

**Senate Standing Committee on Environment and Communications**

**Answers to Senate Estimates Questions on Notice**

**Additional Estimates Hearings February 2016**

**Communications Portfolio**

**nbn**

**Question No: 147**

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**Hansard Ref: Written, 22/2/2016**

**Topic: Opex spend**

**Senator Urquhart, Anne asked:**

On page 14 of NBN Co's Half Year Results 2016 presentation, NBN Co sets out its opex spend for the quarter.

	\$m	6 months to	
		31-Dec-14	31-Dec-15
Other		160	192
Employee Expenses		176	284
Telecom & Network Expenses		226	376
<b>Total</b>		<b>562</b>	<b>852</b>

- (a) How much of the growth in Employee Expenses pertains to the growth in NBN Co's IT staff numbers?
- (b) Are IT contractors working at NBN Co included in this amount?
- (c) What are NBN Co's employee expenses for IT staff, to date?
- (d) What is NBN Co's forecast for IT opex spend by FY2022?

**Answer:**

- (a) The costs for nbn IT staff are reported under both operating expenses and capital expenditure therefore growth in staff numbers is not correlated directly to reported Employee Expenses.
- (b) Not applicable.
- (c) Due to the necessity of accessing detailed historic records and changes in the way IT staff costs have been reported in prior years, it would be an unnecessary diversion of resources to attempt to accurately calculate this figure.
- (d) Due to ongoing commercial negotiations with IT vendors the forecast for IT operating costs to 2022 is commercial in confidence.