



Submission 3.2

**Australian Government**  
**Department of Broadband, Communications  
and the Digital Economy**

our reference 48-2012

**Peter Harris**

Secretary

Mr Robert Oakeshott MP  
Chair  
Joint Committee on the National Broadband Network  
Parliament of Australia  
PO Box 6021  
Parliament House  
Canberra ACT 2600


Dear Mr Oakeshott

I am writing to you to provide your Committee with a copy of corrigenda to the Broadband, Communications and the Digital Economy Portfolio Budget Statements 2012-13, Budget related paper No. 1.3, which will shortly be tabled by the Department of Finance and Deregulation, consistent with normal Budget documentation tabling procedures.

The corrigenda correct two errors relating to the Government's investment in the NBN Co. While the total of \$20.1 billion over the Forward Estimates remains unchanged, the errors show inaccurate distributions, year-by-year. Both errors were the result of a version control mistake in the Department.

I have attached the corrigenda and the Department will also update the document on its website.

Yours sincerely

  
Peter Harris  
( 4 May 2012

*BROADBAND, COMMUNICATIONS AND THE DIGITAL ECONOMY PORTFOLIO*

*CORRIGENDUM – REPLACES PAGE 6*

## **PORTFOLIO RESOURCES**

The major portfolio initiatives include:

- \$20.1 billion in equity funding to the NBN Co over the Budget and forward years. These are further instalments of the Australian Government's equity commitment to the NBN Co, starting at \$5.8 billion in 2012-13, peaking at \$6.6 billion in 2013-14, falling to \$4.1 billion in 2014-15 and \$3.6 billion in 2015-16;
- \$143.2 million over five years, commencing in 2011-12, to assist free-to-air television broadcasters to relocate their digital television services, where necessary, to new television channels agreed by the ACMA, and to support project management and public communications costs. The restack will enable the digital dividend spectrum to be freed up to deliver next-generation communications;
- \$53.5 million over four years to assist free-to-air broadcasters to relocate part of their electronic news gathering functions to alternate radiofrequency spectrum, to free up spectrum in the 2.5 gigahertz bands for next-generation communications;
- \$158.1 million over five years to the SBS to:
  - ensure it remains a vibrant and dynamic broadcaster and continues to provide comprehensive and innovative television, radio and online services, including high-quality programming, in the new media landscape; and
  - establish a free-to-air national Indigenous television channel in the second half of 2012 to be available through the full reach of SBS's terrestrial network and on the Viewer Access Satellite Television (VAST) service; and
- \$7.6 million to the ABC for the transition of radio services to the Government-funded VAST satellite platform on completion of the switchover to digital only television across Australia, thereby ensuring that an estimated 10 million Australians in regional, rural and remote areas have access to improved ABC radio services.

Portfolio Budget Statements 2012-13  
BUDGET RELATED PAPER NO. 1.3

BROADBAND, COMMUNICATIONS AND THE DIGITAL ECONOMY PORTFOLIO

CORRIGENDUM – REPLACES PAGE 23

(\$'000)	Estimated actual 2011-12	Budget estimate 2012-13	Forward estimate 2013-14	Forward estimate 2014-15	Forward estimate 2015-16
Annual Administered expenses:					
International Organisations					
Contributions	5,330	5,164	5,164	5,209	5,252
National Broadband Network					
- Implementation	20,000	-	-	-	-
Special Account expenses:					
National Broadband Network					
- Telstra Retraining Funding Deed	100,000	-	-	-	-
National Broadband Network					
- Telstra Other	321,555	-	-	-	-
Expenses not requiring appropriation in the Budget year <sup>1</sup>					
International Organisations					
Contributions	(67)	79	-	(20)	(19)
National Broadband Network					
- Regional Backbone Blackspots Program	8,531	13,564	13,564	13,564	13,343
Annual Departmental expenses:					
Program support	27,194	23,982	23,394	25,687	27,159
Expenses not requiring appropriation in the Budget year <sup>1</sup>	1,433	1,635	1,462	1,762	2,244
<b>Total program expenses<sup>2</sup></b>	<b>483,976</b>	<b>44,424</b>	<b>43,584</b>	<b>46,202</b>	<b>47,979</b>

1 Expenses not requiring appropriation in the Budget year is made up of depreciation expenses, amortisation expenses, makegood expenses and audit fees.

2 The expenses above do not include the equity funding to be provided to the NBN Co over the period 2011-12 to 2015-16, which is as follows:

		2011-12	2012-13	2013-14	2014-15	2015-16
	Program	\$b	\$b	\$b	\$b	\$b
NBN Co.	1.1	2.1	5.8	6.6	4.1	3.6
<b>Total</b>		<b>2.1</b>	<b>5.8</b>	<b>6.6</b>	<b>4.1</b>	<b>3.6</b>