

The Senate

Select Committee on the
National Broadband Network

Final report

May 2016

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Committee Membership

Core Members

Senator the Hon Kate Lundy, Chair (to 1 April 2015)	ALP, ACT
Senator Anne McEwen, (From 1 April 2015, Chair to 13 May 2015)	ALP, SA
Senator Jenny McAllister, Chair (from 14 May 2015 to 12 November 2015)	ALP, NSW
Senator the Hon Jan McLucas, Chair (from 12 November 2015)	ALP, QLD
Senator Zed Seselja (to 30 June 2014, Deputy Chair to 30 June 2014)	LP, ACT
Senator Cory Bernardi, (from 1 July 2014 to 3 March 2015, Deputy Chair 10 July 2014 to 3 March 2015)	LP, SA
Senator the Hon Arthur Sinodinos, (from 3 March 2015 to 12 October 2015, Deputy Chair 5 March 2015 to 12 October 2015)	LP, NSW
Senator the Hon David Johnston, (from 15 October 2015, Deputy Chair from 15 March 2015)	LIB, WA
Senator the Hon Lin Thorp (to 30 June 2014)	ALP, TAS
Senator Catryna Bilyk (from 1 July 2014)	ALP, TAS
Senator the Hon Stephen Conroy (Chair , 6 December to 20 December 2013)	ALP, VIC
Senator Scott Ludlam	AG, WA
Senator the Hon Anne Ruston (to 12 October 2015)	LP, SA
Senator Dean Smith (to 4 February 2016)	LP, WA
Senator Linda Reynolds (from 12 October 2015)	LIB, WA
Senator Joanna Lindgren (from 4 February 2016)	LP, QLD

Participating members who contributed to the inquiry

Senator Deborah O'Neill (ALP, NSW) replaced Senator Kate Lundy from 13 December 2013 to 19 December 2013.

Senator Anne McEwen (ALP, SA) replaced Senator Catryna Bilyk on 12 March 2015.

Secretariat

Mr David Sullivan, Committee Secretary

Ms Casey Mazarella, Senior Research Officer

Ms Shannon Ross, Administrative Officer

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Chapter 1

Report

1.1 The purpose of this report is to enable the evidence received by the committee to be tabled by the last sitting day of the 44th Parliament.

1.2 On 14 November 2013, the Senate established the Select Committee on the National Broadband Network to inquire into and report on the government's reviews of the National Broadband Network (NBN) and the governance of nbn (formerly NBN Co) with interim reports as the committee sees fit and a final report on or before 10 June 2014. On 14 May 2014, the Senate agreed to extend the date for the presentation of the committee's final report to the last sitting day of the 44th Parliament.¹

1.3 The committee's terms of reference identify the following areas of inquiry:

- the establishment of the government's strategic review of the NBN including:
 - the adequacy of the terms of reference,
 - the selection of personnel and expert advisers to the review,
 - the data provided to the strategic review, in particular, any variation between that data and data used by NBN Co in preparing its annual report and corporate plan, and
 - the impact of the strategic review on the operational effectiveness of NBN Co;
- the outcome of the strategic review of the NBN, including:
 - the extent to which the review fulfilled its terms of reference,
 - the reliability of assumptions made in the review, including, inter alia, the cost of alternative network equipment, the revenues of NBN Co under alternative scenarios, construction requirements and access to Telstra's copper network,
 - the implications of any alternatives considered for the long-term structure of the industry, in particular, the structural separation of access networks from retail operations, and
 - any other matters arising from the strategic review;
- the establishment and findings of the government's cost benefit analysis;
- the conduct and findings of the government survey of the availability of broadband in Australia; and
- any related matter.²

1 *Journals of the Senate*, No.28, 14 May 2014, pp 795-796.

2 *Journals of the Senate*, No. 3, 14 November 2013, p. 133.

1.4 The committee held eight public hearings between November 2013 and March 2014 and tabled its first interim report on 26 March 2014. The committee held eight public hearings after the tabling of the first interim report and tabled its second interim report on 19 March 2015. The committee held a further four public hearings following the tabling of the second interim report. The twenty hearings held to date have taken place in Canberra, Sydney, Melbourne, Hobart, Perth and Terrigal (NSW).

1.5 The committee received 102 submissions and supplementary submissions which are listed at Appendix 1, and a significant number of answers to questions on notice, additional information and correspondence which are listed at Appendix 2.

1.6 The committee thanks all those who assisted with its inquiry including those who have made submissions and given evidence at hearings.

Senator Jan McLucas
Chair

Appendix 1

Submissions

1. Competitive Carriers' Coalition
2. Central Coast Community Union Alliance
3. Gosford City Council
4. Mr Carl Sudholz, Fast Task Tools Pty Ltd
5. Mr Derek Bell, Lucid Web Design
6. Mr David Abrahams, Central Coast Broadband Alliance
7. Mr Grant Booth
8. Mr James Hodgson
9. Councillor Linda Scott, City of Sydney Council
10. Innovative Synergies
11. iiNet
12. Mr Kenneth Tsang
13. Queanbeyan City Council
14. Alexandrina Council
15. Ballarat ICT Limited
16. Name Withheld
17. Mr Chris Gibbs
18. NORTH Link
19. Mr Jamie Clingin
20. Ms Leah Lothringer
21. Mr David Saunders
22. Griffith City Council
23. Albury City Council
24. Aurora Gaming
25. Mr Nick Assiouras
26. RP & JA Anderson
27. Dr Craig Watkins
- 27.1 Supplementary to Submission 27
28. Mr James Chisholm

29. City of Darebin
30. Name Withheld
31. Mr Duncan Hames
32. Willoughby City Council
33. Yarra Ranges Council
34. Tasmanian State Government Department of Premier and Cabinet
35. City of Greater Geraldton
36. Mr Bryan Walpole
37. Mr Gavin Raper
38. Mr Paul Goossens
39. City of Melton Council
40. Future Party
41. Mr Robert Hill
42. Mr Andrew Thornton
43. Mr Paul Murphy
44. Bundaberg Regional Council
45. Mr Alister Walker
46. Mr Richard Ure
47. City of Bunbury
48. Mr Gavin Lynch
49. Mr Fred Andronikos
50. Mr Matt Wilkinson
51. Mr Mark Ryan
52. #MyBroadbandvReality
53. City of Victor Harbor
54. Ms Janet Scott
55. Mr Paul Maybon
56. Mr Steve Ulrich
57. Renown Wolf
58. City of Sydney
59. Mr Dick Garner
60. City of Nedlands
61. Mr Robert Lindstrom

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62. Regional Development Australia - South West / South West Development
 63. Mr David Fuller
 64. Mr Paul Aslin
 65. City of Whittlesea
 66. Ms Nicola Bussell,
 67. Evocities
 68. Mr Conrad Fuller
 69. Mr Paul Di Berardino, Proeye Communications and Security Systems
 70. NBN Alliance
 71. Mr Paul Budde, BuddeComm
 72. Mr Nick Maxfield
 73. Ms Carolyn Armstrong
 74. Mr Dagmar Dixon
 75. Mr Michael Lansley
 76. Ms Jacqueline Brody
 77. The Warren Blackwood Alliance of Councils (Inc)
 78. Ms Susan Hirst
 79. Ms Annie L-Wells
 80. Mr Mohammad Mawla
 81. Mr Mark Campbell
 82. Mr Joshua Tefay
 83. Mr Jacob Griffiths
 84. Wagga Wagga City Council
 85. Ms Virginia Bidwell
 86. Mr Cameron Watt
 87. Name Withheld
 88. Mr Shannon Wynter
 89. Mr James Imray
 90. Northern Melbourne Regional Development Australia Committee
 91. Mr Rhys Pitman
 92. Dr Peter Gerrand
 93. ACT Government
 94. Name Withheld

- 95. Mr Ronnie Morris
- 96. Mr Ray Barbero
- 97. Telstra Corporation Limited
- 98. Fastel
- 98.1 Supplementary to submission 98
- 99. Name Withheld
- 100. Confidential
- 101. Kym Drew
- 102. Ms Anna Shaw

Appendix 2

Additional information, answers to questions on notice and correspondence

Additional information received

1. CEPU photographs tabled at public hearing 28 November 2013, Canberra
2. NBN Co Opening Statement at public hearing 11 December 2013, Canberra
3. Letter - tabled at public hearing 29 November 2013, Canberra
4. Letter from the Minister for Communications, the Hon Malcolm Turnbull MP, regarding release of unredacted copy of the NBN Strategic Review at public hearing 17 December 2013, Sydney
5. Power point presentation, CEPU and ETUWA at public hearing 29 January 2014, Perth
6. CEPU document tabled at public hearing 4 February 2014, Hobart
7. CEPU photographs tabled at public hearing 4 February 2014, Hobart
8. CEPU document tabled at public hearing 4 February 2014, Hobart
9. Letter from Chair of Senate Select Committee on the National Broadband Network to Executive Chairman NBN Co regarding outstanding answers to Questions on Notice, 10 February 2014
10. Letter from the Chair of the Senate Select Committee on the National Broadband Network to Minister for Communications regarding outstanding answers to Questions on Notice, 28 February 2014
11. Letter from Executive Chairman NBN Co to Chair of the Senate Select Committee on the National Broadband regarding outstanding answers to Questions on Notice, 28 February 2014
12. Letter from Chair of Senate Select Committee on the National Broadband Network to Executive Chairman NBN Co regarding outstanding answers to Questions on Notice, 7 March 2014
13. The NBN Update, tabled by Mr Kenneth Tsang at public hearing 5 May 2014, Sydney
14. PowerPoint presentation - NBN Co, tabled by Senator Conroy at public hearing 5 May 2014, Sydney

15. PowerPoint presentation - Cost-Benefit Analysis and Review of Regulation Panel of Experts, tabled by Senator Conroy at public hearing 5 May 2014, Sydney
16. Paper, "Getting Some Reality into Debates about NBN FTTP", tabled by Mr Robin Eckermann at public hearing 19 May 2014, Canberra
17. PowerPoint presentation shown by Senator Conroy at public hearing 11 July 2014, Canberra
18. PowerPoint Presentation - tabled by Senator Conroy at public hearing 26 September 2014, Canberra
19. Letter tabled by Senator Lundy at public hearing 26 September 2014, Canberra
20. Letter tabled by Senator Conroy at public hearing 3 October 2014, Canberra
21. PowerPoint Presentation - NBN Co, tabled by Senator Conroy at public hearing 3 October 2014, Canberra
22. Letter from Department of Communications, clarifying evidence given at public hearing on 3 October 2014, Canberra
23. Information about Fibre-to-the-node trail at Umina received from Telstra, 27 May 2015.
24. NBN Opening Statement at public hearing 14 September 2015, Canberra
25. nbn - Opening Statement - Mr Bill Morrow, tabled at public hearing 15 March 2016, Canberra
26. Broadspectrum - Opening statement - Mr Stuart Nevison, tabled at public hearing 15 March 2016, Canberra

Answers to Questions on Notice

1. Index & Answers to Questions on Notice - public hearing - 28 November 2013, Canberra
2. Index & Answers to Questions on Notice - public hearing - 29 November 2013, Canberra
3. Index & Answers to Questions on Notice - public hearing - 11 December 2013, Canberra
4. Index & Answers to Questions on Notice - public hearing - 17 December 2013, Sydney

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5. Index & Answers to Questions on Notice - public hearing - 29 January 2014, Perth
 6. Index & Answers to Questions on Notice - public hearing - 4 February 2014, Hobart
 7. Index & Answers to Questions on Notice - public hearing - 11 March 2014, Terrigal
 8. Index & Answers to Questions on Notice - public hearing - 12 March 2014, Sydney
 9. Index & Answers to Questions on Notice - public hearing - 5 May 2014, Sydney
 10. Index & Answers to Questions on Notice - public hearing - 19 May 2014, Canberra
 11. Index of Questions on Notice - public hearing - 11 July 2014, Canberra
 12. Answers to Questions on Notice - public hearing - 11 July 2014, Canberra
 13. Index of Questions on Notice - public hearing - 26 September 2014, Canberra
 14. Answers to Questions on Notice - public hearing - 26 September 2014, Canberra
 15. Index of Questions on Notice - public hearing - 3 October 2014, Canberra
 16. Answers to Questions on Notice - public hearing - 3 October 2014, Canberra
 17. Index of Questions on Notice - public hearing - 2 and 4 December 2014, Canberra
 18. Answers to Questions on Notice - public hearing - 2 and 4 December 2014, Canberra
 19. Index of Questions on Notice - public hearing - 12 March 2015, Canberra
 20. Answers to Questions on Notice - public hearing - 12 March 2015, Canberra
 21. Answers to Questions on Notice - public hearing - 17 April 2015, Melbourne
 22. Index & Answers to Questions on Notice - public hearing - 14 September 2015, Canberra
 23. Foxtel - Answer to question on notice from public hearing held on 4 March 2016 (received 31 March 2016)
 24. Broadspectrum - Answer to question on notice from public hearing held on 15 March 2016 (received 7 April 2016)

Correspondence

1. Letter from Mr David Sullivan, Committee Secretary to Visionstream - invitation to public hearing in Hobart on 4 February 2014, dated 20 January 2014
2. Letter from Visionstream Australia to Mr David Sullivan - response to invitation to public hearing in Hobart on 4 February 2014, dated 24 January 2014
3. Letter from Chair to Visionstream Australia - regarding invitation to public hearing in Hobart on 4 February 2014, dated 31 January 2014
4. Letter from Visionstream Australia to Chair - regarding invitation to public hearing in Hobart on 4 February 2014, dated 3 February 2014
5. Letter from Chair to Chairman of NBN Co regarding outstanding answers to questions on notice, 23 June 2014
6. Letter from Chair to Secretary of Department of Communications regarding outstanding answers to questions on notice, 23 June 2014
7. Letter from Chairman of NBN Co to Chair - response on outstanding questions on notice, 26 June 2014
8. Letter from Drew Clarke, Secretary, Department of Communications, 8 July 2014
9. Letter from Chair to Mr Bill Hilzinger, Chairman, Southern Phone Company Limited, 18 July 2014
10. Letter from Chair to Mr David Buckingham, CEO, iiNet Ltd, 18 July 2014
11. Letter from Chair to Mr David Thodey, CEO, Telstra Corporation Limited, 18 July 2014
12. Letter from Chair to Mr Geoff Horth, CEO, M2 Telecommunications Group Limited, 18 July 2014
13. Letter from Chair to Mr Greg Provenzano, President, ACN Pacific Pty Ltd, 18 July 2014
14. Letter from Chair to Ms Kelly Mudford, Acting CEO, Telecommunications Universal Service Management Agency, 18 July 2014
15. Letter from Telstra Corporation Limited to Chair - response to in letter 18 July 2014