribute to you and thank you for all the work you do. (APPLAUSE) And, as I say, amplified so ably by ACCAN and this year's theme Communications and Consumers the next 10 years is particularly relevant for nbn, because it's our 10-year birthday, as well. (APPLAUSE) Somewhat notable, because we've got another CEO, a new CEO, Stephen Rue and for nbn we're reaching another inflection point in our journey where the build phase of our mission will come to a key inflection point at the end of June only 10 months away where the key part of our build is complete. So, with a corporate plan released a couple of weeks ago, our new CEO unveiled our new purpose. Andrew Penn talked about purpose and I think purpose in an organisation it's not just words on a page. It is a guiding star that leads the business, that defines what virtue looks like and Steven introduced our new purpose to lift the digital capability of Australia. So, if you unpack those words in a similar way that Andy unpacked the words of the purpose in Telstra's case, for me it's quite profound. It's very different from, for example, finish a project by 2020. The new purpose, it's all about making the customer the centre of everything we do so that we can be better positioned to help deliver the benefits of broadband to homes and businesses right across this vast continent. So today I'll be speaking on three topics. I'll give a quick update where nbn's at in terms of its roll-out and connectivity. I'll talk a bit about the work that we've been doing to improve the customer experience that we deliver day in, day out with a little bit of a focus on in-home and finally, how we intend to work with ACCAN and the industry to help the unconnected. But before we look at the future, I think it's worthwhile to see where we've come from and the incredible journey that nbn has been through over the last decade. In just 10 years the nbn network has been rolled out to more than 10 million homes and businesses. It's brought competition to the telco sector and the social and economic benefits that broadband delivers to millions of Australians. This, of course, hasn't been any ordinary infrastructure project. It's been one of the most complex and ambitious in the nation's history. I've mentioned that in just 10 months the nbn roll-out as we know it will be complete and it will be complete on time and on budget as more than 11.5 million homes and businesses are made ready to connect by the end of June 2020. The formation of the nbn network has completely recast the competitive landscape of the telecoms sector. It's boosted competition, improved telco services and fundamentally changed the way Australians live and work by offering universal broadband access right across the continent. Over the last decade nbn has scaled mountains, bored under rivers, laid submarine cables to connect islands and it's hauled through some of the busiest centres of the country to bring broadband to the nation's homes and businesses. Just to put this into numbers, some of these numbers, they're pretty staggering and I think it's worthy of reflection. Over the last year we've grown our connectible footprint by 3 million, so 3 million homes and businesses multiplied by 2.5 residents in each home, that's a lot of Australian residents and businesses able to connect to the nbn that weren't the prior year. To put that into perspective it's worth remembering that it wasn't until the end of 2015 that the first 3 million homes and businesses were able to connect to the nbn network, so a massive acceleration in the roll-out and a few years back when we stared into the growth that we needed to deliver the task of building the network by 2020 I stared at that curve that went up in a very steep northern direction and I just wondered how the team would do it. I'm part of the team and I'm proud to be part of the team, but the build team and the partners that we've employed to build and connect they have done an absolutely staggeringly positive job in that regard. And in the last financial year, we connected around about 1.5 million homes and businesses. So that's almost the number of homes and businesses in Sydney, so that connected in one year. It's an awesome achievement and we delivered nearly $3 billion of revenue and now, that would make us the fourth largest player in the telecommunications industry and we'd be on track to become the third largest over the coming year and subject to any mergers that might play out in the industry, of course. More than overall size and money we've been focusing on underserved areas in Australia. We've allowed new retail entrants to compete by improving how people connect with each other, by providing digital platforms that businesses need to drive and by laying infrastructure platforms that allow distance education and better health care to be delivered to Australians. We cover 1.5 million premises now that were previously identified as underserved, so by having low availability or quality. And that focus on serving those who need the nbn most has seen us complete 91 per cent of our regional coverage job versus an average of 83 per cent on the overall coverage, so that's a heavy bias towards serving the underserved and if you're thinking that's all Sky Muster coverage you might be surprised to know about 78 per cent of that coverage is covered by fixed line technologies. In talking about the roll-out, it's important to also remember on average, let's think about where we were, with ADSL2 + an average speed of about 7 megabits per second to now across nbn around 50 meg plus, in many of these areas that we're talking about the nbn roll-out has been the difference between having access to previously no broadband at all and, therefore, extraordinarily limited access to the essential capability that broadband provides. Now that the build is fast approaching completion, our focus is shifting from finishing the build and those big numbers I just spoke about, which as you can imagine is all-consuming for the organisation, shifting from that to ensuring that we deliver the best experience to customers that we can once they're on the nbn network. It's a critical inflection point as you could imagine in nbn's story and marks our transition to become a full-scale service delivery experience. It signals a lot more than signalling our intent in this area. I think we've got some runs on the board, but for us to be truly customer-centric we need to transform our thinking and think less about nbn being just an infrastructure provider and more about how it can be the fulcrum that balances a good customer experience by promoting good social and economic benefits that the network can deliver. There are many things that nbn as a wholesaler and the telco industry overall can do more to improve customer experience. I think we all acknowledge that, but between us we already know where customer experience can be better, and we know where it suffers most. We're acutely aware that a gap exists, and we need to work closer to ensure customers aren't caught in limbo when things go wrong. Particularly when the ownership of customer experience issues is blurry, or ill-defined. And it's not just about working together, it's about making sure we're in lockstep with the industry so when the problems occur, customers know who to go to, to get issues resolved quickly and effectively. We're already well advanced in our planning to address some of the more common issues that customers come up against and a good chunk of those lie within nbn's shop. There is a raft of initiatives that we've put in place to fix processes and upgrade networks. We've also been working very closely with industry to get visibility on in-home issues. It's funny when I think about if you're walking around with an electric heater you realise that you can't just point the power socket into the wall and it suddenly works. You don't think, "Oh no, my electricity doesn't work", you accept you've got to get an extension lead. In the case of Wi-Fi, not so much. But we know that much of the in-home experience can be the difference between a great broadband experience or a bad one. We've introduced programs to tackle the issue head on and recently launched a subsidised program to provide fibre-to-the-node customers with solutions to enhance internal wiring and under this program and our retailers request, we see an uplift in speed on average about 11 meg, sometimes much more than 11 meg. The other one is Wi-Fi. We're working through some education programs and some other techniques to enable us to, for example, detect where Wi-Fi could be an issue and help improve the Wi-Fi experience. So, using tools and network data to detect issues, inform customers and fix issues. While we know that some retailers have very robust programs in this regard not all do which is why the program and others in development will form an important part of our work to collaborate with industry. Time is coming up, but the most important thing I wanted to talk about today is, what about customers who aren't connected? As important as it is to lift customer experience it's also vital, we continue to deliver products that meet the needs of all Australians from basic broadband to businesses and enterprise. Once we've completed the network, our job doesn't end there. Our overall connection rate hasn't changed that much in our plans. Around 73 to 75 per cent. We've got to think of that roughly 25 per cent when the nbn rolls out through their suburbs why they don't sign up. After all, every additional home and businesses that connects to the nbn gets access to the benefits that broadband can provide. Earlier this year we commissioned economics firm Alpha Beta to commission underlying licence for those not connecting and what we found was insightful. In some ways it's obvious in hindsight, but it indicated very clearly that there was a few unconnected groups. The first, those who had no Internet at home. It makes up about half of the unconnected cohort. Half of that 25 per cent. Of those with no Internet, 65 per cent were deemed as low income and almost 50 per cent over the age of 60. Another group included those who've chosen mobile-only, which makes up about a third. Also heavily skewed towards low income, almost half renters and the average age about 50. Finally, the third group made up of non-nbn broadband at home and generally cost-conscious families. Three key themes -affordability, elderly, living alone and renters. They're very interesting insights not just for nbn, but the broader Telecoms market as it shows there exists a real gap that needs to be addressed and we've also looked at the Australian Digital Inclusion Index and our review of that also showed low levels of income, education and employment are significantly less digitally included. So, combining our assessment of ADII and our own Alpha Beta research we've identified three cohorts that we want to focus on – low-income Australians, those over the age of 65 and Australians with more transient lifestyles such as renters. We've got a range of factors here -affordability, understanding, so lacking knowledge on the benefits of broadband, the hassle factor, a perception that moving to the nbn can be a bit daunting and confusing. The flexibility factor which is about the need for a solution that's simple to turn on and off to adjust to a transient lifestyle. So, we continue to engage with ACCAN and the industry on a range of issues that are important to these groups to understand what we can do and in June as we've heard today actually we engaged on a pricing review and ACCAN's been very active in that. It's sought to get input into balancing industry economics with affordability. We'll shortly be issuing the next round of consultation on this front and we thank Teresa and ACCAN very much for their contribution so far and look forward to working more closely. But one of the things we're going to be consulting on is a range of what we can do to explore affordability options. So, programs to help low-income households connect. It will involve potentially the creation of plans and programs to allow subsidisation of the costs of broadband connection to those who genuinely lack the capacity to pay for their broadband connection. As many of you are aware, we're currently canvassing a range of options in that regard. We're also doing a bit of work to see whether there's more we can do to help seniors on board, additional support at the time of connection to make that an easy process. We have a range of programs that we're characterising as enlightenment programs, so putting our hand in our pockets to support education and engagement programs through Zest Fest, get on-line week coming up on October 15. So, the nbn's aim is to connect all Australians, no matter where they live, to ensure they have the same opportunities to the economic and social good that access to fast broadband can unlock and together with the industry, I'm confident that we can achieve this. Connection of the network is already in sight next June and we're immensely proud of the work that's being done there, but work on lifting customer experience and ensuring that this vital piece of communications infrastructure can be accessed and exploited will all -well, that's just going to continue. Thank you. (APPLAUSE)

JULIE McCROSSIN: Thank you very much. I'm so looking forward to engineering questions, but if you're unfortunate enough not to be an engineer, please feel free to ask a question or make a comment. Who would like to kick off, guys? How excellent, my friend from Western Australia.

>> Key element is getting people connected, but we've also then got to keep them connected. Particular reference to fixed wireless and satellite. My concern is that there is no process in place for when the equipment runs out of its life, the satellite equipment and electronic equipment. Last year's conference asked a question still waiting for answers, but the answers I did get was over the next 25 years there will not be customer-located equipment operated by nbn -the modems won't have to be replaced. I don't believe that. In the funding for non-commercial losses it was outlined fixed wireless every five years, satellite every seven years. Being told now that's not going to happen, but you're still expected to get the money for it. The rural customers are the ones who are going to lose out with up to 90 days restoration time. Is there a plan to replace equipment? Do you expect it to last 25 years, or are we being fed a furphy?

GAVIN WILLIAMS: I'm happy to chat with you later about what we're doing to maintain services. We maintain and back our services. In the case of fixed wireless, we roll out, we've rolled out a new frequency band in many cases that sees us going out and replacing those wireless network terminating devices with new versions. If a satellite service goes down, we'll send crews out to whenever in Australia or it could be Tiwi Islands whenever to maintain those services. One of our obligations to maintain those services and we take it seriously and back our products.

>> Further on from that, the proposed charge, $7.10 which has changed in the Budget and the legislation didn't pass, it lapsed. One of the key elements is, it's based on the cross-subsidy that nbn already includes it in the wholesale prices for the fibre customers. But the key element in the inquiry and the ACMA report to the parliamentary note said a) we haven't asked NBN Co how much the cross-subsidy is and b), we do not expect a price rise. Has anyone gone to nbn and said, if the legislation goes through, will there be a price rise? It's open opportunity for nbn to say it's tax legislation, government has imposed it and we can put our price up. Can we get a commitment there will be no price rise if it's set at $7.10 for the wholesale level?

GAVIN WILLIAMS: I can talk about the writing instructions for nbn at a point in time and our writing instructions have an effectively a price cap on a wholesale price. I can tell you that the fixed wireless and satellite networks aren't big money spinners, but they are incredibly important nation-building assets which we are very happy to invest in and the purpose that Stephen Rue set out in lifting the digital capability, he sees a level of focus on the areas covered by those products as, if anything, needing more attention than we've given to date.

>> Hi, I'm Isabel Roe from multicultural disability advocacy association. I'm just asking about -you're saying if people needed to have assistance with setting up the nbn. For example, you said you would get them to the Tiwi Islands, who would be paying for that? Would it be the customer themselves?

>> So, we're looking at a range of options and I guess that's the point. What can we use as examples? We took the view we needed to do more for medically vulnerable members of our community, and we introduced a monitored medical alarm scheme and subsequently an unmonitored medical alarm scheme. I wouldn't want to presuppose what our solutions I alluded to the seniors’ program we intend to consult on would look like in terms of the money flows, but... I don't want to be forced to close out on who pays for what but let me say our intent on it would be to acknowledge that any financial burden would struggle to be covered by the individuals we're seeking to help.

>> And, will there be assistance available in languages other than English?

>> Typically, we take a multilingual approach. We take it very seriously. We will need to, is the simple answer and maybe we could work better with you to make sure that the programs we come up with actually do cut the mustard in that regard.

>> Hi. Thanks, Gavin and Robert Morsillo, Telstra. Interested in the low income stuff generally and this might be just more of a comment than a question, but the transient and we know in the mobile sector that a lot of low income people use prepaid and so manage the whole thing, when I need to use it I can pay for it and it's always occurred to me over the last 20 years we've never been able to do anything quite like that in the fixed line area. If you could get to that point where renters or people who want to manage it in that sort of way, can one envisage a prepaid type of broadband that's always there when you need it and you pay for it when you need it so to speak as a way of extending obviously the availability and affordability and so on?

>> I love the provocation and I totally agree with you and there's a net affordability question which we'll be litigating as part of that consultation, but notwithstanding that, the access to being able to pass credit ratings or hard months versus good months, a lot of those issues can be resolved with a prepaid style product. We've thought somewhat deeply in this and I reckon the building blocks are there. Nbn charges on a monthly basis. I think it is within the capacity of the industry and nbn to offer prepaid solution. It could be prepaid monthly in advance. It's something that could be considered, but the building blocks are there. You could foresee... I don't know, heaven forbid a carrier with a mobile capability having a modem that can be carried around from one home to another, plugged in, registered via a 4G network, for example, prepaid, you're on.

JULIE McCROSSIN: Sorry, that was such a lovely dream. I've got two gentlemen. I'm going to go slightly into our morning tea, and we'll extend at the other side and sort it out.

>> Tony, how likely is it that nbn will adopt innovative solutions to improve customer service from the industry? How is the engagement going to be? I understand that nbn can be quite semi government type of structure. Are you going to go through a tender process, or is there another engagement opportunity?

>> Semi-government, we're a government business enterprise and I mean our procurement processes are vigorous procurement processes. There's two parts of your question. One is the procurement side and more importantly what's our intent on exploiting emerging technologies to do a better job of maintaining our network? There are great opportunities for us to look at the real customer experience through probes, for example, something that take account of the real lived fixed Wi-Fi experience within a home. Stuff that traditionally is a layer to access pipe nbn can't just see to enable on an industry level us to do a better job so the retailer and nbn collectively can pinpoint an issue if it's -I've heard from some carriers that Wi-Fi problems, for example, can constitute 50 per cent of their issues so we have a great interest in exploiting developments in telco, Wi-Fi sniffing for example, robotics to diagnose problems before a customer sees them and building that into our processes.

JULIE McCROSSIN: Got a gentleman here.

>> Andrew O'Connor from Digital Tasmania. If I could pick up Robert's point about prepaid nbn services. There is a provider that offers this in Tassie and the Australian Capital Territory called Longtel and I did work for them for a time. There's no connection fee and you pay per day. They're told nbn charges per day so you can from your mobile on 4G activate the service as you're heading to your shack for the weekend, have it on in as little as 20 minutes at home a few hours and then it's on just for those 24-hour periods, calendar day that you have it on for and then you turn it off, so that's an option perhaps for renters for people that are on the move. You provide your own equipment and it's very low-cost.

>> Thank you for correcting me, we do prorate.

>> Hi, I'm Monica from Comm Stay. Vocus have claimed this morning that ACCC has the power to regulate its pricing, because the 2013 agreement is void by not being updated. Do you agree with that?

>> I'm kind of in the fortunate position of standing up here post-pricing consultation paper number one ahead of a second pricing consultation paper that's due to be released in the coming week or so. I'm not in a position to talk about specifics in that pricing consultation, because we are on the cusp of releasing the nbn position on it.

>> I was just going to ask what's ahead in the pricing consultation? You're kind of saying you can't talk about that.

GAVIN WILLIAMS: The next week or so you'll have plenty of material in that pricing consultation to get your teeth into.

JULIE McCROSSIN: Is there anyone who'll burst if they don't ask a question? It can be destabilising to an event!

>> Kim Hilton-Carry from Telstra. I was just interested in the purpose you talked about as lifting the digital capability of Australia, which I think we absolutely applaud and I think Telstra's seen in terms of the uptake of their nbn 50 plans that has played a really positive role in uplifting the digital capability of Australia and I was interested in your views of speed mix on the nbn going forward and the uptake of the high speeds and what role you might see that playing in fulfilling that purpose?

GAVIN WILLIAMS: Yeah, and without talking about pricing paper, I mean there is a great opportunity I think across speed mix for us as an industry to deliver the sorts of solutions that different types of consumers want and need. You're right, we've seen a massive lift in the average speed across nbn's customer base on the back of some of the moves that the 50 megabit per second. Our networks innately are capable of more and I think there's quite an exciting opportunity to exploit these networks for all that they're worth to deliver the sorts of speeds that can benefit the sorts of people that want those speeds.

JULIE McCROSSIN: Ladies and gentlemen, what a pleasure it is to have so many engineers in one room. It's just a tremendous experience. I'm so sorry I'm too old to start another degree. Could you please thank Gavin Williams for his presentation and questions? (APPLAUSE) We're going to have a slightly shorter morning tea, so I will start us again at 11 with a lucky door prize. It's time for morning tea. Thank you.

(Morning tea)