

TAX TALKS

Australia's Tax News Podcast - The Podcast for Australian Tax Professionals

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For most of us, our accounting software and connected apps sit in the cloud. Which means that we are completely dependent on our internet connection.

Internet Connection

Since this internet connection is so vital for all of us, we should know more about it. So we asked David Lewis, Chairman of [Omnis Software Ltd](#) in the UK as well as CEO of The DLA Group in Sydney how the internet works. How can we get a stable and fast connection?

Here is what we learned but please listen in as David Lewis explains all this much better than we ever could.

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Solutions

If your practice has a poor internet connection, there seem to be three solutions.

1 Hot Spot

The first one – and only a short-term solution – is to get everybody in your practice to just hotspot their laptops and go straight to 4G, circumventing the NBN.

2 Fix the NBN

The second one is to basically fix the NBN. If you already have NBN, you probably have fibre to the node but then copper or HFC from the node to your premises. So the second solution is to pay to replace this copper or HFC with fibre. And of course this is not a cheap exercise but it is less expensive if several parties in your street or building join forces and share the expense.

3 Go Alternative

And the third option is to connect to an alternative fibre network like TPG that is only fibre and fibre all the way to the building.

NBN

The original strategy for Australia's national broadband network (NBN) had been fibre to the premises (FTTP). But then for cost reasons it was decided to use part of the old networks that are already in place, particularly in the cities. So this is how we ended up with fibre to the node (FTTN) and then copper or HFC from the node to the premises. At the start NBN had enormous difficulties using these HFC connections.

The problem with this approach is that you still have old technology within your network. And as you know a chain is only as strong as its weakest link. The same applies to networks. A network is only as fast as its slowest link.

Alternative Networks

Telstra, Optus and now NBN are not the only networks out there. There are alternative fibre networks. And there are suppliers who can provide a fibre connection through one of these alternative networks. These connections are usually fibre to the building. Everyone in that building then has the option to connect to a fully fibre based network.

One example of such an alternative network is TPG. TPG run their own fibre network. And specifically service businesses in the cities.

Speed

In terms of internet speed Australia is at about the 50th place in the world. We have an average speed of 11.1mbps. Countries such as Norway, Sweden, Hong Kong, Switzerland, Finland, Singapore, Japan and Denmark are way ahead of us. So are countries like Lithuania, Czech Republic, Romania, Latvia.

Yes, those countries are physically smaller than Australia. And that is part of the problem. We have wide distances to cover.

But we have been limping behind for well over 20 years. This is not a new issue. Our availability of fast internet has always been very poor because it has been hobbled by poor decisions.

Summary

Our internet speed would vastly improve if we had FTTP. Yes, it is more expensive. But many countries – many a lot less affluent than us – have managed to do just that. So why can't we?

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