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M E D I A R E L E A S E

21 December 2010

Survey of NBN trial area shows NBN price concerns

- Residents and businesses in trial NBN area of Smithton surveyed by Senator Richard Colbeck
- Results show most would not pay the Gillard Government's expected NBN basic price.

Responses to a survey of Smithton residents and businesses about their NBN experience indicate concerns about the future price of broadband services through the NBN.

Tasmanian Liberal Senator Richard Colbeck said more than half of the survey respondents said they would not pay \$56 per month for a basic NBN service as was stated in the Gillard Government's NBN business plan.

"The survey clearly indicates respondents are not willing to pay anymore for their internet service," Senator Colbeck said.

"The Gillard Government's basic price for the NBN is beyond the means of average Tasmanians especially those on low incomes.

"The Gillard Government's expected basic price for an NBN service is \$56 per month.

"That is almost twice the cost of the basic service in the trial in Smithton. (\$29.95 with Internode or iiNet).

"In my survey of Smithton residents and businesses, 37 per cent of those who are currently using the NBN service indicated they weren't prepared to pay anymore for the service than they already pay on a trial basis.

"56 per cent of residents indicated they were not willing to pay more than \$10 per month than they already pay for their NBN service.

"In addition, almost 40 per cent of all respondents, many of who are not connected to NBN, indicated they weren't prepared to pay anymore for NBN than they already pay for non-NBN services.

"The Gillard Government is already borrowing and using tens of billions of taxpayers' dollars for the NBN. It should not punish taxpayers twice by removing the current options for low cost broadband."

Details of NBN Survey of Smithton Residents and Businesses

Question: If you currently have ADSL broadband and in the future were moved over to the NBN without choice, how much more would you be willing to pay for your service?

0	1-10	10-20	20-30	30+
39%	13%	9%	16%	23%

Analysis:

- 39% of all survey respondents indicated they weren't prepared to pay anymore for internet services than they already pay.

Question: Understanding current services are provided at an introductory cost, what price increase would you be willing to pay for the same service?

0 (\$/month)	1-5	5-10	10-15	15-20	20-30	30+
37%	4%	15%	4%	4%	7%	30%

Analysis:

- 37% of survey respondents who are currently using the NBN service indicated they weren't prepared to pay anymore for the service than they already pay on a trial basis.
- 56% of residents indicated they were not willing to pay more than \$10 per month than they already pay for their NBN service.