

November 17, 2014

NBN Panel of Experts
Department of Communications
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Delivered by email: NBNReview@communications.gov.au

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Statutory Review under section 152EOA of the Competition and Consumer Act 2010

The Property Council of Australia welcomes the opportunity to provide input on the Statutory Review under section 152EOA of the Competition and Consumer Act 2010 investigating Carrier License Conditions for internet service providers.

The Property Council represents the \$670 billion property investment industry in Australia. Our 2,000 member firms and 55,000 active industry professionals span the entire spectrum of the property and construction industry.

Our members operate across all property asset classes—including office, shopping centres, residential development, industrial, tourism, leisure, aged care, retirement and infrastructure.

The provision of fibre cables for NBN has significant implications for the property industry and the residential development sector in particular.

The Property Council supports the consideration of the issues associated with internet providers being able to connect over the last kilometer of optical fibre to apartment building basements. Telecommunication services, especially internet services, are considered minimum standard for new homes such that marketability is severely affected if they cannot be guaranteed.

To this end, it is important that choice of internet service provider is available to prospective home buyers in apartment developments and that there is proper regulation in this area to avoid unintended consequences, including:

- Buyers not getting NBN service as promised or expected;
- a perception that telecommunications facilities are compromised; and
- fibre cabling delivered by NBN co is often of a poorer quality than that promised.

Access issues in residential and office buildings

Notwithstanding the important competition issues addressed in this review, the industry is concerned that unabated access to apartment and office buildings (permitted under amendments to the Telecommunications Act associated with the NBN) are potentially exacerbating the problem of carriers not fulfilling their obligation to ensure a proper standard of installation for new fibre wiring.

The NBN has increased the number of facilities that can be installed without a building owner's consent, which increases the likelihood of problems.

Although particular issues can be cited, building owners believe that more attention needs to be provided by NBN providers to:

- provide sufficient notice or information before undertaking work within a building;
- maintain critical safety standards, to avoid creating WHS and fire hazards;
- not impede building maintenance by inappropriately installing cables and other equipment within common areas such as ceiling spaces;
- use space more efficiently and remove redundant equipment from buildings which otherwise leads to clogged risers and tenant areas;
- properly label equipment and document work which otherwise makes it difficult for owners to manage their buildings and rectify issues;
- supervise and audit contractors who install equipment in buildings; and
- compensate building owners for costs associated with:
 - providing space for installing equipment within their buildings;
 - managing carrier equipment installed within their buildings.

The property industry supports the introduction of a stringent framework for NBN providers installing telecommunications equipment in buildings. Our solutions include:

- clear, regulated requirements for carriers to engage with building owners;
- model access terms and conditions;
- a properly enforced code of access; and
- better guidance materials for building owners and managers.

These views are reflected in the Property Council's submission to the NBN Cost-Benefit Analysis and Review of Regulation provided earlier in 2014.

If you have any further questions regarding the Property Council or our position on NBN provisioning please do not hesitate to contact myself or William de Haer, Policy Manager for the Residential Development Council at wdehaer@propertyoz.com.au

Yours Sincerely,



Nicholas Proud
Executive Director—Residential Development Council
Property Council of Australia