

**From:** Peter Holdenson  
**Sent:** Sunday, 23 March 2008 1:07 PM  
**To:** National Broadband Network Taskforce  
**Subject:** Submission for broadband from member of public

The below was written in January 2007 and I understand that now the Australian Broadband Guarantee fulfils some of the roles described below.

I have a German engineer staying with me named Karsten and he and I had a long discussion about TV and broadband in Europe and he said that 70% of people had Satellite TV and a large percentage Satellite Broadband in Germany and we discovered it was because it was free whereas in Australia you have to pay. There is a zero incremental cost per subscriber for TV as the airwaves are free. He said the satellite service is provided by private enterprise and paid for by advertising on TV and pay for use channels and optional chargeable channels. I assume because you need the telephone for internet page requests and uploads then you have to pay a small fee to dial up and logon to the ISP.

The advantages of satellite are that you can have many TV channels, about the same as with cable, and the internet downloads are very fast and the disadvantages are that local news is unavailable and the uploads are very slow as it uses the telephone line.

So this sounds perfect for the country people in Australia as satellite provides a very wide coverage with no incremental cost per subscriber as no wires are needed.

The government could subsidise everyone who is out of range of wired broadband to connect to the existing Australian Satellite Internet services and with the right persuasion of a promise of millions of subscribers the subsidised charge could be very low as the incremental cost is really just the telephone gateway and the internet backbone volume cost. A reasonably low charge can be negotiated with the threat that the government could provide the satellites and cross subsidise the charges with the rental of bandwidth to providers.

Certainly the country people can immediately have TV with the mailing of set top boxes and cards to anyone in postcodes that do not have multiple TV channels of course they would still have to get a satellite dish. The TV service providers can get extra income by providing optional channels and pay per use channels that would require payment by the subscriber to use.

Peter Holdenson