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Appendix C – Correspondence to Senator Xenophon



PRIME MINISTER
PARLIAMENT HOUSE
CANBERRA ACT 2600

Senator Nick Xenophon
Senator for South Australia
Parliament House
CANBERRA ACT 2600

23 NOV 2010

Nick
Dear ~~Senator~~ Xenophon

I am writing after our discussions yesterday to confirm the package of measures we have agreed with you to facilitate the passage through the Parliament of the Telecommunications Legislation Amendment (Competition and Consumer Safeguards) Bill 2010.

First, the Government agrees that there is a valuable and ongoing role for parliamentary committees to properly scrutinise the implementation of policies. With this in mind and in the interests of accountability and transparency, the Government will move to establish a Joint Committee on the National Broadband Network (JCNBN) to provide progress reports every 6 months to the Parliament until the completion of the project. The composition of this Committee will mirror the Joint Committee of Public Accounts and Audit. The JCNBN will report on rollout progress, report against the final business plan, assess risk management processes and look at other matters the Committee determines are relevant to its deliberations. The Committee will commence its work from 1 July 2011 and will draw on any relevant material from the Standing Committee on Infrastructure and Communications which is due to report back by August 2011. The Committee would be able to call witnesses including MP's and Senators about the performance of the NBN or other matters of local interest.

Second, I can confirm that government agencies and officials including the Australian Competition and Consumer Commission, the Productivity Commission, the Australian Communications and Media Authority as well as NBN Co will, if required, be able to appear before or contribute advice to the JCNBN. The scope of this advice will be consistent with the purposes of the JCNBN as outlined in the second paragraph above, namely to consider the rollout and implementation of the NBN. The Government will be writing to the Productivity Commission and the Australian Consumer and Competition Commission to advise these arrangements.

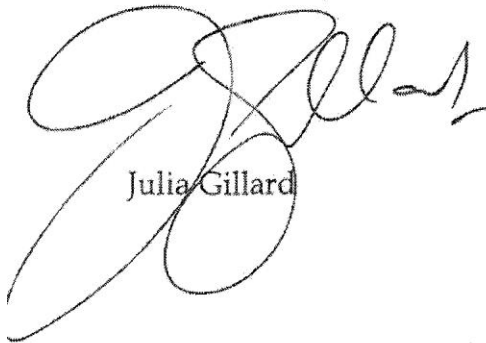
Third, NBN Co has provided additional information to build on the five points raised in Mr Quigley's letter dated 19 November 2010 regarding the NBN Co

business plan. The information attached, provided by NBN Co, takes account of commercial sensitivities and other sensitivities relating to NBN Co. I understand that Mr Quigley has agreed to brief you shortly.

Finally, there are a number of amendments to the Bill that we discussed yesterday that I am prepared to consider that go to transparency and looking after the interests of consumers. I have asked Senator Conroy to agree wording with you.

The Government regards the NBN Co as a signature economic reform and this Bill, involving the structural separation of Telstra, as a key plank in its microeconomic reform agenda. Passage of the legislation this week is crucial to finalising the Agreement between Telstra and NBN Co and therefore providing Telstra shareholders with certainty. The Government is focused on ensuring the NBN Co is delivered in an efficient and cost-effective manner. I regard the above package of measures as a substantial contribution to ensuring public accountability on this important nation-building project and I trust I have your support in securing the passage of this Bill.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Julia Gillard', written over a printed name.

Julia Gillard