

DBCDE Opening Statement – 18 October 2011

I would like to make opening comments in relation to the temporary suspension of the Satellite Subsidy Scheme – the SSS – in Queensland.

Satellite Subsidy Scheme

The Government's new VAST satellite TV service is providing—for the first time in many regional and remote areas of Australia—access to the same number of TV channels as are available in the cities. Already, better picture quality and the choice of 16 channels of programs, plus a local news channel, has been made possible for almost 40,000 households.

The overwhelming majority of VAST installations have not been funded or installed through government programs, as our SSS subsidy scheme is generally tied to the progressive roll-out of switchover around Australia, phased over the period til the end of 2013. Householders in remote Australia are instead choosing to invest satellite reception equipment to get the Government's new satellite service before switchover arrives in their region.

The Satellite Subsidy Scheme is available for households in areas which have been previously served by local self-help transmitters that are not being upgraded to digital. The assistance recognises the prior investment of these communities, usually through their rates, in maintaining local facilities. To date, the Satellite Subsidy Scheme has helped install VAST into 5,453 households in regional South Australia, Victoria and now Queensland as part of switchover, around 13 percent of all VAST activations. The program has worked well generally, with the total number of complaints very low, less than 1 percent of all installations.

Today, there are up to 11,000 eligible households in regional and remote parts of QLD. The installations are in the early phase, with around 6,900 households opting into the subsidy program to date, and around 2,800 installs completed so far. Again,

complaints in relation to the work of the contractors have been very small, less than 1%.

The issue that caused us to voluntarily suspend the installations recently in Queensland arose from a decision by the Taskforce to take a different approach to rolling out the SSS in Remote Indigenous Communities. That decision proved not to be as robust as our general process for SSS.

Queensland is the first state in which the SSS has needed to service remote indigenous communities on a large scale. The DST's approach in these communities was varied to seek to identify and obtain 'blanket approvals' from the owners of housing, predominantly State government, rather than asking individual tenants to obtain these approvals as is normally the case. The Taskforce considered that this would be a more efficient process for our contractors in these areas, given that housing is predominantly publicly owned in these communities.

Our processes for obtaining these approvals were deficient. We didn't approach all the relevant Departments individually and as a consequence we went ahead with 55 installations in properties belonging to the Department of Education and Training without its formal approval.

When we discovered this, we were also advised by DET that there were indications that some installations may have been undertaken in housing where 'asbestos containing material' is present. Our contractors were experienced in such installations but in ours and DET's views, suspending installation while we reviewed not only our installation processes but also undertook any testing of premises was a necessary step.

To address these issues, the Taskforce took the following actions:

- Installations were suspended immediately in both indigenous and non-indigenous locations, as a first precaution.
- We worked closely with DET by agreeing to fund precautionary cleaning in 29 remote indigenous community residences where installations had occurred and asbestos material may have been present. 26 other DET-owned properties at which an installation has been carried out under the SSS were reviewed at desk-top level but did not require an inspection or clean.
- We also discussed with the SSS lead contractors improvements to their practices to address unique circumstances at Remote Indigenous Communities. They agreed to alter their safe work methods for installing satellite TV systems into households now presumed to contain asbestos. We appointed an OH&S adviser to review these requirements before we signed off on them.
- Contractors also undertook further training of their installers, so the new practices are well understood.
- We also engaged KPMG to give us an external risk assessor's view on SSS processes in relation to householder approvals and risk management practices.
- We do not know of any grounds to believe that the health of any resident has been jeopardised. That said, we are very conscious that disturbing ACM at any level is not acceptable practice, if indeed it has occurred.

The breakdown in our procedures was a direct result of our new approach to seeking blanket approvals of home owners in Remote Indigenous Communities and was entirely of our making. Once we had established this as the limit of the problem, and after consideration with KPMG, the Taskforce recommenced installations in non-RIC areas – that is, most of regional Queensland - from last Saturday 15 October.

Nevertheless, to err on the safe side the Queensland Department of Public Works has also advised all other relevant State government departments of installations that have taken place in government owned households across Queensland, whether in RIC areas or not. This is because our efforts to get 'permissions' from tenants in Government housing can be strengthened by talking direct to the landlord in this category of homes, as can our understanding of any issues relating to the property itself. To date, no other department has raised any issues in relation to these installations but we remain prepared to support a review and testing procedure if they ask.

The Taskforce expects to recommence installations in RICs this week, after we have finalised our work in obtaining formal approvals from government departments, and with the new OH&S procedures.

No eligible Queensland residents will miss out on installations under the program as a result of this delay. The Taskforce remains confident all eligible residences will be fitted with satellite reception equipment prior to the switch-off of analog television signals in regional Queensland on 6 December 2011 and remote Queensland in the second half of 2013.