

Senate Standing Committee on Environment and Communications
Answers to Senate Estimates Questions on Notice
Budget Estimates Hearings May 2011
Broadband, Communications and the Digital Economy Portfolio
Department of Broadband, Communications and the Digital Economy

Question No: 183

Program No. 1.1

Hansard Ref: Page 28 – 29 (26/05/2011)

Topic: Egon Zehnder Short-listing process

Senator Birmingham asked:

Mr Quinlivan: ... The assumption, normally, on behalf of the cabinet is that the appointments at that time are endorsed by the shareholder ministers and that a process has been gone through and all the necessary preparations have been done....

Senator Conroy: There were some other parts of that process. I can get you the exact dates if you are interested. I do not have them off the top of my head....

Senator BIRMINGHAM: Yes, Minister, certainly if you could take on notice and provide details of any additions to the time line that you can provide here as to exactly when decisions were taken—

Answer:

Following the Australian Government's announcement on 7 April 2009 that it would establish NBN Co Limited (NBN Co) to build and operate a new high-speed National Broadband Network (NBN), NBN Co was incorporated on 9 April 2009 with an interim board comprising senior Commonwealth officials.

On 4 June 2009, following a select tender process the Department of Broadband, Communications and the Digital Economy engaged recruitment firm Egon Zehnder International to assist with the appointment of Directors and Chair to a permanent board of NBN Co. This assistance included:

- providing advice on an appropriate structure of the board;
- conducting an executive search for candidates;
- short-listing and interviewing candidates, and
- conducting referee, background, probity, police and financial checks on candidates.

Egon Zehnder assessed the candidates and on 29 June 2009 provided a shortlist of candidates to a Secretaries Committee comprised of the Secretaries of the Departments of the Prime Minister and Cabinet; Broadband, Communications and the Digital Economy; Finance and Deregulation; and the Treasury.

At that meeting, Egon Zehnder provided to the Secretaries Committee an Executive Chair Assessment and profile of Mr Quigley including reference report and found no issues that would lead to any concerns about Mr Quigley's appointment. Egon Zehnder recommended Mr Quigley to the Secretaries Committee as a highly suitable candidate for the Interim Chair and CEO position.

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Shareholder Ministers chose Mr Quigley as the preferred candidate based on the advice from the Secretaries Committee and the short listing process undertaken by Egon Zehnder.

As part of that process, Senator Conroy met with Mike Quigley on 1 July 2009.

The Government considered the selection process and recommendation, providing in-principle agreement to Mr Quigley's appointment on 9 July 2009.

Shareholder Ministers approved the appointment of Mr Quigley as a director and Interim Chair of NBN Co on 24 July 2009.

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Program No. 1.1

Hansard Ref: Page 29 (26/05/2011)

Topic: Egon Zehnder Short-listing process

Senator Birmingham asked:

Senator BIRMINGHAM: From the point of the shortlist of four names being provided to the department and shared with the panel of departmental secretaries, did that panel, any of the ministers involved or the government more generally refer back to Egon Zehnder seeking further information about any of the candidates?

Answer:

The Department of Broadband, Communications and the Digital Economy engaged international recruitment firm Egon Zehnder to assist with the appointment of directors and chair to NBN Co. This assistance included:

- providing advice on an appropriate structure of the board;
- conducting an executive search for candidates;
- short-listing and interviewing candidates; and
- conducting referee, background, probity, police and financial checks on candidates.

Egon Zehnder assessed the candidates and on 29 June 2009 provided a shortlist of candidates to a Secretaries Committee comprised of the Secretaries of the Departments of the Prime Minister and Cabinet; Broadband, Communications and the Digital Economy; Finance and Deregulation; and the Treasury.

The Department has no record of any discussions that took place between the Secretaries Committee and Egon Zehnder in relation to the assessment of the candidates.

Shareholder Ministers chose Mr Quigley as the preferred candidate based on the advice from the Secretaries Committee and the short listing process undertaken by Egon Zehnder.

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Question No: 185

Program No. 1.1

Hansard Ref: Page 30 (26/05/2011)

Topic: Appointment of Mr Quigley

Senator Fisher asked:

Senator FISHER: Then, in terms of the established facts, was either the department or the government of the understanding that Mr Quigley had ever rolled out a network? ...

Mr Quinlivan: My understanding is the same as the minister's, that he was responsible in some fashion. I am not sure and I would need to check the details, but he was responsible for a rollout conducted by Verizon in the US, which goes to your question. But we can check those facts for you

Answer:

The Department of Broadband, Communications and the Digital Economy, based on advice provided by Egon Zehnder in 2009, understands that while at Alcatel, Mr Quigley was responsible for the rollout of a 'fibre to the home' network for Verizon.

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Question No: 186

Program No. 1.1

Hansard Ref: Page 32 (26/05/2011)

Topic: Appointment of Mr Quigley

Senator Birmingham asked:

Senator BIRMINGHAM: Indeed. Answer to question on notice No. 106 states that the government was not aware of Alcatel-Lucent being under investigation by the US Securities and Exchange Commission and the Department of Justice for alleged violations of the US Foreign Corrupt Practices Act, prior to the appointment of Mr Quigley to his position at NBN Co....

Senator BIRMINGHAM: The question is: did Egon Zehnder ever raise with— ...

Senator BIRMINGHAM: the government this investigation by the SEC into Alcatel? ...

Senator BIRMINGHAM: '... can you confirm that Mr Quigley was never questioned by any investigating entity in the US, not just the SEC or the Department of Justice?

Answer:

Egon Zehnder International did not indicate to the Department that Mr Quigley was questioned by the United States Securities and Exchange Commission, the United States Department of Justice or any other investigating entity followings its assessment and reference checks of candidates. Mr Quigley has made a number of public statements confirming that he was not questioned on this matter by United States authorities.

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Program No. 1.1

Hansard Ref: Page 33 (26/05/2011)

Topic: Appointment of Mr Quigley

Senator Birmingham asked:

Senator BIRMINGHAM: ... However, the issue here is whether or not Egon Zehnder, acting on behalf of the department, the secretaries, the ministers and the Cabinet, all of whom played roles in this process of appointment— ...

Senator BIRMINGHAM: The issue is: did they even know about this investigation? ...

Senator BIRMINGHAM: Did they advise the government of this investigation?

Answer:

Egon Zehnder International did not indicate to the department that Mr Quigley was questioned by the United States Securities and Exchange Commission (SEC), the United States Department of Justice or any other investigating entity followings its assessment and reference checks of candidates

Egon Zehnder did not advise the government of the investigation by the SEC into Alcatel.

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Question No: 188

Program No. 1.1

Hansard Ref: Page 33 (26/05/2011)

Topic: Negotiation of Second Backhaul Cable to Tasmania

Senator Barnett asked:

Senator BARNETT: ...The question is: Is the department negotiating for the second backhaul cable to Tasmania?

Senator BARNETT: ...Is the department aware of any negotiations for a backhaul cable to Tasmania?

Answer:

The Department of Broadband, Communications and the Digital Economy is not negotiating to obtain access to the existing transmission cables between Tasmania and mainland Australia.

The Department is not aware of any negotiations that relate to the construction of a further transmission cable between Tasmania and mainland Australia.

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Question No: 189

Program No. 1.1

Hansard Ref: Page 65 (26/05/2011)

Topic: Egon Zehnder Appointment

Senator Birmingham asked:

Senator BIRMINGHAM: With regard to the analysis of a candidate for a CEO position and a candidate who has previously run an organisation or held a senior executive role running large parts of an organisation, what due diligence or checking about the outcomes of their time leading the organisation would you normally expect? ...

Senator BIRMINGHAM: Could you take on notice what the usual checks would be and what checks they did undertake as to—

Answer:

Egon Zehnder International, the global executive search firm engaged by the Department of Broadband, Communications and the Digital Economy to identify suitable candidates for the NBN Co board, assessed Mr Quigley's skills and capabilities, sought referee comments and undertook background checks. Due diligence was conducted as part of this process and Egon Zehnder found no issues that would lead to any concerns about Mr Quigley's appointment.

Egon Zehnder undertook a background check on Mr Quigley, not Alcatel-Lucent.

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Question No: 190

Program No. 1.1

Hansard Ref: Page 66 (26/05/2011)

Topic: Alcatel Company Violations

Senator Birmingham asked:

Senator BIRMINGHAM: When did departmental officials or you, Minister, first become aware of the alleged Alcatel company violations?...

Senator BIRMINGHAM: Did you and the department first become aware, say, when the issues were first raised in the Australian media as they relate to Mr Quigley?..

Senator BIRMINGHAM: What or how did they come to the department's attention?

Mr Quinlivan: I think we need to check— ...

Mr Quinlivan: the means by which that information became available to us and we can also say to whom it became available.

Answer:

The Department of Broadband, Communications and the Digital Economy was made aware of the Alcatel involvement in activities involving a United States legal investigation through media reports.

The Department did not advise the Minister for Broadband, Communications and the Digital Economy of the issues as he received the same media reports.

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Question No: 191

Program No. 1.1

Hansard Ref: Page 66-67 (26/05/2011)

Topic: Alcatel Company Violations

Senator Birmingham asked:

Senator BIRMINGHAM: Can you detail on notice what steps or actions NBN Co. took in that regard to advise or inform or consult with you or the department about the public response they were intending to make to the allegations...

Answer:

The Department of Broadband, Communications and the Digital Economy was not involved in any response by NBN Co other than on the question of whether it was reasonable for the Board to support Mr Quigley with legal advice.

The Department advised NBN Co that, as the issue was a matter of public interest and required response as a consequence of Mr Quigley's employment by the company, it was normal practice for the company to provide Mr Quigley with legal support.

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Question No: 192

Program No. 1.1

Hansard Ref: Page 71 (26/05/2011)

Topic: IBM Contract – OSS/BSS system

Senator Fisher asked:

Senator FISHER: ...how many customers does the department expect NBN Co. to have?

Answer:

The National Broadband Network (NBN) will be Australia's first national wholesale-only, open access broadband network offering equivalent terms and conditions to all access seekers. The Department expects that all retail service providers (RSPs) who currently offer services will be able to continue offering services on the NBN in a vibrant, competitive environment.

It is not possible for the Department to determine at this point in time the number of access seekers or RSPs that will be acquiring wholesale services, but it is likely that the vast majority, if not all, will make use of the NBN.

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Question No: 193

Program No. 1.1

Hansard Ref: 71-72 (26/05/2011)

Topic: IBM Contract

Senator Fisher asked:

Senator Conroy: ... It is a three-year contract for \$220 million, so that probably means it is below \$100 million a year, but I would have to take advice on how it is proportioned on an annual basis. ...

Senator FISHER: Thank you. How many homes have been passed by the NBN but not connected to it. ...

Senator FISHER: Thank you. And how much has it cost to pass that number of homes?

Answer:

NBN Co Limited (NBN Co) advised the Department that the \$220 million expenditure for the operational and business support systems contract with IBM broadly consists of:

- build costs of around \$129 million in FY2011-2012;
- software purchases of \$32 million in FY2011-2012;
- internal delivery costs of \$21 million in FY2011-2012; and
- software maintenance (\$14 million) and general support costs (\$21 million) spread over the 2.5 years of the contract.

NBN Co advised the Department that 14,256 premises have been passed and 644 have been connected in mainland Australia and Tasmania. A figure for cost to pass each premise would not be meaningful at this stage as these early rollout sites are designed to provide feedback to inform the volume rollout, and will not reflect costs incurred once the volume rollout is underway across the country.

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Question No: 194

Program No. 1.1

Hansard Ref: 74-75 (26/05/2011)

Topic: NBN Revenue

Senator MacDonald asked:

Senator IAN MACDONALD: ...so far NBN is not getting any revenue from any of its broadband activities. Is that correct?..

Senator IAN MACDONALD: ...My question is whether any revenue has come in to the NBN account or to the government -

Answer:

NBN Co Limited (NBN Co) advised the Department that as the services provided to date are being used to test a variety of rollout practices and techniques it is not yet charging retail service providers (RSPs) for its wholesale service during the mainland first release site trial period, or for the Tasmanian Stage 1 communities of Midway Point, Scottsdale and Smithton. As such, NBN Co had not received any revenue from RSPs as at 30 June 2011.

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Question No: 195

Program No. 1.1

Hansard Ref: 84-85 (26/05/2011)

Topic: NextGen Networks and DSLAMs

Senator Birmingham asked:

Senator BIRMINGHAM: ... If NextGen, as the operator of the backhaul network on the Commonwealth's behalf, had installed their own DSLAM off that network, would that be within the rules of the arrangement or not? ...

Senator BIRMINGHAM: And if NextGen chose to fund it themselves would that be acceptable?

...

Senator BIRMINGHAM: Could you take it notice and confirm those aspects, and could you advise whether a DSLAM has been installed in Willunga and, if so, by what company....

Senator BIRMINGHAM: ... let us know when it was installed? Thank you.

Answer:

Under the Regional Backbone Blackspots Program (RBBP) funding agreement, Nextgen Networks are not required to deploy DSLAMs. However, the RBBP funding agreement does not restrict Netxgen from funding and deploying its own DSLAMs.

Internet Service Provider Nextep (a subsidiary of NEC Australia) has deployed a Multi-Service Access Node (analogous to a DSLAM), utilising the RBBP access point in Willunga, South Australia. Telstra Bigpond has also deployed infrastructure that supports the provision of DSL services in Willunga (December 2004 – Telstra Wholesale's website).

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Question No: 196

Program No. 1.1

Hansard Ref: In Writing

Topic: NBN/Broadband

Senator Birmingham asked:

On what date did the Department become aware of the alleged Alcatel Foreign Corrupt Practices Act (FCPA) violations? On what date were they first brought to the attention of the Minister?

Answer:

The Department of Broadband, Communications and the Digital Economy was made aware of the alleged Alcatel Foreign Corrupt Practices Act violations through media reports.

The Department did not advise the Minister for Broadband, Communications and the Digital Economy of the issues as he received the same media reports.

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Question No: 197

Program No. 1.1

Hansard Ref: In Writing

Topic: NBN/Broadband

Senator Birmingham asked:

When the allegations and settlement were reported at the end of December 2010, NBN Co released a statement claiming: "The actions of a number of individual Alcatel-Lucent employees... fell outside the accountability and jurisdiction of both Mr Quigley and Mr Beaufret." That statement has since proved to be incorrect. Was it at any stage cleared with the Department and/or Minister?

Answer:

No. The Department of Broadband, Communications and the Digital Economy was made aware of the Alcatel involvement in activities involving a United States legal investigation through media reports.

The Department did not advise the Minister for Broadband, Communications and the Digital Economy of the issues as he received the same media reports.

The Department was not involved in any response by NBN Co other than on the question of whether it was reasonable for the Board to support Mr Quigley with legal advice. The Department advised NBN Co that, as the issue was a matter of public interest and required response as a consequence of Mr Quigley's employment by the company, it was normal practice for the company to provide Mr Quigley with legal support.

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Question No: 198

Program No. 1.1

Hansard Ref: In Writing

Topic: NBN/Broadband

Senator Birmingham asked:

1. Mr Quigley left Alcatel-Lucent after a 36 year career in August 2007 and Mr Beaufret departed in November 2007. Mr Quigley and Mr Beaufret were among four out of the eight executives on Alcatel's management committee who departed around this period.
- a. Has the Department looked into the reasons for such heavy turnover in the most senior management ranks of what is a major global company over such a short period? What were the reasons, and are they material to the Government's or NBN Co's consideration of them for senior roles at the NBN Co?

Answer:

Egon Zehnder assessed Mr Quigley's skills and capabilities and sought referee comments regarding suitability for the position. Due diligence was conducted as part of this process and Egon Zehnder found no issues that would lead to any concerns about Mr Quigley's appointment.

Egon Zehnder was not requested to advise on turnover of staff in Alcatel-Lucent, and the Department of Broadband, Communications and the Digital Economy has no concerns about management changes at the newly merged Alcatel-Lucent entity as they relate to Mr Quigley's credential for the NBN Co appointment.

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Question No: 199

Program No. 1.1

Hansard Ref: In Writing

Topic: NBN/Broadband

Senator Birmingham asked:

Does the Government concur with Mr Quigley that he acted entirely appropriately in not disclosing the investigation into Alcatel to the Department, Minister, Cabinet sub-committee or NBN Co board?

Answer:

In his 16 June 2011 opening statement to the Senate Environment and Communications Legislation Committee on the matter of disclosing the United States Securities and Exchange Commission's investigation into Alcatel Mr Quigley stated:

“At the time of my recruitment to NBN Co, in June and July of 2009, two years after I left Alcatel-Lucent, the corruption issues had been well aired in the international media. I expected, as they had been the subject of investigation and action by the company and the authorities since 2004, that by mid 2009 they had effectively been settled. That was not correct. Alcatel announced that negotiations to resolve the case were progressing in July 2009 but the in principle settlement was not reached until December 2009. The final settlement was not formally approved until June 1 this year. In hindsight, I can see I should have specifically mentioned this matter, even though, as I said earlier, nobody has alleged that I was personally involved or knew about the illegal conduct.”

The Government has full confidence in Mr Quigley and is satisfied that he has been open and transparent in addressing these issues, particularly in Senate Committee hearings, and including in correcting the record where this has been necessary.

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Question No: 200

Program No. 1.1

Hansard Ref: In Writing

Topic: NBN/Broadband

Senator Birmingham asked:

In The Australian newspaper on 5 May 2011 Mr Quigley wrote: "I did not raise the investigation of Alcatel-Lucent during my recruitment to NBN Co because it was resolved to the satisfaction of the Securities and Exchange Commission (SEC) and the Department of Justice (DOJ) well before NBN Co even existed." Does the Government/Department agree this statement is palpably false, given the NBN Co was created in April 2009, Mr Quigley became CEO in July 2009, and Alcatel's corporate filings with the SEC make it clear there was extensive uncertainty about the outcome of this bribery matter until it obtained in-principle SEC/DOJ consent to a plea deal in December 2009?

Answer:

Mr Quigley stated during his appearance before the Senate Environment and Communications Legislation Committee Budget Estimates Hearing of 16 June 2011 "in hindsight, I can see I should have specifically mentioned this matter, even though, as I said earlier, nobody has alleged that I was personally involved or knew about the illegal conduct."

Mr Quigley was not questioned by the United States Securities and Exchange Commission or the United States Department of Justice during the five-year long investigation, and the investigation has confirmed that Mr Quigley was not involved in nor had any knowledge of these practices of some Alcatel-Lucent employees.

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Question No: 201

Program No. 1.1

Hansard Ref: In Writing

Topic: NBN/Broadband

Senator Birmingham asked:

Has Mr Quigley explained this misleading statement to the Government/Department? If he has, can you explain how it came to be made?

Answer:

The Government has full confidence in Mr Quigley and is satisfied that he has been open and transparent in addressing these issues, particularly in Senate Committee hearings, and including in correcting the record where this has been necessary.

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Question No: 202

Program No. 1.1

Hansard Ref: In Writing

Topic: NBN/Broadband

Senator Birmingham asked:

As discussed on 31 December 2010 NBN Co claimed the allegations at Alcatel fell outside the accountability of Mr Quigley. But on 13 May 2011 Mr Quigley stated: "I have today been advised by Alcatel Lucent that, contrary to previous advice, Costa Rica was among the many countries and territories in North, Central and South America that were part of my wide-ranging portfolio of responsibilities in the period March 2001 to January 2003..." Was this also when the Department and Minister learned for the first time that Costa Rica, the site of the initial investigation of alleged bribery, reported to Mr Quigley during the years that the first alleged illegalities uncovered in the investigation occurred?

Answer:

Following Mr Quigley's statement of 13 May 2011, the Department of Broadband, Communications and the Digital Economy became aware of Mr Quigley's statement through media reports.

The Department did not advise the Minister for Broadband, Communications and the Digital Economy of this statement as he received the same media reports.

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Question No: 203

Program No. 1.1

Hansard Ref: In Writing

Topic: NBN/Broadband

Senator Birmingham asked:

Has the Government – the Minister or the Department – discussed Mr Quigley’s time in Costa Rica with him directly to establish there is no further case to answer and no further embarrassments for the NBN Co or Government likely to arise?

Answer:

The Department of Broadband, Communications and the Digital Economy notes that Mr Quigley was not questioned by the United States Securities and Exchange Commission or the United States Department of Justice and the investigation has confirmed that Mr Quigley was not involved in nor had any knowledge of these practices of some Alcatel-Lucent employees.

The Government has full confidence in Mr Quigley and is satisfied that he has been open and transparent in addressing these issues, particularly in Senate Committee hearings, and including in correcting the record where this has been necessary.

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Question No: 204

Program No. 1.1

Hansard Ref: In Writing

Topic: NBN/Broadband

Senator Birmingham asked:

Has Mr Quigley been asked whether he had any direct dealings with Mr Valverde Acosta while that individual was employed by Alcatel? Has he canvassed his contact (or lack of contact) with this individual in his discussion of the Alcatel bribery matters with the Government or Department?

Answer:

Mr Quigley has stated during his appearance before the Senate Environment and Communications Legislation Committee Budget Estimates Hearing of 16 June 2011 that it is possible that he has met Mr Acosta. Mr Quigley stated he has no recollection, and would not recognise Mr Acosta now if he saw him.

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Question No: 205

Program No. 1.1

Hansard Ref: In Writing

Topic: NBN/Broadband

Senator Birmingham asked:

1. The SEC and DOJ allege Alcatel also violated the FCPA in Honduras, Nicaragua and Ecuador. To the Government's knowledge, did Mr Quigley have executive responsibility for any of these jurisdictions while an executive at Alcatel? Did he during the period when he was in charge of the Americas, including Costa Rica?
 - a. If he was, why has this matter not been publicly clarified by the Government and/or NBN Co, given it directly contradicts the 31 December 2010 assurance provided to the Australian public by NBN Co about Mr Quigley's distance from these matters?

Answer:

Mr Quigley has made statements on the record to confirm that he did have responsibility for Latin America, including Costa Rica and Honduras, during the time these incidents were uncovered and to correct previous statements that this was not the case.

Mr Quigley was not questioned by the United States Securities Exchange Commission or United States Department of Justice during the five-year long investigation, and the investigation has confirmed that Mr Quigley was not involved in nor had any knowledge of these practices of some employees.

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Question No: 206

Program No. 1.1

Hansard Ref: In Writing

Topic: NBN/Broadband

Senator Birmingham asked:

Has the Government's confidence in Mr Quigley been affected by the fact that several of the most important statements he and NBN Co have made about the Alcatel bribery matter have subsequently proven to be misleading or incorrect?

Answer:

The Australian Government has full confidence in Mr Quigley's appointment as CEO of NBN Co.

Mr Quigley is a world leading telecommunications executive who is eminently qualified to undertake the challenge of leading Australia's single largest infrastructure project.

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Question No: 207

Program No. 1.1

Hansard Ref: In Writing

Topic: NBN/Broadband

Senator Birmingham asked:

The Department has stated in the Budget Papers that it will provide “technical advice in relation to declaring premises adequately served by alternative high speed networks”. Has the Department already begun providing advice on high speed networks? Can you provide an estimate of the number of premises already adequately served by high speed networks?

Answer:

The Department of Broadband, Communications and the Digital Economy is developing policy in relation to the definition of Adequately Served premises and will undertake consultation on this issue in the second half of 2011.

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Question No: 208

Program No. 1.1

Hansard Ref: In Writing

Topic: NBN/Broadband

Senator Birmingham asked:

Will the awarding of a single contract across all second release sites have any bearing on the awarding of contracts for the roll-out proper?

Answer:

NBN Co Limited's (NBN Co) 1 June 2011 announcement of an agreement with Silcar Pty Ltd covers construction in Queensland, New South Wales and the ACT over the next two years with the option of a further two years.

NBN Co is in discussions with other construction companies for other regions in Australia.

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Question No: 209

Program No. 1.1

Hansard Ref: In Writing

Topic: NBN/Broadband

Senator Birmingham asked:

What advice will the Department be providing the NBN Co to ensure it can proceed with the second roll-out phase? Has the Department provided any advice on the construction tender process?

Answer:

As a shareholder department, the Department of Broadband, Communications and the Digital Economy continues to work closely with NBN Co on the rollout.

Final decisions around the appointment of contractors are a matter for NBN Co and the Department has not provided any advice to NBN Co regarding the construction tender process.

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Broadband, Communications and the Digital Economy Portfolio
Department of Broadband, Communications and the Digital Economy

Question No: 210

Program No. 1.1

Hansard Ref: In Writing

Topic: NBN/Broadband

Senator Birmingham asked:

Please detail the monthly spend on the NBN information and awareness campaigns to date this financial year. Please detail key activities undertaken by the campaign in each month.

Answer:

In 2010-11 the Department continued with the National Broadband Network information and awareness advertising campaign. The campaign ceased immediately following the announcement of the 2010 Federal election. The administered cost of the campaign was \$4,879,281.64 (GST exclusive).

Senate Standing Committee on Environment and Communications
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Broadband, Communications and the Digital Economy Portfolio
Department of Broadband, Communications and the Digital Economy

Question No: 211

Program No. 1.1

Hansard Ref: In Writing

Topic: NBN/Broadband

Senator Birmingham asked:

What download speeds can be achieved through Hybrid Fibre-Coaxial (HFC) Cable Networks such as those operated by Telstra?

Answer:

Both Telstra and Optus state that they have completed upgrades to their hybrid fibre coaxial (HFC) cable broadband network in certain parts of the country.

Telstra claims that speeds of up to 100 Mbps can be achieved in limited parts of Melbourne and up to a maximum of 30 Mbps in other cable access areas.

Optus claims that speeds up to 100 Mbps can be achieved in some parts of Melbourne and up to a maximum of 20 Mbps in other cable access areas.

It is important to note that HFC is a shared technology and therefore each additional user on the network decreases the speed at which all users can access the network.

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Department of Broadband, Communications and the Digital Economy

Question No: 212

Program No. 1.1

Hansard Ref: In Writing

Topic: NBN/Broadband

Senator Birmingham asked:

Minister Conroy told ABC's Four Corners program that "The Government could spend \$15 billion to build a fibre-to-the-node network (and) pay \$15 to \$20 billion to Telstra for compensation." When was the Government advised that it may face significant compensation payments to Telstra under a fibre-to-the-node network?

Answer:

The issue of potential compensation payable to Telstra was identified through the National Broadband Network Request for Proposal process conducted from 11 April 2008 to 7 April 2009.

Senate Standing Committee on Environment and Communications
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Broadband, Communications and the Digital Economy Portfolio
Department of Broadband, Communications and the Digital Economy

Question No: 213

Program No. 1.1

Hansard Ref: In Writing

Topic: NBN/Broadband

Senator Birmingham asked:

How frequently and at what time is NBN Co required to submit for presentation to Government its Annual Reports and Statement of Corporate Intent, Corporate Plan and Progress Reports? What other regular reports does NBN Co submit to Government and at what times are they required to be submitted? What information is provided in each of NBN Co's reports to Government? To whom is each report made available?

Answer:

Section 36(1) of the *Commonwealth Authorities and Companies Act 1997* (CAC Act) requires NBN Co as a wholly owned Commonwealth Company to provide an Annual Report. The report is provided to the responsible Minister by 4 months after the end of the financial year and is to include a copy of the company's financial report, directors' report and auditor's report, and any additional information. The report is tabled in both houses of Parliament.

Section 42 of the CAC Act requires that the directors of NBN Co, as a wholly owned Commonwealth company that is a Government Business Enterprise (GBE), prepare a Corporate Plan at least once a year and give it to the responsible Minister. Section 42(6) outlines the information to be included in the Corporate Plan.

Paragraphs 2.5 to 2.7 of the *Governance Arrangements for Government Business Enterprises June 1997* (GBE Guidelines) require NBN Co, as a Government Business Enterprises (GBE), to submit a Statement of Corporate Intent (SCI) annually. SCIs are to be tabled in Parliament within fifteen sitting days, following the start of the new financial year. Paragraph 2.6 outlines the information to be provided in the SCI.

Paragraph 2.8 of the GBE Guidelines requires that six monthly reports (or quarterly reports, as agreed from time-to-time by the Shareholder Ministers) are provided by the NBN Co directors to the Shareholder Ministers on progress against, and any changes to, the Corporate Plan.

Senate Standing Committee on Environment and Communications
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Department of Broadband, Communications and the Digital Economy

Question No: 214

Program No. 1.1

Hansard Ref: In Writing

Topic: OPEL

Senator Birmingham asked:

Please provide the list of all underserved premises in 2006, referred to in the answer to Question on Notice 149 from Estimates in February 2011? Further, please confirm that this list was made available to all applicants for funding under the Broadband Connect Infrastructure Program (BCIP).

Answer:

The Department's indicative list of under-served premises from 2006, referred to in the answer to Question on Notice 149 from Estimates in February 2011, is attached. The Department confirms that this list was made available to all applicants for funding under the Broadband Connect Infrastructure Program.

The technology chosen by OPEL to serve the designated under-served premises was WiMAX D, a technology developed in 2004 primarily for fixed data applications. WiMAX E (so called mobile WiMAX) was developed approximately one year later and is incompatible with WiMAX D. The E version offered a number of enhancements including enhanced performance, mobility and multicast functionality.

In mid 2009, there were approximately 3.5 million WiMAX subscribers internationally compared to 650 million subscribers to 3G services¹. The popularity and success of 3G services has continued to grow to be the dominant wireless technology in the world.

Since 2009 the market has not favoured WiMAX technology as the upgrade path to 4G and have been more willing to follow the Long Term Evolution technology path, which can be both a fixed and mobile wireless solution and is the extension of the existing GSM WCDMA-HSPA ecosystem. With the industry overwhelmingly choosing LTE, WiMAX is quickly being relegated to a marginal technology.

¹ <http://www.3g.co.uk/PR/July2009/BWA-WiMAX-Subscribers-Reaches-3-5-Million-Worldwide-3G.html>

LGA_NAME	STATE	TOTAL_HOUSEHOLDS	PREMISES_OUTSIDE_COVERAGE
Albury (C)	NSW	33661	5927
Armidale Dumaresq (A)	NSW	13516	1635
Ballina (A)	NSW	23012	11
Balranald (A)	NSW	969	51
Bathurst Regional (A)	NSW	18759	1849
Baulkham Hills (A)	NSW	5450	1055
Bega Valley (A)	NSW	23314	10454
Bellingen (A)	NSW	7847	669
Berrigan (A)	NSW	5494	284
Blacktown (C)	NSW	10561	997
Bland (A)	NSW	4391	2453
Blayney (A)	NSW	4241	1630
Blue Mountains (C)	NSW	29091	3013
Bogan (A)	NSW	1310	34
Bombala (A)	NSW	1308	125
Boorowa (A)	NSW	1517	368
Bourke (A)	NSW	1630	375
Brewarrina (A)	NSW	920	920
Cowra (A)	NSW	7654	1126
Deniliquin (A)	NSW	4227	43
Dubbo (C)	NSW	21949	718
Dungog (A)	NSW	5524	2193
Eurobodalla (A)	NSW	30096	7934
Fairfield (C)	NSW	1892	203
Forbes (A)	NSW	4895	417
Gilgandra (A)	NSW	2615	1035
Glen Innes Severn (A)	NSW	5442	1727
Gloucester (A)	NSW	3649	1466
Gosford (C)	NSW	4968	1008
Greater Taree (C)	NSW	32211	6057
Greater Hume Shire (A)	NSW	4602	829
Great Lakes (A)	NSW	30706	6758
Griffith (C)	NSW	13249	126
Gundagai (A)	NSW	3939	1553
Gunnedah (A)	NSW	5354	279
Guyra (A)	NSW	2753	1005
Gwydir (A)	NSW	2516	1501
Harden (A)	NSW	2125	161
Hastings (A)	NSW	42141	4500
Hawkesbury (C)	NSW	32025	4958
Hay (A)	NSW	1767	51
Parkes (A)	NSW	7615	817
Penrith (C)	NSW	10537	4457
Pittwater (A)	NSW	635	328
Queanbeyan (C)	NSW	29609	4474
Richmond Valley (A)	NSW	13519	3601
Shellharbour (C)	NSW	1081	286
Shoalhaven (C)	NSW	61936	7598
Singleton (A)	NSW	12003	4031
Snowy River (A)	NSW	5014	1081
Sutherland Shire (A)	NSW	1624	1049
Tamworth Regional (A)	NSW	30827	2229
Temora (A)	NSW	5507	1894
Tenterfield (A)	NSW	3121	61
Tumbarumba (A)	NSW	1857	691

Tumut Shire (A)	NSW	7260	1484
Tweed (A)	NSW	19676	202
Upper Hunter Shire (A)	NSW	10644	5501
Upper Lachlan (A)	NSW	5332	658
Uralla (A)	NSW	3124	954
Urana (A)	NSW	1163	384
Wagga Wagga (C)	NSW	33223	2178
Wakool (A)	NSW	1643	360
Walcha (A)	NSW	1128	94
Walgett (A)	NSW	2744	579
Warren (A)	NSW	1648	577
Warringah (A)	NSW	795	287
Warrumbungle Shire (A)	NSW	4247	443
Weddin (A)	NSW	3134	1508
Wellington (A)	NSW	4406	1137
Hornsby (A)	NSW	5257	1296
Hurstville (C)	NSW	6	1
Inverell (A)	NSW	7463	1920
Jerilderie (A)	NSW	609	30
Junee (A)	NSW	3109	818
Kempsey (A)	NSW	16718	1585
Kiama (A)	NSW	10621	964
Kogarah (A)	NSW	15	12
Kyogle (A)	NSW	4677	2282
Lachlan (A)	NSW	2937	552
Lake Macquarie (C)	NSW	18415	397
Lane Cove (A)	NSW	1	1
Leeton (A)	NSW	6568	892
Lismore (C)	NSW	22557	919
Lithgow (C)	NSW	15270	2909
Liverpool (C)	NSW	4002	1665
Liverpool Plains (A)	NSW	3932	1621
Lockhart (A)	NSW	1385	189
Maitland (C)	NSW	30133	25
Mid-Western Regional (A)	NSW	16482	9631
Moree Plains (A)	NSW	6156	1605
Murray (A)	NSW	3458	146
Murrumbidgee (A)	NSW	1255	139
Muswellbrook (A)	NSW	7053	848
Nambucca (A)	NSW	11259	2157
Narrabri (A)	NSW	5919	1730
Narrandera (A)	NSW	3574	439
Narromine (A)	NSW	2651	273
Newcastle (C)	NSW	2971	221
Oberon (A)	NSW	3692	1972
Orange (C)	NSW	19068	5
Palerang (A)	NSW	6691	2590
Broken Hill (C)	NSW	11450	2
Cabonne (A)	NSW	4775	1453
Camden (A)	NSW	5127	1959
Campbelltown (C)	NSW	1227	428
Canada Bay (A)	NSW	160	1
Carrathool (A)	NSW	1517	285
Central Darling (A)	NSW	1075	630
Cessnock (C)	NSW	25966	1607
Clarence Valley (A)	NSW	32147	6960

		2832	422
Cobar (A)	NSW	38567	2818
Coffs Harbour (C)	NSW	139	139
Conargo (A)	NSW	2832	548
Coolamon (A)	NSW	7006	1042
Cooma-Monaro (A)	NSW	2070	146
Coonamble (A)	NSW	4247	745
Cootamundra (A)	NSW	3552	322
Wentworth (A)	NSW	31	31
Willoughby (C)	NSW	27998	88
Wingecarribee (A)	NSW	18140	3429
Wollondilly (A)	NSW	4635	831
Wollongong (C)	NSW	13997	258
Wyong (A)	NSW	5293	1407
Yass Valley (A)	NSW	7633	2458
Young (A)	NSW	170927	30790
Unincorporated ACT	ACT	51	51
Timber Creek (CGC)	NT	11515	2825
Alice Springs (T)	NT	34	34
Anmatjere (CGC)	NT	331	331
Borrooloola (CGC)	NT	727	727
Coomalie (CGC)	NT	392	392
Cox Peninsula (CGC)	NT	91	91
Daguragu (CGC)	NT	251	192
Darwin (C)	NT	119	119
Elliott District (CGC)	NT	3435	705
Katherine (T)	NT	7735	4078
Litchfield (S)	NT	102	102
Mataranka (CGC)	NT	2	1
Nyirranggulung Mardruk Ngad	NT	707	206
Palmerston (C)	NT	205	205
Pine Creek (CGC)	NT	3131	1899
Unincorporated NT	NT	473	13
Aramac (S)	QLD	6912	1703
Atherton (S)	QLD	4039	1349
Balonne (S)	QLD	9126	4279
Banana (S)	QLD	1092	100
Barcaldine (S)	QLD	449	318
Barcoo (S)	QLD	1146	516
Bauhinia (S)	QLD	36592	1662
Beaudesert (S)	QLD	3548	1686
Herberton (S)	QLD	32760	171
Hervey Bay (C)	QLD	7399	2522
Hinchinbrook (S)	QLD	1	1
Hope Vale (S)	QLD	314	314
Ilfracombe (S)	QLD	2576	1243
Inglewood (S)	QLD	13145	48
Ipswich (C)	QLD	6089	370
Isis (S)	QLD	238	116
Isisford (S)	QLD	597	219
Jericho (S)	QLD	10719	3388
Johnstone (S)	QLD	8245	501
Jondaryan (S)	QLD	2331	906
Kilcoy (S)	QLD	3615	2182
Kilkivan (S)	QLD	10280	2375
Kingaroy (S)	QLD	3693	2513
Kolan (S)	QLD		

Laidley (S)	QLD	8519	22
Belyando (S)	QLD	5082	731
Bendemere (S)	QLD	1548	906
Biggenden (S)	QLD	1936	1375
Blackall (S)	QLD	1117	197
Boonah (S)	QLD	6829	2442
Booringa (S)	QLD	1108	400
Boulia (S)	QLD	227	79
Bowen (S)	QLD	7406	1932
Brisbane (C)	QLD	10160	325
Broadsound (S)	QLD	3631	978
Bulloo (S)	QLD	427	227
Bungil (S)	QLD	2706	2405
Burdekin (S)	QLD	12430	5302
Burke (S)	QLD	457	92
Burnett (S)	QLD	18495	547
Caboolture (S)	QLD	28269	2793
Cairns (C)	QLD	82040	2855
Calliope (S)	QLD	7979	2134
Caloundra (C)	QLD	50549	691
Cambooya (S)	QLD	4099	28
Cardwell (S)	QLD	5909	2656
Carpentaria (S)	QLD	1638	274
Charters Towers (C)	QLD	4240	658
Cherbourg (S)	QLD	23	23
Chinchilla (S)	QLD	4187	1982
Cloncurry (S)	QLD	2535	854
Cook (S)	QLD	2905	1219
Cooloola (S)	QLD	22208	1678
Crow's Nest (S)	QLD	6740	491
Croydon (S)	QLD	665	20
Dalrymple (S)	QLD	1422	1347
Diamantina (S)	QLD	232	232
Douglas (S)	QLD	9155	1787
Duaringa (S)	QLD	3932	1356
Eacham (S)	QLD	3215	1352
Eidsvold (S)	QLD	947	515
Emerald (S)	QLD	6311	3490
Esk (S)	QLD	11428	3310
Etheridge (S)	QLD	517	275
Fitzroy (S)	QLD	6713	4525
Flinders (S)	QLD	2151	823
Gatton (S)	QLD	8300	189
Gayndah (S)	QLD	2335	1027
Goondiwindi (T)	QLD	2594	54
Millmerran (S)	QLD	2915	1392
Mirani (S)	QLD	2171	843
Miriam Vale (S)	QLD	5990	3824
Monto (S)	QLD	1953	1081
Mount Isa (C)	QLD	9882	24
Mount Morgan (S)	QLD	2567	193
Mundubbera (S)	QLD	1596	828
Murgon (S)	QLD	2448	938
Murilla (S)	QLD	2152	1325
Murweh (S)	QLD	2865	204
Nanango (S)	QLD	6793	1889

Napranum (S)	QLD	2	2
Nebo (S)	QLD	1291	316
Noosa (S)	QLD	32254	2678
Paroo (S)	QLD	1560	675
Peak Downs (S)	QLD	1655	503
Perry (S)	QLD	1326	421
Pittsworth (S)	QLD	3234	691
Pormpuraaw (S)	QLD	1	1
Quilpie (S)	QLD	835	403
Redland (S)	QLD	25333	554
Richmond (S)	QLD	896	393
Rockhampton (C)	QLD	30022	3261
Roma (T)	QLD	3817	50
Rosalie (S)	QLD	6273	1682
Sarina (S)	QLD	5244	548
Tambo (S)	QLD	347	122
Tara (S)	QLD	5001	4420
Taroom (S)	QLD	1893	1513
Thuringowa (C)	QLD	25281	1750
Tiaro (S)	QLD	6303	2635
Torres (S)	QLD	1075	22
Townsville (C)	QLD	61373	645
Waggamba (S)	QLD	1416	1052
Wambo (S)	QLD	4319	2449
Warroo (S)	QLD	870	505
Warwick (S)	QLD	14065	1
Weipa (T)	QLD	1390	93
Whitsunday (S)	QLD	11482	4020
Winton (S)	QLD	746	90
Wondai (S)	QLD	3707	2622
Woocoo (S)	QLD	2305	710
Woorabinda (S)	QLD	49	3
Livingstone (S)	QLD	19840	9825
Lockhart River (S)	QLD	5	5
Longreach (S)	QLD	2168	252
Mackay (C)	QLD	45120	3853
McKinlay (S)	QLD	914	609
Mareeba (S)	QLD	10926	4262
Maroochy (S)	QLD	94064	1754
Maryborough (C)	QLD	13451	109
Gawler (T)	SA	9593	7
Goyder (DC)	SA	1913	758
Kangaroo Island (DC)	SA	3839	1202
Karoonda East Murray (DC)	SA	406	151
Kimba (DC)	SA	431	17
Kingston (DC)	SA	2439	1045
Le Hunte (DC)	SA	607	221
Light (RegC)	SA	6838	1749
Lower Eyre Peninsula (DC)	SA	2212	494
Loxton Waikerie (DC)	SA	3816	581
Mallala (DC)	SA	4181	1880
Mid Murray (DC)	SA	5481	3439
Mitcham (C)	SA	206	107
Mount Barker (DC)	SA	11529	3567
Mount Remarkable (DC)	SA	2772	2772
Murray Bridge (RC)	SA	8767	1393

Naracoorte and Lucindale (DC)	SA	3608	811
Northern Areas (DC)	SA	2066	1213
Adelaide Hills (DC)	SA	16144	2335
Alexandrina (DC)	SA	15762	3691
Barossa (DC)	SA	11285	4882
Barunga West (DC)	SA	1735	1735
Berri and Barmera (DC)	SA	3848	1
Burnside (C)	SA	177	5
Ceduna (DC)	SA	1828	301
Clare and Gilbert Valleys (DC)	SA	4247	1467
Cleve (DC)	SA	821	359
Cooper Pedy (DC)	SA	1672	60
Copper Coast (DC)	SA	9046	2974
Elliston (DC)	SA	673	417
Flinders Ranges (DC)	SA	1895	745
Franklin Harbour (DC)	SA	731	27
Onkaparinga (C)	SA	12973	772
Orroroo/Carrieton (DC)	SA	597	237
Peterborough (DC)	SA	1905	1904
Playford (C)	SA	4344	207
Port Augusta (C)	SA	8414	438
Port Pirie City and Dists (M)	SA	10384	1197
Renmark Paringa (DC)	SA	3442	39
Robe (DC)	SA	1558	177
Roxby Downs (M)	SA	1710	211
Salisbury (C)	SA	1761	934
Southern Mallee (DC)	SA	1308	396
Streaky Bay (DC)	SA	1113	362
Tatiara (DC)	SA	3795	1201
Tea Tree Gully (C)	SA	443	86
The Coorong (DC)	SA	2542	1321
Tumby Bay (DC)	SA	1370	325
Victor Harbor (C)	SA	10006	2799
Wakefield (DC)	SA	3410	1952
Wattle Range (DC)	SA	5551	483
Whyalla (C)	SA	11473	155
Yankalilla (DC)	SA	4171	2270
Yorke Peninsula (DC)	SA	10567	7139
Unincorporated SA	SA	3080	3068
Break O'Day (M)	TAS	4876	1943
Burnie (C)	TAS	10267	610
Central Coast (M)	TAS	10216	1375
Central Highlands (M)	TAS	2467	1242
Circular Head (M)	TAS	4216	2012
Clarence (C)	TAS	6418	260
Derwent Valley (M)	TAS	4506	618
Devonport (C)	TAS	13441	863
Dorset (M)	TAS	4565	1588
Flinders (M)	TAS	523	523
George Town (M)	TAS	4120	1246
Glamorgan/Spring Bay (M)	TAS	4279	1247
Glenorchy (C)	TAS	613	11
Hobart (C)	TAS	482	1
Huon Valley (M)	TAS	6920	1219
Kentish (M)	TAS	2770	1383
King Island (M)	TAS	936	936

Kingborough (M)	TAS	13913	455
Latrobe (M)	TAS	4934	870
Launceston (C)	TAS	35548	122
Meander Valley (M)	TAS	9001	1307
Northern Midlands (M)	TAS	6343	365
Sorell (M)	TAS	7946	863
Southern Midlands (M)	TAS	2519	81
Tasman (M)	TAS	2383	2380
Waratah/Wynyard (M)	TAS	7140	2149
West Tamar (M)	TAS	10669	1178
Greater Shepparton (C)	VIC	29750	836
Hepburn (S)	VIC	10298	2826
Hindmarsh (S)	VIC	3506	702
Horsham (RC)	VIC	9490	4716
Indigo (S)	VIC	7132	892
Latrobe (C)	VIC	36528	5
Loddon (S)	VIC	3804	1007
Mansfield (S)	VIC	5693	3892
Mildura (RC)	VIC	16551	136
Moira (S)	VIC	16334	2915
Moorabool (S)	VIC	10720	1739
Mornington Peninsula (S)	VIC	10432	5643
Mount Alexander (S)	VIC	8335	99
Moyne (S)	VIC	8256	1046
Murrindindi (S)	VIC	9052	2112
Nillumbik (S)	VIC	6641	177
Northern Grampians (S)	VIC	7237	1386
Pyrenees (S)	VIC	3966	2143
Queenscliffe (B)	VIC	3271	827
South Gippsland (S)	VIC	15516	16
Southern Grampians (S)	VIC	8666	2330
Strathbogie (S)	VIC	6021	1379
Swan Hill (RC)	VIC	10621	1170
Towong (S)	VIC	3232	1055
Wangaratta (RC)	VIC	13766	1199
Wellington (S)	VIC	27684	762
West Wimmera (S)	VIC	2474	1401
Wodonga (RC)	VIC	16682	828
Wyndham (C)	VIC	9139	12
Yarra Ranges (S)	VIC	20461	91
Yarriambiack (S)	VIC	4507	1015
Alpine (S)	VIC	7230	1276
Ararat (RC)	VIC	6056	1405
Ballarat (C)	VIC	40096	5020
Bass Coast (S)	VIC	27927	389
Baw Baw (S)	VIC	19786	557
Benalla (RC)	VIC	6845	892
Buloke (S)	VIC	4119	685
Campaspe (S)	VIC	18485	322
Cardinia (S)	VIC	23206	217
Central Goldfields (S)	VIC	8569	2141
Colac-Otway (S)	VIC	13186	3301
Corangamite (S)	VIC	9020	1505
East Gippsland (S)	VIC	28015	9284
Gannawarra (S)	VIC	5643	301
Glenelg (S)	VIC	11403	3305

Golden Plains (S)	VIC	7265	2696
Greater Bendigo (C)	VIC	50162	690
Albany (C)	WA	17000	7851
Armadale (C)	WA	2767	1227
Ashburton (S)	WA	3383	147
Augusta-Margaret River (S)	WA	8056	1582
Beverley (S)	WA	1233	72
Boddington (S)	WA	967	92
Boyup Brook (S)	WA	1586	1010
Bridgetown-Greenbushes (S)	WA	2969	227
Brookton (S)	WA	687	96
Broome (S)	WA	5865	1018
Broomehill (S)	WA	668	45
Bruce Rock (S)	WA	931	352
Busselton (S)	WA	16015	1499
Capel (S)	WA	4463	385
Carnamah (S)	WA	708	323
Carnarvon (S)	WA	2747	747
Chapman Valley (S)	WA	483	451
Chittering (S)	WA	2347	1747
Cockburn (C)	WA	2615	15
Collie (S)	WA	4636	616
Coolgardie (S)	WA	3819	388
Coorow (S)	WA	1248	174
Corrigin (S)	WA	1083	444
Cranbrook (S)	WA	662	72
Cuballing (S)	WA	875	451
Narrogin (S)	WA	153	106
Northam (S)	WA	2296	524
Northampton (S)	WA	2327	493
Nungarin (S)	WA	420	83
Perenjori (S)	WA	295	31
Pingelly (S)	WA	810	54
Plantagenet (S)	WA	2485	594
Port Hedland (T)	WA	5860	305
Quairading (S)	WA	855	151
Ravensthorpe (S)	WA	1766	569
Cue (S)	WA	1504	1504
Cunderdin (S)	WA	1056	468
Dalwallinu (S)	WA	1061	410
Dandaragan (S)	WA	2757	604
Dardanup (S)	WA	4164	109
Denmark (S)	WA	3022	772
Derby-West Kimberley (S)	WA	2194	431
Donnybrook-Balingup (S)	WA	2741	909
Dowerin (S)	WA	592	197
Dumbleyung (S)	WA	739	739
Dundas (S)	WA	1444	1444
East Pilbara (S)	WA	2624	536
Esperance (S)	WA	7944	3217
Exmouth (S)	WA	1331	179
Gingin (S)	WA	4794	674
Gnowangerup (S)	WA	856	306
Goomalling (S)	WA	871	261
Gosnells (C)	WA	3543	3
Greenough (S)	WA	6722	1321

Halls Creek (S)	WA	650	650
Harvey (S)	WA	9504	39
Irwin (S)	WA	2014	97
Jerramungup (S)	WA	738	105
Kalamunda (S)	WA	2931	7
Kalgoorlie/Boulder (C)	WA	15216	28
Katanning (S)	WA	2659	261
Kellerberrin (S)	WA	966	296
Kent (S)	WA	293	293
Kojonup (S)	WA	1008	226
Kondinin (S)	WA	721	364
Koorda (S)	WA	427	125
Kulin (S)	WA	732	378
Lake Grace (S)	WA	876	466
Laverton (S)	WA	1085	1085
Leonora (S)	WA	2078	1145
Mandurah (C)	WA	37009	4777
Manjimup (S)	WA	4970	623
Meekatharra (S)	WA	701	149
Menzies (S)	WA	2607	2607
Merredin (S)	WA	2336	345
Mingenew (S)	WA	458	81
Moorabool (S)	WA	1483	161
Morawa (S)	WA	642	66
Mount Magnet (S)	WA	825	825
Mount Marshall (S)	WA	645	327
Mukinbudin (S)	WA	380	79
Mullewa (S)	WA	796	161
Mundaring (S)	WA	7473	546
Murchison (S)	WA	3	3
Murray (S)	WA	7049	1166
Nannup (S)	WA	793	229
Narembeen (S)	WA	588	61
Wyalkatchem (S)	WA	707	18
Wyndham-East Kimberley (S)	WA	2524	258
Yalgoo (S)	WA	400	400
Yilgarn (S)	WA	1963	1128
York (S)	WA	2369	218
Rockingham (C)	WA	42176	1462
Roebourne (S)	WA	8924	577
Sandstone (S)	WA	549	549
Serpentine-Jarrahdale (S)	WA	5848	472
Shark Bay (S)	WA	650	650
Swan (C)	WA	12094	54
Tambellup (S)	WA	536	536
Tammin (S)	WA	368	368
Three Springs (S)	WA	460	75
Toodyay (S)	WA	3071	1180
Trayning (S)	WA	571	331
Upper Gascoyne (S)	WA	73	73
Victoria Plains (S)	WA	634	634
Wagin (S)	WA	1612	151
Wandering (S)	WA	309	309
Wanneroo (C)	WA	11904	3877
Waroona (S)	WA	2400	304
West Arthur (S)	WA	472	183

Westonia (S)	WA	780	161
Wickepin (S)	WA	548	548
Williams (S)	WA	592	124
Wiluna (S)	WA	633	633
Wongan-Ballidu (S)	WA	1251	494
Woodanilling (S)	WA	509	509

Code	LGA Classification
A	Area
AC	Aboriginal Council
B	Borough
C	City
CGC	Community Government Council
DC	District Council
IC	Island Council
M	Municipality
RC	Rural City
RegC	Regional Council
S	Shire
T	Town

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Broadband, Communications and the Digital Economy Portfolio
Department of Broadband, Communications and the Digital Economy

Question No: 215

Program No. 1.1

Hansard Ref: In Writing

Topic: OPEL

Senator Birmingham asked:

Was the Department's 2006 list a complete and comprehensive list of all underserved premises as at 2006? Alternatively, was it the case that the Department considered that all premises on the list were 'underserved premises' but it was possible that there were other premises in Australia that were also 'underserved premises'?

Answer:

The Department's list of under-served premises, made available to all applicants under the Broadband Connect Infrastructure Program in 2006, was an indicative list only.

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Department of Broadband, Communications and the Digital Economy

Question No: 216

Program No. 1.1

Hansard Ref: In Writing

Topic: OPEL

Senator Birmingham asked:

In DBCDE's answer to question on notice no 150 from Estimates in February 2011, about the definition of 'underserved premises' under the Broadband Connect Infrastructure Program, the answer given is that the definition used by DBCDE was the definition set out in the BCIP Guidelines, including in the clarification issued on 3 November 2006. For the avoidance of doubt, please provide the full text of the definition used by DBCDE and identify the relevant page of the guidelines from which the definition is taken.

Answer:

Section 2.1.3 of the Program Guidelines (page 11) stated that:

“Under-served premises are defined as those premises within the Broadband Connect area that do not have sustainable access to a metro-comparable broadband service.”

‘Information regarding indicative information on under-served areas and premises’ included in Clarification 1 - 03 November 2006 to the Program (page 2) stated that:

“For the purpose of this information, premises are considered under-served if, at 30 June 2006, they did not have access to a [sustainable metro-comparable broadband service].

[Metro-comparable broadband services are those considered broadly comparable, in terms of price, speed and quality, with broadband services most widely available and utilised in metropolitan areas. Sustainable metro-comparable services are those that can reasonably be expected to remain metro-comparable through to at least June 2009 and can be offered without the need for ongoing Australian Government subsidies.]”

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Department of Broadband, Communications and the Digital Economy

Question No: 217

Program No. 1.1

Hansard Ref: In Writing

Topic: OPEL

Senator Birmingham asked:

In announcing his decision to terminate the OPEL Networks Pty Ltd (OPEL) contract in April 2008, Minister Conroy said “a condition precedent of the contract [between the government and OPEL] stated that OPEL would provide coverage reasonably equivalent to 90% of under-served premises identified by the then Department of Communications, Information Technology and the Arts as being within its coverage area” and went on to say that testing by the Department “determined that the OPEL network would cover only 72% of identified under-served premises.” How many premises did the OPEL network cover which the Department did not identify as ‘underserved premises.’?

Answer:

The Department did not calculate the number of premises covered by the OPEL network that were not contained within the Department's database of under-served premises.

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Question No: 218

Program No. 1.1

Hansard Ref: In Writing

Topic: OPEL

Senator Birmingham asked:

Of the premises which the OPEL network covered which the Department did not identify as 'underserved premises', did OPEL contend that any of these premises were 'underserved' and if so, how many?

Answer:

OPEL has contended that there were premises (which it contended were 'underserved') covered by the OPEL network that were not included in the Department's database of under-served premises, but did not specify the number of such premises.

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Department of Broadband, Communications and the Digital Economy

Question No: 219

Program No. 1.1

Hansard Ref: In Writing

Topic: OPEL

Senator Birmingham asked:

Is it correct that there were some premises which were covered by the OPEL network, and which OPEL contended were 'underserved premises' and the Department says were not 'underserved premises'? How many such 'disputed premises' were there? Were there enough 'disputed premises' that, if OPEL were right and the Department were wrong, and the disputed premises were in fact underserved premises, the condition precedent in the contract would have been satisfied? Once the Department identified that there were disputed premises, did it notify OPEL and offer OPEL the opportunity to demonstrate that these were underserved premises? Once the Department identified that there were disputed premises, did it make any investigation of these disputed premises to determine whether there was any possibility that it had made an error in failing to classify them as underserved premises?

Answer:

There were no 'disputed' premises because the number of underserved premises to be covered and the methodology for determining coverage were made explicit in the conditions precedent to the funding deed, signed by both parties. A comparison of under-served premises between the Department's database and OPEL's database was neither a necessary nor relevant consideration for the Department in assessing the OPEL Implementation Plan, because the conditions precedent to the OPEL funding deed required that, if OPEL used its own database of underserved premises, its coverage had to be reasonably equivalent to the required coverage using the Department's database.

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Department of Broadband, Communications and the Digital Economy

Question No: 220

Program No. 1.1

Hansard Ref: In Writing

Topic: OPEL

Senator Birmingham asked:

Once the Department identified that there were disputed premises, did it conduct an exercise of comparing its database of underserved premises with OPEL's database, to determine if there was any systematic explanation of the divergence, for example because OPEL had included as 'underserved premises' a range of premises which were in fact served by a particular terrestrial wireless operator which was erroneously not included in OPEL's database, or for example because OPEL's database showed certain premises as being in an area served by pair gain systems and hence unable to receive DSL, when in fact there were no pair gain systems in this area and hence DSL was available?

Answer:

See answer to Question on Notice. 219.

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Department of Broadband, Communications and the Digital Economy

Question No: 221

Program No. 1.1

Hansard Ref: In Writing

Topic: OPEL

Senator Birmingham asked:

Once the Department identified that there were disputed premises, did it give OPEL the opportunity to conduct an exercise of comparing OPEL's database of underserved premises with the Department's database, again with a view to determining if there was any systematic explanation of the divergence?

Answer:

See answer to Question on Notice. 219.

Senate Standing Committee on Environment and Communications
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Department of Broadband, Communications and the Digital Economy

Question No: 222

Program No. 1.1

Hansard Ref: In Writing

Topic: OPEL

Senator Birmingham asked:

Of the disputed premises, can the Department provide a breakdown of the type of service each such premise was receiving such that the Department considered it to be a premise that received a metro comparable broadband service, and hence was not an underserved premise. I do not want a premises by premises listing, but if for example there were 50,000 disputed premises, I would like to know how many of them received an ADSL service, how many of them received a terrestrial wireless service, and how many of them received some other kind of service, such that in each case the Department had classified them as receiving a metro-comparable broadband service.

Answer:

See answer to Question on Notice. 219.