Question No: 361

Program No. NBN Co Limited

Hansard Ref: In Writing

Topic: Brisbane Rollouts

Senator Fisher asked:

Despite the Brisbane floods, is NBN Co still planning to start the NBN rollout in North Brisbane and Springfield Lakes in the first half of this year?

Answer:

Commencement of design in Brisbane North and Springfield Lakes is forecast for the second half of 2011 with build implementation activities forecast to commence in the first half of 2012.

Question No: 362

Program No. NBN Co Limited

Hansard Ref: In Writing

Topic: Brisbane Rollouts

Senator Fisher asked:

Will the Brisbane contractors be required to install NBN equipment or cables in areas that have been affected by the recent floods?

Answer:

Yes.

Question No: 363

Program No. NBN Co Limited

Hansard Ref: In Writing

Topic: Brisbane Rollouts

Senator Fisher asked:

Does NBN Co know how many contractors will be required to install the NBN in North Brisbane and Springfield Lakes? Will NBN Co guarantee that the installation will not disrupt the reconstruction efforts of Brisbane?

Answer:

Until detailed design work is completed in the second half of 2011, the number of contractors required cannot be accurately gauged. NBN Co has been in close contact with the state government authorities on the rollout timing and is confident that the reconstruction activities will not be disrupted.

Question No: 364

Program No. NBN Co Limited

Hansard Ref: In Writing

Topic: Brisbane Rollouts

Senator Fisher asked:

Given the Brisbane floods, has NBN Co considered the potential take-up rate of installations to homes that may be preoccupied with flood rebuilding efforts?

Answer:

NBN Co is currently focussing its FTTP footprint planning on sites beyond the First and Second Release sites but has written to the Queensland Government and Ergon Energy offering them support in rebuilding and replacing damaged infrastructure and exploring joint deployment opportunities as communications infrastructure is replaced or repaired.

Question No: 365

Program No. NBN Co Limited

Hansard Ref: In Writing

Topic: Brisbane Rollouts

Senator Fisher asked:

Will the roll-out in Brisbane operate under opt-out provisions similar to those being implemented in Tasmania?

Answer:

Mainland states would need to enact their own appropriate opt-out legislation but this will be a matter for individual state and territory governments. NBN Co will continue to engage proactively with all governments, councils, communities and individual residents to ensure a smooth rollout.

NBN Co Limited

Question No: 366

Program No. NBN Co Limited

Hansard Ref: In Writing

Topic: Brisbane Rollouts

Senator Fisher asked:

Has NBN Co factored in any impacts upon revenue and profits to the NBN if Brisbane proceeds with the i3 Asia Pacific network?

Answer:

The i3 proposed network in Brisbane has been widely reported as having being cancelled by the Brisbane City Council.

Question No: 367

Program No. NBN Co Limited

Hansard Ref: In Writing

Topic: Brisbane Rollouts

Senator Fisher asked:

Does NBN Co believe that there is the potential for similar networks to be installed in other Australian cities, and has NBN Co taken this into consideration when modelling the risks and revenue pressures in its business case?

Answer:

The rollout of the NBN will not prevent third parties from building or upgrading their own fibre networks. NBN Co assumes in its Corporate Plan 2011-2013 regulatory protection to prevent opportunistic cherry picking as set out in the Government's Statement of Expectations letter of 17 December 2010.

Question No: 368

Program No. NBN Co Limited

Hansard Ref: In Writing

Topic: Peak numbers of Homes Installed Daily and Labor Market Issues

Senator Fisher asked:

The NBN business case states that a full deployment rate of almost 6,000 premises will be passed per day during the NBN rollout, and that this will occur in Financial Year 2014. How many release sites will be having the NBN rolled out to them when the deployment rate reaches 6,000?

Answer:

These details are calculated by NBN Co for internal planning and modelling purposes and are not publicly disclosed at this stage.

Question No: 369

Program No. NBN Co Limited

Hansard Ref: In Writing

Topic: Peak numbers of Homes Installed Daily and Labor Market Issues

Senator Fisher asked:

Does the peak deployment rate of 6,000 premises include both residence and business premises?

Answer:

The peak deployment rate of 5,900 premises per day includes both residential and business premises.

Question No: 370

Program No. NBN Co Limited

Hansard Ref: In Writing

Topic: Peak numbers of Homes Installed Daily and Labor Market Issues

Senator Fisher asked:

Does NBN Co believe that 6,000 premises a day is a realistic target?

Answer:

The peak rate of 5,900 premises passed per day (assuming a 9.5 year rollout and 250 working days per year) has been benchmarked against rollouts in other countries and results indicate that the target run rate of 1.5 million premises passed per year is achievable.

Question No: 371

Program No. NBN Co Limited

Hansard Ref: In Writing

Topic: Peak numbers of Homes Installed Daily and Labor Market Issues

Senator Fisher asked:

How many workers are required to install the NBN at a single premise – on average? How long on average does it take each installation?

Answer:

This data is not yet available but learnings from our Stage One sites in Tasmania are currently being collated and examined. Average installations times and numbers of installers per premises will not reflect likely outcomes once volume rollout is underway across the country. These early rollout sites are designed to provide feedback to inform the volume rollout and to improve construction and installation techniques, community engagement and communication.

Question No: 372

Program No. NBN Co Limited

Hansard Ref: In Writing

Topic: Peak numbers of Homes Installed Daily and Labor Market Issues

Senator Fisher asked:

Does NBN Co know how many workers will be required to rollout the NBN when it reaches its full deployment rate of 6,000 homes each day?

Answer:

Based on a successful deal with Telstra, NBN Co estimates that 16,000-18,000 workers will be required at the peak of volume rollout.

Question No: 373

Program No. NBN Co Limited

Hansard Ref: In Writing

Topic: Peak numbers of Homes Installed Daily and Labor Market Issues

Senator Fisher asked:

Can NBN Co provide information regarding the average salary offered to contractors who are charged with installing the NBN?

Answer:

NBN Co is unable to provide details of salaries of contractors as these payments are not directly visible to the company.

Question No: 374

Program No. NBN Co Limited

Hansard Ref: In Writing

Topic: Peak numbers of Homes Installed Daily and Labor Market Issues

Senator Fisher asked:

It has been reported that wages for engineers and network designers could spike due to the increased demand caused by the NBN. Have wage Sensitivities been modelled into the costings of the rollout?

Answer:

Yes, NBN Co's business case has modelled several scenarios around labour productivity and wage increases.

Question No: 375

Program No. NBN Co Limited

Hansard Ref: In Writing

Topic: Peak numbers of Homes Installed Daily and Labor Market Issues

Senator Fisher asked:

In terms of employee workplace conditions and wages, who will be tasked with negotiating with trade unions, will it be NBN Co, or will it be the private contractors charged with rolling out the NBN in specific areas?

Answer:

NBN Co has 4 enterprise agreements with national application to cover components of its direct staff that set wages and conditions for those employees in the next three and a half or so years.

With respect to private contractors, under the National Code of Practice for the Construction Industry, 2009 guidelines NBN Co cannot require or attempt to unduly influence (either through the tending process or otherwise) subcontractors or suppliers to have particular workplace arrangements in place. Wage and conditions of employment are a matter for respective employers, employees and their representatives, including trade unions.

Question No: 376

Program No. NBN Co Limited

Hansard Ref: In Writing

Topic: Peak numbers of Homes Installed Daily and Labor Market Issues

Senator Fisher asked:

Has NBN Co modelled any wage rises into its business case financial estimates?

Answer:

Yes – refer answer to Question 374.

Question No: 377

Program No. NBN Co Limited

Hansard Ref: In Writing

Topic: Peak numbers of Homes Installed Daily and Labor Market Issues

Senator Fisher asked:

The Communications Electrical and Plumbing Union have called for annual pay rises of 5 per cent for contractors engaged in the NBN rollout. Will workers employed on the NBN receive such a pay increase?

Answer:

Refer answer to question 375.

Question No: 378

Program No. NBN Co Limited

Hansard Ref: In Writing

Topic: Peak numbers of Homes Installed Daily and Labor Market Issues

Senator Fisher asked:

What are the wage rates that contractors employed to install the NBN in its first release sites currently receive? What is the annual pay increases that these workers receive?

Answer:

Refer answer to question 375.

Question No: 379

Program No. NBN Co Limited

Hansard Ref: In Writing

Topic: Small communities not receiving Fibre

Senator Fisher asked:

Is it still NBN Co's intention to only install fibre to communities with a population that exceeds 1,000 people?

Answer:

NBN Co's current network planning for the fibre footprint includes the assumption that, where transit backhaul passes communities with greater than 500 <u>premises</u>, the fibre footprint may be extended to cover these communities. Further, as the network rollout proceeds, if there are small towns along existing transit network or backhaul routes and there are opportunities for coinvestment with state or local governments, an extension of the fibre footprint may be considered.

Question No: 380

Program No. NBN Co Limited

Hansard Ref: In Writing

Topic: Small communities not receiving Fibre

Senator Fisher asked:

If so, can NBN Co provide the Committee with a list of all towns with less than 1,000 people and which will not receive a fibre connection?

Answer:

Towns with 500 to 1,000 premises will receive fibre access services if they fall within the transit network corridors.

Question No: 381

Program No. NBN Co Limited

Hansard Ref: In Writing

Topic: Small communities not receiving Fibre

Senator Fisher asked:

NBN Co's business case states that fibre will be rolled out to all communities with greater than 500 premises that are passed by the transit backhaul routes. How many communities with less than 500 premises will be passed by the fibre transit backhaul routes, and not connected to fibre?

Answer:

Under current network planning guidelines no community with less than 500 premises, even if passed by the fibre transit backhaul routes, will be connected to fibre unless network extension arrangements are put in place between NBN Co and the local communities.

Question No: 382

Program No. NBN Co Limited

Hansard Ref: In Writing

Topic: Small communities not receiving Fibre

Senator Fisher asked:

In general, will it cost NBN Co less or more to install the NBN in wireless or satellite communities when compared to fibre?

Answer:

Generally it will be less costly to install wireless and satellite to premises within the last seven per cent of the country than with fibre.

Question No: 383

Program No. NBN Co Limited

Hansard Ref: In Writing

Topic: Small communities not receiving Fibre

Senator Fisher asked:

What are the different cost pressures involved in installing fibre as opposed to either wireless or satellite?

Answer:

The cost to serve premises is based on a number of factors, including the density of premises. This is what drives a fibre solution in more densely populated areas up to 93 percent of premises and then a combination of wireless and satellite to serve the remaining 7 percent. As densities fall, wireless and satellite become more cost effective access technologies to deploy.

More information on the capital expenditure of associated with the rollout can be found in NBN Co's Corporate Plan, particularly on page 135.

Question No: 384

Program No. NBN Co Limited

Hansard Ref: In Writing

Topic: Small communities not receiving Fibre

Senator Fisher asked:

A spokesman for NBN Co, Andrew Sholl said on February 3 that "the maps upon which people are basing their assumptions (in terms of rollout locations and where fibre will be available) are indicative only. As we undertake more detailed analysis, we'll be able to inform residents of the definitive boundaries." Is this still the case?

Answer:

Yes, NBN Co proposes to publish more detailed maps of the fibre, wireless and satellite footprints as the rollout progresses in communities.

Question No: 385

Program No. NBN Co Limited

Hansard Ref: In Writing

Topic: Small communities not receiving Fibre

Senator Fisher asked:

If NBN Co have not finalised the boundaries for the NBN rollout, and what areas will receive fibre, satellite and cable, how can the NBN model the costs of the rollout with any certainty?

Answer:

In modelling the costs of the network footprints for all three technologies, NBN Co has conducted detailed geospatial analysis but the precise footprints will only be known when the company completes detailed suburb-by-suburb designs. As part of its modelling, NBN Co has included contingencies for such factors as changed footprint boundaries.

Question No: 386

Program No. NBN Co Limited

Hansard Ref: In Writing

Topic: Small communities not receiving Fibre

Senator Fisher asked:

The new Tasmanian state Minister for Infrastructure, Development and Innovation has stated he will lobby NBN Co over the exact location of fibre and wireless, and will demand that more towns are connected to fibre. Has NBN Co started re-negotiating with the Tasmanian government regarding the location of fibre sites?

Answer:

NBN Co has not entered into further discussions with the Tasmanian Government about the fibre footprint in Tasmania. However, the Government's advice to NBN Co in its *Statement of Expectations* letter of 17 December 2010 is that it expects the company to explore mechanisms for a community to fund the extension of the fibre network.

Question No: 387

Program No. NBN Co Limited

Hansard Ref: In Writing

Topic: Small communities not receiving Fibre

Senator Fisher asked:

Does NBN Co know which towns the Tasmanian Minister will be lobbying for in terms of having them connected to fibre? If so, what are they?

Answer:

NBN Co is not aware of which towns the Tasmanian Minister may be referring to.

Question No: 388

Program No. NBN Co Limited

Hansard Ref: In Writing

Topic: Small communities not receiving Fibre

Senator Fisher asked:

Can NBN Co outline the negotiations it has held with other state and territory governments concerning rollout sites and which locations will be installed with fibre?

Answer:

NBN Co has not had negotiations with state and territory governments concerning rollout sites or the design of the fibre footprint.

Question No: 389

Program No. NBN Co Limited

Hansard Ref: In Writing

Topic: Small communities not receiving Fibre

Senator Fisher asked:

When does NBN Co believe that negotiations will be concluded with the States and Territories, and when will a final map be completed showing the locations of fibre, wireless and satellite locations?

Answer:

Refer answer to Question 388.

Question No: 390

Program No. NBN Co Limited

Hansard Ref: In Writing

Topic: Small communities not receiving Fibre

Senator Fisher asked:

Again, if negotiations have not concluded with State and Territories, and a final map of rollout locations has not been finalised, how can NBN Co model the rollout expenses with any certainty?

Answer:

Refer answer to Question 385.

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Broadband, Communications and the Digital Economy Portfolio

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Question No: 391

Program No. NBN Co Limited

Hansard Ref: In Writing

Topic: Educational and Promotional Campaigns

Senator Troeth asked:

[Mike Quigley] mentioned educational and promotional campaigns in areas such as Brunswick, and I think you mentioned that you did hold one or more. How many people would have attended? Did the interest build?

Answer:

NBN Co has conducted information sessions in each of the five first release sites on the Australian mainland and the three pre-release sites in Tasmania. The information sessions were well attended with more than 1,000 residents in attendance across all of the sessions and interest has built as the public becomes more aware of their purpose.

The number of attendees for each of the information sessions (approximate only) were:

Midway Point, TAS: 87 Scottsdale, TAS: 117 Smithton, TAS: 105 Armidale, NSW: 134 Willunga, SA: 110 Brunswick, VIC: 130

Kiama Downs & Minnamurra, NSW: 180

Townsville, QLD: 200

Question No: 392

Program No. NBN Co Limited

Hansard Ref: In Writing

Topic: Caliburn Report

Senator Xenophon asked:

Have you seen the full Greenhill Caliburn report commissioned by the Government into NBN Co's corporate plan?

Answer:

NBN Co has not been provided with a copy of the full Greenhill Caliburn report to the Government.

Question No: 393

Program No. NBN Co Limited

Hansard Ref: In Writing

Topic: Caliburn Report

Senator Xenophon asked:

If not, have you reviewed the seven-page Executive Summary?

Answer:

Yes, NBN Co has received the Executive Summary of the Greenhill Caliburn Report as it was publicly released by the Minister on 14 February 2011.

Question No: 394

Program No. NBN Co Limited

Hansard Ref: In Writing

Topic: Business Case

Senator Xenophon asked:

In your business plan, you have allowed for 13 percent of the market to stay with wireless. Have you done modelling for a situation where the wireless market is 20 percent, for example?

Answer:

NBN Co has undertaken a lot of different modelling and analysis for its Corporate Plan and Business Case but the company's Corporate Plan 2011-2013 represents its judgement based on analysis.

Question No: 395

Program No. NBN Co Limited

Hansard Ref: In Writing

Topic: Business Case

Senator Xenophon asked:

What is the business outcome for NBN Co under a 20 percent wireless share?

Answer:

Refer answer to Question 394.