

Senate Standing Committee on Environment and Communications
Answers to Senate Estimates Questions on Notice
Additional Estimates Hearings February 2012
Broadband, Communications and the Digital Economy Portfolio
Department of Broadband, Communications and the Digital Economy

Question No: 195

Program No. 1.3

Hansard Ref: In Writing

Topic: ABC/SBS Boards

Senator Birmingham asked:

Given this is not matter for the ABC but one for the department, I will just flag that, when the department come back on under broadcasting after dinner, they might like to provide the costs of the appointment process for the chair and other board vacancies.

Answer:

The expense incurred on the appointment processes for the ABC Chair and all other board vacancies (5 ABC and 5 SBS) from 1 July 2008 to 31 January 2012 was \$525,719.49 (exclusive of GST).

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Department of Broadband, Communications and the Digital Economy

Question No: 196

Program No. 1.3

Hansard Ref: Pg 103 (14/02/2012)

Topic: SA VAST numbers

Senator Birmingham asked:

Senator BIRMINGHAM: In relation to South Australia, my home state, where the regional switch-over occurred ahead of Queensland, do you have data for how many towers may have been upgraded or not upgraded and residents who are expected to transfer over to VAST?

Ms O'Loughlin: I will have to take that on notice. With regard to South Australia, though, while we have done regional South Australia, we have just opened some of our schemes in remote South Australia, so I would not have the numbers for those. It is usually in those remote areas where the self-help towers are. I am happy to take it on notice and provide a figure for the regional part of it, but it may be that we will not have the figure on the remote part for some months yet.

Answer:

The following table provides summary information on progress with conversion of self-help towers across South Australia. Conversion has been completed in regional SA and is underway in remote SA. The Adelaide metropolitan area is not due to switch to digital until late 2013. As a result, the figures below are work in progress.

Region	Self-help towers converted by broadcasters	Self-help towers not converted by broadcasters or self help licensees	Estimated numbers of households expected to go to VAST via the Satellite Subsidy Scheme	Number of households receiving VAST via the Satellite Subsidy Scheme
Regional SA	Quorn Burra (SBS only) Orroroo (ABC and SBS only)	Melrose Wilmington	298	295
Remote SA	Nil	46 (43 licensees)	Approximately 4000	TBC
Adelaide	TBC	TBC	Approximately 1250	TBC

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Question No: 197

Program No: 1.3

Hansard Ref: In Writing

Topic: SSS Asbestos

Senator Birmingham asked:

- a. On how many instances has asbestos been uncovered during satellite installation?
- b. What additional costs are associated with such installations?
- c. What is the total additional cost associated with such installations to date?

Answer:

- a. Service contractors are required to report where asbestos containing material is present or presumed and actions taken to minimise risk in satellite installations. For the period 27 July 2011 to 5 March 2012, head service contractors Hills Holdings Limited (trading as Techlife Solutions) and Skybridge (Australia) Pty Ltd, contracted for delivery of the Satellite Subsidy Scheme (SSS) in Queensland, advised of 163 instances of asbestos containing material being present or suspected of being present in the intended installation area.
- b. Additional costs include training, implementation of safe work method procedures and personal protective equipment.
- c. The department has yet to receive final invoices for these installations.

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Question No: 198

Program No. 1.3

Hansard Ref: Page 103 (14/02/2012)

Topic: Digital Switch

Senator Birmingham asked:

How are analogue self-help licence holders expected to make informed decisions about upgrading their facilities to digital when the conditions the ACMA will require them to meet have not yet been finalised? Will the Department delay its decision deadline for councils until after these conditions have been made available?

Answer:

In February 2012 the ACMA concluded its consultative process and published guidelines for assessment of applications for the retransmission of digital television services. The ACMA guidelines were made available to the public via the ACMA website on 24 February 2012.

Prior to February 2012, interim draft guidelines were available to facilitate applications from self-help licence holders. The guidelines, both in their interim and final form, outline the matters the ACMA will take into account when deciding whether to make spectrum available to a self-help retransmission applicant under section 34 of the *Broadcasting Services Act 1992*.

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Question No: 199

Program No. 1.3

Hansard Ref: In Writing

Topic: HAS

Senator Birmingham asked:

- a. To date how many eligibility letters have been sent to potentially eligible customers since the commencement of the program? How many people have opted into the scheme?
- b. Please detail installations by electorate to date.
- c. Have any technicians/installers been flown interstate to carry out work under the HAS? Please provide details including costs and all approved flights.

Answer:

- a. As at 2 March 2012, a total of 581,668 invitation letters have been sent to potentially eligible people in the regions of Mildura, Regional South Australia, Regional Victoria, Regional Queensland and Regional Southern and Central New South Wales, ACT and Murrumbidgee Irrigation Area. In some cases, duplicate letters are sent to registered nominees of potentially eligible people; in others there may be multiple letters sent to one household where potentially eligible people are sharing accommodation, e.g. married couples.

The department has also sent reminder letters to potentially eligible people throughout the period that the scheme is open in each region.

As at 8 March 2012, there have been 98,437 opt-ins. This includes the current rollout in southern and central NSW, the ACT and the Murrumbidgee Irrigation Area, where applications will not close until 5 July 2012. It is estimated that another 17,000 customers may opt-in by the time this region closes.

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b. The table below shows the number of installations by electorate as at 8 March 2012:

Electorate	Installs	Electorate	Installs
Unknown ¹	154	Herbert	2073
Ballarat	3396	Hinkler	4724
Barker	3208	Hume*	972
Bendigo	4122	Hunter	42
Blair	10	Indi	3006
Calare*	1038	Kennedy	3162
Canberra*	657	Leichhardt	2352
Capricornia	2809	Mallee	4727
Corangamite	1014	Maranoa	4066
Cunningham*	1243	McEwen	1024
Dawson	2221	McMillan	1650
Eden-Monaro*	772	Murray	3962
Farrer*	4477	New England	112
Flinders	2	Parkes*	798
Flynn	3763	Riverina*	1542
Fraser*	627	Throsby*	1565
Gilmore*	1396	Wakefield	131
Gippsland	4130	Wannon	3055
Grey	6080	Wide Bay	2719
Groom	3113	Wright	1047

1: Cases where the geo-coding data has not been able to match the address to an electorate. Electorates marked with ‘*’ are in regions that are currently open and accepting opt-ins into the scheme.

c. The lead service contractors use a mix of local and out of area installers, depending on demand. Service contractors can only claim for travel and accommodation under exceptional circumstances. To date, the only claim approved by the department was for an additional payment of \$25,510.64 (GST inclusive) to service contractors for their costs associated with the provision of services to HAS customers in early switchover areas in Regional Queensland. These costs included flights, accommodation, training venue, accredited training costs and additional technician travel expenses. This exception was made due to the urgency of installations in some of these early switchover areas.

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Question No: 200

Program No. 1.3

Hansard Ref: In Writing

Topic: HAS

Senator Birmingham asked:

- a. In reference to the HAS pricing schedule – please detail all cost component categories contractors invoice against. Please provide a breakdown detailing how many invoices have been received in each category and the total paid out to contractors under each category.
- b. Within each cost component category please detail all payment levels by cost and characteristics.
- c. On how many occasions (and against which cost matrix category) have payments been refused or found to be incorrectly claimed?
- d. Please detail how many occasions and by which region contractors have had to make return visits to houses? Please detail the return visit callout fee payment payable under the cost matrix is for each region.

Answer:

- a. Service contractors are required to provide a detailed, itemised schedule of costs for an installation as part of the tender process for the scheme. The agreed cost schedule forms part of the contract with the Commonwealth. The schedule covers the following costs:
 - Set-top box—terrestrial
 - Call out delivery
 - Terrestrial installation of the STB
 - Tuning and demonstration of equipment
 - Set-top antenna and fly-leads
 - External antenna and cabling
 - Provision and installation of an appropriate satellite dish, where required
 - Provision of a satellite set-top box, where required
 - Installation of satellite set-top box, smartcard, and internal cabling, where required
 - Additional quoted items

As at 31 January 2012, the department had paid 106 invoices from service contractors for the provision of services under the Household Assistance Scheme totalling \$16.670 million (GST exclusive).

Identification of invoice data for each cost category across all switchover areas to date would require diversion of considerable departmental resources. This information is also commercially sensitive, given that the Department currently has a tender in the market for the provision of HAS in other areas.

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- b. Identification of invoice data for each cost category across all switchover areas to date would require diversion of considerable departmental resources. This information is also commercially sensitive, given that the Department currently has a tender in the market for the provision of HAS in other areas.
- c. The department only pays service contractors upon submission of a correctly rendered invoice. The department undertakes rigorous review of installation data provided by the contractor prior to agreeing to invoiced costs.
- d. A return visit is due to a customer not being home, or their authorised agent being unavailable, at the time of the scheduled appointment; inclement weather where an installation would be difficult or dangerous to complete; the customer not providing an appropriate workspace for the installer; or a return visit to install satellite receiving equipment following the customer's application being approved by the VAST (Viewer Access Satellite Television) Administrator.

The cost of a return visit is determined as part of the contract for each region with each service contractor.

In accordance with the requirements of the department's contractual arrangements with service contractors, the department does not pay for additional callouts under warranty/aftercare arrangements. These costs must be met by the service contractor. Call outs for warranties or after care services are therefore not included in the return visits figure reported below.

Of the 75,834 completed installations in Mildura, Regional South Australia, Regional Victoria and Regional Queensland, there have been 13,982 installations requiring a return visit.

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Question No: 201

Program No. 1.3

Hansard Ref: In Writing

Topic: Board Appointment for ABC

Senator Birmingham asked:

What is the total cost incurred this financial year to date by the department in filling appointments to ABC and SBS boards?

Answer:

The total expenses incurred this financial year to 31 January 2012 by the Department of Broadband, Communications and the Digital Economy in filling appointments on the ABC/SBS boards is \$79,420.08 (exclusive of GST).