Question No: 98

Program 1.2

Hansard Ref: ECA 18

Topic: Contract activities for Koroit LPO

Senator Fisher asked:

With regard to contract activities for Koroit LPO, can you explain what is meant by the acceptance of the inaccuracy of advice the Minister provided to Dan Tehan on 20 January, blaming it on an unavoidable delay in the dispatch process?

Answer:

A revised draft ministerial reply to Dr Napthine's letter was provided to the Minister by the Department on 23 October 2009. Due to the Minister's substantial work pressures, the letter was unable to be signed and dispatched to Dr Napthine until 25 November 2009.

Question No: 99

Program No. 1.2

Hansard Ref: ECA 52

Topic: ISP Filtering

Senator Ludlam asked:

a) Has there been any kind of quantitative or qualitative research on the likelihood of accidental or inadvertent exposure to refused classification material online?

b) Is there any evidence pointing to the frequency with which that occurs?

Answer:

a) Due to the size and dynamic nature of the internet it is not possible to quantify the probability of being exposed to Refused Classification content on the internet. Mandatory ISP-level filtering of the Refused Classification Content list will, however, help prevent inadvertent exposure to URLs on the list.

b) The Australian Communications and Media Authority (ACMA) currently receive approximately 1300 complaints per annum in relation to overseas hosted RC content.

The number of complaints received by the ACMA in 2008-09 (1075) was more than double the amount of complaints received in relation to such material in 2007-08 (521).

As part of its independent testing of filtering technology, an ISP (which claims to have 1 per cent of Australia's internet subscribers), found that in a five day period, there were 20,000 'hits' on a list of 198 URLs that contained child sexual abuse images.

Question No: 100

Program No. 1.2

Hansard Ref: ECA 91

Topic: ISP Filtering

Senator Ludlam asked:

a) How many other parties, commercial or otherwise, are you negotiating with-third-party providers-in order effectively to outsource the surveillance role that the filter will not be able to handle?

b) Which parties are you in negotiations with and for what reasons?

c) Were there any other interest groups with specific interest in the net filter that the Minister met with prior to the announcement of the policy?

Answer:

a) The Government is consulting with a number of operators of high usage sites, including Facebook, Myspace, Microsoft and YouTube.

b) See response to (a) above.

The Enex report on the ISP filtering live pilot noted that high traffic sites could overload certain filtering solutions.

Consultations are being undertaken with owners of high traffic sites on the possible implementation of arrangements by these sites to either take down material on the Refused Classification content list, or to block it from access by users in Australia.

Owners of most popular overseas-hosted websites that provide user-generated content already have arrangements in place to take down offensive material. Many of these policies are in many instances wider than the scope of Refused Classification content. For example, see http://au.youtube.com/t/community_guidelines.

c) The Minister and/or the Department has met with a wide range of stakeholders to discuss details regarding the implementation of ISP-level filtering, including ISPs, filtering technology vendors and key industry and community organisations.

Question No: 101

Program 1.2

Hansard Ref: In writing

Topic: ACMA's feasibility study into emergency service SMS

Senator Ludlam asked:

a) Can the Minister confirm receipt of the ACMA's feasibility study into emergency service SMS access for people who are deaf or have a speech and hearing impairment?

b) Which agency will take responsibility for the implementation of the SMS scheme?

c) When will implementation of the '106' SMS scheme commence?

Answer:

a) Yes.

b) The Department of Broadband, Communications and the Digital Economy, in consultation with the Australian Communications and Media Authority.

c) The feasibility study raised a number of complex legislative, regulatory and financial issues which are receiving consideration as a matter of priority. No implementation date has been determined at this time.

Question No: 102

Program No. 1.2

Hansard Ref: In Writing

Topic: Australian Broadband Guarantee – Compliance Breach

Senator Minchin asked:

The Minister issued a press release on 8 December 2009 announcing that the Department had "moved swiftly" to address fraud involving two registered providers in the Australian Broadband Guarantee Program.

a) Can you provide an update regarding this investigation?
b) How much money does this matter involve and has it been recovered?
c) In the media release it says mapping data was allegedly manipulated to change the eligibility of some customers, was this data held by the two registered providers, or data held by the Department?
d) The Annual Report states that there are 16 registered ABG providers (p35), are the two providers under investigation continuing to deliver services?
e) If not, what arrangements have been put in place to provide ABG services for their customers?

Answer:

a) The matter was referred to the Australian Federal Police in 2009 and remains under investigation.

b) The matter involved $864 771, all of which has been recovered by the Department.

c) The manipulation involved the movement of a location pin on the Department's online Broadband Service Locator (BSL). All BSL data is maintained by the Department. However, the responsibility for accurately moving the location pin to reflect the actual location of a customer's premises lies with the customer or the registered ABG provider on the customer's behalf. All pin movements are recorded by the Department and are fully auditable.

d) The two registered providers are continuing to provide services, pending the outcome of relevant investigations and noting that all monies owed have been repaid. The Department is conducting a full performance and compliance audit of both companies and will consider the need for any further compliance action pending the outcome of these audits and the outcome of the AFP investigation. Both companies have independently acted to put in place compliance measures to prevent a recurrence of such instances.

e) n/a

Question No: 103

Program No. 1.2

Hansard Ref: In Writing

Topic: Underestimated ABG Demand

Senator Minchin asked:

On 27 November, Minister Conroy announced that the Government had committed to "bring forward $23.8 million" in funds to meet "strong demand" for the ABG.

a) In the 2007/08 Budget $271 million was allocated over four years, but in the 2008/09 Budget the amount was reduced to $230 million over four years, could you confirm the current funding profile, following the announcement in November to "bring forward" $23.8 million to ensure provider could accommodate all new subscribers for the remainder of this financial year?

b) Why was the funding profile reduced, when there is clearly strong demand for the program?

c) How many new subscribers have come online so far this financial year?

d) Was the fraud matter being investigated by the AFP a factor in the Government having to bring forward $23.8 million to support the program?

Answer:

a) Funding for the Australian Broadband Guarantee was reduced from $273.5 million to $250.757 million in the 2009/10 budget.

   The current funding profile for the program is $250.757 million ($228.547million in administered funds) over four years.

b) The funding profile for the program was reduced because the Department identified savings of $23.061 million over the life of the program, primarily based on a forecast reduction in eligible ABG premises as a result of the Optus 3G commercial wireless broadband network roll out. While there has been a decline in the take up of services under the Australian Broadband Guarantee, it has not been as significant as originally forecast. Funds were brought forward from the 2011/12 funding allocation to the 2009/10 funding allocation to cover the anticipated funding shortfall.

c) There have been 18 674 new subscribers so far for this financial year to 31 January 2010.

d) No.

Question No: 104

Program No. 1.2

Hansard Ref: In Writing

Topic: UNDERSERVICED PREMISES UNDER ABG

Senator Minchin asked:

a) What is the current estimate of under serviced premises and what metrics are being used to determine under serviced premises?
b) Are you able to provide a state-by-state breakdown?
c) How many premises are no longer considered under served, because of the department's recognition of Optus 3G services as metro equivalent?
d) What happens to existing ABG agreements in those areas where subsidies are being provided in areas that by definition now have access to a metro-equivalent service as a result of Optus 3G now being recognised?
e) How many households and businesses are currently receiving a subsidised broadband service under the ABG?

Answer:

a) As at 18 May 2010, the estimate of underserved premises was 500 094, noting that this figure may increase if indicated commercial coverage is not actually achieved. The metrics to determine under-served premises under the Australian Broadband Guarantee are premises where a service of at least 512/128kbps data speeds and at least 3GB per month data usage allowance are not available commercially at a total price to the customer of $2500 over three years.
b) The breakdown of these points on a state-by-state basis is as follows

State	Premises outside Commercial coverage
Australian Capital Territory	3,730
New South Wales	95,055
Northern Territory	7,709
Other Territories	87
Queensland	144,466
South Australia	77,051
Tasmania	29,895
Victoria	76,598
Western Australia	65,503
Total	500,094

In light of Telstra's announcement of more competitively priced wireless broadband services, the Department has independently tested the performance and coverage of the *NextG* network and found that *NextG* services are metro-comparable under the program in most areas of the network. Given this, the revised Australian Broadband Guarantee

program for 2010-11 will not subsidise new customer connections across these *NextG* service areas, except:

    a. in areas beyond Telstra's handheld mobile coverage and in any black-spots in this handheld coverage where other metro-comparable services are not available commercially; and

    b. in the existing service areas of registered wireless providers, who will continue to have access to the existing pool of eligible customer for a further year, in recognition of their significant investment in infrastructure.

The result of the recognition of Telstra's *NextG* service as metro-comparable as identified above is that the Department estimates that there will be approximately 156,000 under-served premises in 2010-11.

c) Optus' 3G wireless broadband coverage area data was provided by Optus to the Department on a commercial-in-confidence basis. Given this, the Department is not in a position to provide a response.

d) As is the case with all known commercially available metro-comparable broadband services, where customers are determined by the Department to be within range of an Optus 3G wireless service, they are advised that they need to check the availability of that service with Optus in the first instance. Should the premises the customer is seeking to have connected to a broadband service not be able to be provided with a metro-comparable service by Optus, the customer may be eligible for an Australian Broadband Guarantee subsidised service and is advised to contact the Department to further determine eligibility for assistance.

e) At 18 May 2010, the number of subsidised broadband connections supported by the Australian Broadband Guarantee is 86 221.

Question No: 105

Program No. 1.2

Hansard Ref: In Writing

Topic: Australian Broadband Guarantee

Senator Fisher asked:

a) In regard to the Adam Internet's WiMAX network in Adelaide with support funding under the ABG.
   Were coverage maps of the network shown to the Department prior to the agreement to provide ABG funding to support the venture?
   Please provide copies of the network coverage maps to the Committee.
   Where are the 350 blackspots that will be 'fixed' by this program?
   Please provide a list to the Committee.
b) What is the forecast ABG funding liability for this project over the life of the rollout?
c) On 30 November 2009, industry journal CommsDay reported that $24m in ABG funding had been brought forward to the 2009 financial year.
   Was this a result of the decision to provide ABG support funding to the Adam Internet public private venture?

Answer:

a)   Yes. Adam Internet's proposed network coverage area was mapped prior to the agreement to provide ABG funding to support the venture.

Coverage data was provided to the Department on a commercial-in-confidence basis. However, a map of Adam Internet's coverage is available on Adam Internet's website at http://www.adam.com.au/products/adammax/adammax_coverage.php.

The 350 "black spots", i.e. areas where terrestrial metro-comparable broadband services are not accessible, are located widely across metropolitan Adelaide. They comprise land parcels, singly or in clusters, within suburbs. The following is a list of suburbs the Department understands contain one or more "black spots", based on industry information available to it:

Aberfoyle Park
Aldinga Beach
Allenby Gardens
Andrews Farm
Angle Park
Angle Vale
Ascot Park
Athelstone
Athol Park
Auldana

Banksia Park
Bedford Park
Belair
Bellevue Heights
Beverley
Blackwood
Blair Athol
Blakeview
Bowden
Broadview
Brompton
Burnside
Burton
Camden Park
Cavan
Cherry Gardens
Christies Beach
Clarence Gardens
Clearview
Clovelly Park
Colonel Light Gardens
Coromandel Valley
Crafers West
Craigburn Farm
Craigmore
Croydon Park
Cumberland Park
Darlington
Davoren Park
Daw Park
Dernancourt
Dover Gardens
Dudley Park
Dulwich
Eastwood
Elizabeth Vale
Enfield
Felixstow
Ferryden Park
Flagstaff Hill
Flinders Park
Fulham Gardens
Gilles Plains
Glengowrie
Glenside
Golden Grove
Goodwood

Grange
Greenwith
Gulfview Heights
Hackham
Hackham West
Hallett Cove
Happy Valley
Hawthorn
Highbury
Highgate
Hillbank
Hillcrest
Holden Hill
Hope Valley
Houghton
Hove
Huntfield Heights
Ingle Farm
Kensington
Kent Town
Kidman Park
Kilburn
Klemzig
Lockleys
Lonsdale
Magill
Malvern
Mansfield Park
Marden
Marino
Marion
Marleston
Mawson Lakes
Mile End
Mitchell Park
Modbury
Modbury Heights
Modbury North
Morphett Vale
Morphettville
Munno Para Downs
Munno Para West
Netherby
Newton
Noarlunga Downs
North Brighton
North Haven

North Plympton
Northgate
Norwood
Novar Gardens
Oakden
Oaklands Park
Ohalloran Hill
Old Reynella
One Tree Hill
Onkaparinga Hills
Osullivan Beach
Ottoway
Panorama
Para Hills
Para Hills West
Paradise
Parafield Gardens
Paralowie
Park Holme
Pasadena
Payneham
Payneham South
Pennington
Plympton
Pooraka
Port Adelaide
Port Noarlunga
Redwood Park
Regency Park
Renown Park
Richmond
Ridgehaven
Rose Park
Rosslyn Park
Rostrevor
Royal Park
Salisbury
Salisbury East
Salisbury Heights
Salisbury North
Seacombe Gardens
Seaford Rise
Seaton
Seaview Downs
Sheidow Park
Skye
Smithfield Plains

Somerton Park
St Agnes
St Marys
Stonyfell
Sturt
Tea Tree Gully
Thebarton
Trott Park
Unley
Walkley Heights
Warradale
Waterloo Corner
Wattle Park
Wayville
West Beach
West Lakes
West Richmond
Westbourne Park
Windsor Gardens
Wingfield
Woodcroft
Woodville Gardens
Woodville South
Wynn Vale

b)   Given that subsidies are paid on a per customer connection basis, there is no funding liability for this project unless and until Adam Internet connects eligible customers in accordance with the program guidelines and its funding deed. Adam Internet has indicated that it believes that there are up to 3600 under-served customers in its service area. As for all registered providers under the program, the Australian Broadband Guarantee will pay subsidies for all valid claims for connecting eligible customers, subject to the availability of administered funds under the program.

c)   No. The decision was unrelated to the decision to register Adam Internet.

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<div align="right">**Question No: 106**</div>

Program No. 1.2

Hansard Ref: In Writing

Topic: Subsidised Connections 2008/09

Senator Minchin asked:

a) Page 34 of the Annual Report says 36,671 connections to broadband services were
    subsidised in 2008/09, with administered expenses of $84.2 million.
    Does this figure relate to new subscriptions, or does that include recipients who have
    previously entered into agreements with providers also?
b) How does this figure compare to the previous three financial years?
c) How many applications were received this financial year in total and how many were
    rejected?

Answer:

a) The figure of 36 671 in the 2008/09 Annual Report relates to new subscriptions. However,
    since the Annual Report, the figure for connections in the 2008/09 financial year has
    subsequently been adjusted to take account of a small number of post-connection
    adjustments to accepted claims. As at 2 March 2010, the figure for connections in the
    2008/09 financial year is 36 529.

b) The Australian Broadband Guarantee program was launched in April 2007 and therefore
    subscriptions under the program can only be reported from the 2007/08 financial year.
    There were 37 488 connections under the Australian Broadband Guarantee in 2007/08.

c) In the 2008/09 financial year, there were 37 935 claims received under the Australian
    Broadband Guarantee in total and 1406 were declined.

Question No: 107

Program No. 1.2

Hansard Ref: In Writing

Topic: Speed and Download Standards Under ABG

Senator Minchin asked:

a) How frequently does the Department review the ABG minimum standards?

b) The Annual report for example states that even in 2008 the average monthly data usage of Australia is 4 Gigabytes, yet the ABG benchmark is 3 Gigabytes. Does the Department consider this criteria to still be relevant? Why?

c) Given the average metro user has ready access to more than 1 Mbps in download speed, and the ABG judges metro equivalency at 512 kbps, does the Department consider this metric is still correct and relevant? Why?

d) Does the Department believe that if the average metro user pays around $50-60 a month for broadband, that the $2,500 per year benchmark under the ABG may also in fact be too high?

e) Did the Glasson Review recommend lowering the price benchmark?

f) Will the ABG continue to operate throughout the NBN roll out period?

g) Will the minimum benchmarks of metro equivalency under the ABG be substantially revised if areas of Australia start receiving higher speed NBN services?

Answer:

a) The Department has regularly reviewed the service standard settings for the threshold service under the Australian Broadband Guarantee and its predecessor programs. As announced by the Minister on 10 May 2010, the Department has reviewed the program's settings to be applied in the 2010-11 financial year to provide an effective transition to services provided under the National Broadband Network.

b) On 10 May 2010, the Minister announced the revised 2010-11 Australian Broadband Guarantee program. Under this program, the service speeds will be increased from 512/128kbps to 1Mbps/256kbps and the monthly data usage allowance for the threshold service will be increased from three to six gigabytes. The Australian Bureau of Statistics most recent report for that the average monthly data usage allowance is 5.5 gigabytes.

c) The Department believes that it is appropriate for the metro-comparability standard to remain at its current level during the revised 2010-11 Australian Broadband Guarantee in recognition that the program is transitioning to the National Broadband Network, when next generation broadband will be available across Australia. Therefore, the Government believes that it is appropriate for the program to be a safety net focusing on the approximately two per cent of premises where metro-comparable broadband services are not available commercially.

d) The maximum cost of the threshold service under the Australian Broadband Guarantee is $2500 over three years, not per year. This cost includes equipment, installation,

connection, account establishment and ongoing provision of service. The Department considers the appropriateness of the maximum cost that can be charged for the threshold service in the context of reviews of the program's service standard settings.

e) No.

f) The Australian Broadband Guarantee complements the National Broadband Network by subsiding access to metro-comparable broadband where not otherwise available while the new network is rolled out.

g) The Australian Broadband Guarantee will not operate in any areas where NBN services are being provided.

Question No: 108

Program 1.2

Hansard Ref: In Writing

Topic: Regional Telecommunications Independent Review (Glasson)

Senator Minchin asked:

a) Does the Government still intend to contribute $400 million to support specific recommendations of the Glasson Review?
b) How many recommendations did the Glasson Review make and how many in total has the Government committed funding to? Please itemise each.
c) When will the remainder of the Government's commitment be allocated?
d) Where in the Budget are the remaining funds to support the Glasson Review to be sourced from?
e) Will additional funding be reliant on new appropriations in future Budgets?

Answer:

a) As stated in Budget Paper No. 2 of 2008-09 it is expected that up to $400 million will be available for regional telecommunications subject to consideration of the Glasson Review. The Glasson Committee recommended that 10-15 per cent of the available funding be allocated in respect of its recommendations with a further funded response to follow once the deployment of the National Broadband Network has further progressed.

b) The Glasson Review made a total of 45 recommendations. In some cases, the Government responded individually to part recommendations. Accordingly, there were 52 Government responses to the Review out of which 48 recommendations or part-recommendations were accepted. As part of its response, the Government has committed the following funds over four years:

- The $60 million *Digital Regions Initiative* addresses recommendations 1.1.1, 1.2.3b, 1.3.1, 1.2.1a and 1.6.2 which relate to the use and improvement of broadband for health, education, training and emergency response;

- $8.9 million for the *Satellite Phone Subsidy Scheme* addresses recommendations 1.3.2 and 2.1.1b which relate to broadening the scope and accessibility of the Scheme and increasing the affordability of satellite phone handsets; and

- An additional $4.7 million for *Indigenous Communications Program* , bringing the total funding to $31 million, addresses recommendations 1.5.1, 1.5.2 and 2.2.3 which relate to the implementation and maintenance of community phones and internet training and access in Indigenous communities.

Separately, the $250 million Regional Backbone Blackspots Program targets availability and access to competitive backhaul and is consistent with recommendations 2.5.1, 2.5.2 and 2.5.6.

A number of recommendations made by the Glasson Committee target participation by and cooperation between Commonwealth, State and Local Governments. These recommendations are being worked on by Ministerial Councils and inter-jurisdictional committees.

Legislative amendments in train address some of the recommendations which focus on consumer protections and market access.

c) The Glasson Committee recommended that 10-15 per cent of the available funding be allocated in respect of its recommendations with a further funded response to follow once the deployment of the National Broadband Network has further progressed.

d) Decisions in this regard will be made in the relevant budget context.

e) See answer to (d) above.

Question No: 109

Program No. 1.2

Hansard Ref: In Writing

Topic: Realising Our Broadband Future Forum (10-11 DECEMBER)

The Get Ready For Digital TV Conference (30-31 MARCH 2009)

Senator Minchin asked:

a) Whose decision was it to stage these events?

b) Apart from the PR value what was the actual purpose of them?

c) Event Planet was awarded the contracts to stage both events, did these involve a competitive tender process and were both tenders publicly advertised?

d) Why did the Broadband Future Forum contract start at $528,498 and then blow out to $746,073?

e) What was the total cost of the Digital TV Conference?

f) In relation to the Broadband Future Forum web site, were these costs included in the contract or are they separate costs?

g) What did the web site component cost?

h) How many people were formally invited to attend each of these events?

i) Was the Opposition invited?

j) In relation to media invitations to the Broadband Forum can you confirm that only certain journalists were invited?

k) Who selected which media organisations and which journalists should be invited?

l) For each of these events how many speakers or participants came from overseas?

m) Did the Department foot the bill for international speakers and participants to attend?

n) Were these costs included in the contracts awarded to Event Planet?

Answer:

a) *Get Ready for Digital TV conference*
A proposal for the Get Ready for Digital TV conference was submitted by the Digital Switchover Taskforce to Minister Conroy who approved the approach.

Realising our Broadband Future Forum
The Australian Government announced in *Australia's Digital Economy: Future Directions* paper that it would host a national broadband forum before the end of 2009.

b) *Get Ready for Digital TV conference*
The purpose of the conference was for the Australian Government to host a forum which would generate discussion amongst the broadcasting and related industry about the current developments and future opportunities of digital only broadcasting in Australia.

There is no other forum in Australia which specifically aims to discuss the transition to digital television. The timing of the conference coincided with the commencement of the switchover program in Australia and provided all stakeholders including broadcasters and retailers with the opportunity to discuss strategic developments and engage with the program.

Realising our Broadband Future Forum
The purpose of the Forum was to continue a discussion between government, business and the community to identify the actions required to ensure that Australia maximizes the benefits of an NBN enabled digital economy.

This discussion was initiated by the release of the *Australia's Digital Economy: Future Directions* paper and the Forum was convened in response to calls from industry for further opportunities to engage with the Government on this important issue.

c) Event Planet was engaged for both "Get Ready for Digital TV conference" and "Realising Our Broadband Future forum" consistent with the Commonwealth Procurement Guidelines.

Get Ready for Digital TV conference
Event Planet was selected through a select tender process.

Realising Our Broadband Future forum
Event Planet was engaged through direct sourcing processes.

d) There was an overwhelming response to the forum which resulted in the Department increasing the capacity at the venue from 250 in the original contract to 378

participants. Part of the increased costs were to accommodate and cater for these additional participants.

To accommodate the strong interest in the forum and to extend its reach to a broader audience the Government also adopted a number of Web 2.0 tools. There were over 19,500 unique visits to the Broadband Future web site and Broadband Future was the most popular Australian Twitter hashtag over the two days the forum was conducted. The full scope of the use of Web 2.0 tools was not included in the original contract with Event Planet and thus also contributed to the increased cost.

e) The net cost of the conference was $526,295.96 excluding GST.

f) A cost of $37,752.14 (GST exclusive) was incurred for building and operating a wiki which was paid to Atlassian, Glintech, Ultra Serve Internet Pty, Coomala Technology solutions and M&T Resources. Other web site costs were included in the contract with Event Planet.

g) In addition to the cost of the wiki, the Broadband Future Forum web site cost $41,716 (GST exclusive).

h) *Get Ready for Digital TV conference*
143 key stakeholders were formally invited to attend the Digital Switchover conference. Attendance at the conference was also open to the public.

Realising our Broadband Future Forum
There were approximately 500 public expressions of interest in attending the forum in addition to around 500 invitations that were sent to senior executives, experts and thought leaders from a range of industry sectors.

i) *Get Ready for Digital TV conference*
Attendance at the conference was open to the public.

Realising our Broadband Future Forum
Registration at the forum was open to the public via the Broadband Future forum web site.

j) The forum was open to all media and more than 90 journalists were specifically invited.

Invited media included a mix of specialist journalists - telecommunications, health, education writers - from major metropolitan print and electronic media, as well as industry publications. The selection of invited specialist journalists aligned broadly with forum discussion streams.

k) Invited journalists were selected by the Department with reference to published media guides and in consultation with the Minister's office.

l) *Get Ready for Digital TV conference*
There were three speakers who came from overseas.

Realising our Broadband Future Forum
There were seven speakers from overseas.

m) *Get Ready for Digital TV conference*
Speakers appeared free of charge with the exception of Mr. Mike Walsh, a leading international authority and speaker on the digital media revolution, and Ms Jenny Brockie who was the facilitator for the discussion panel.

Realising our Broadband Future Forum
The cost of international speakers was kept to a minimum through the use of four live broadband links or pre-recorded interviews. Travel costs and accommodation for three international speakers was paid.

n) *Realising our Broadband Future Forum*
Yes.

Question No: 110

Program 1.2

Hansard Ref: In Writing

Topic: Victorian Bushfire Royal Commission (Letter from Communications Minister)

Senator Minchin asked:

During the Royal Commission on 16 September 2009**,** Senior Counsel assisting the Commission Jack Rush questions the DSE's Shaun Lawler about his witness statement.

He asks about a letter Mr Lawler refers to in his witness statement, from the Federal Communications Minister "highlighting the importance of infrastructure on Mount Big Ben". The letter was received on the morning of the 8th February 2009, by the fire controller.

It was stated that the letter highlighted the importance of the infrastructure on Mount Big Ben and the need for steps to be taken to protect the assets. [On this day the town of Beechworth remained under threat from fire]. Fixed wing fire bombers were tasked to see if they put retardant lines around the infrastructure, but the smoke was too thick.

   a) Who wrote the letter as referred to during the Bushfire Royal Commission on the 16 September 2009? [DBCDE secretary Peter Harris was secretary of DSE in Victoria at the time]
   b) What motivated the writing of this letter; when was it sent and who to?
   c) What are the assets referred to on Mount Big Ben and who owns them?
   d) Was the Minister acting on any particular authority in writing this letter?
   e) Is it usual practice for such a letter to be written during an emergency of this nature by a Federal Minister to a state agency?
   f) Wouldn't the Attorney General typically be the most appropriate person to write such a letter?
   g) Please provide a copy of the letter?

Answer:

The Department has not been able to locate a copy of the letter (or establish the existence of) to which Mr Lawler refers in his statement of 2 September 2009. As a result, the Department is unable to respond to the seven questions raised. The Department is of the view that such letter was not prepared by the Department and if it does exist, the signatory may not have been the Hon Senator Stephen Conroy but another Commonwealth or State Minister or official.

Question No: 111

Program No. 1.2

Hansard Ref: In Writing

Topic: ISP FILTERING

Senator Fisher asked:

   a) What testing has been undertaken to measure the effect of the Government's proposed ISP Filtering technology on internet speeds?

   b) Has the filter been tested at the speeds mandated by the National Broadband Network proposal that is 12mbps and 100mbps?

   c) Is there any differential between the marginal effect experienced on download speeds, according to the type of internet connection used? ie.;
         i. Satellite connection,
        ii. WiMax connection,
      iii. 3G connection,
      iv. Fibre connection?

   d) Are there plans for higher speed tests before any attempts are made to implement the policy?

   e) Could you provide the most up-to-date estimate of how much mandatory filtering will cost the Government to implement and what costs will be involved?

   f) What recourse will businesses have if their web sites or parts thereof are inadvertently blocked under mandatory filtering?

   g) Please supply a definition Refused Classification material for the purpose of Internet filtering.

Answer:

   a) Enex TestLab, an independent testing laboratory, conducted an internet service provider (ISP) filtering live pilot in 2009 which provided valuable information on the performance of filters installed in 'real world' ISP networks.

      The pilot involved nine ISPs of varying sizes and assessed a number of different filtering technologies.

      Enex TestLab found that a defined list of URLs can be filtered with 100 per cent accuracy, and negligible impact on internet speed.

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Telstra undertook its own testing and found that its filter was 100 per cent accurate and also had no noticeable performance degradation. They described the impact as 1/70th of the blink of an eye.

These outcomes are consistent with the results of a live pilot of ISP level filtering undertaken by the New Zealand Government and reports of filtering a defined list of URLs by many ISPs in a number of western democracies.

b) Enex TestLab conducted testing of ISP-level filtering on networks running at speeds of up to 8 megabits per second. This was the highest speed offered by any of the live pilot participants.

Consultations with Australia's largest ISPs and other expert technical advice confirms that ISPs could readily choose a technology that filters a defined list of specific internet addresses (URLs) with no, or only negligible, impact on network speeds when using much faster networks such as the National Broadband Network.

It should be noted that ISPs in many western democracies filter a defined list of URLs when operating networks with much faster speeds than those generally available in Australia. Telstra conducted the trial on its BigPond test environment that they use to test all BigPond products before putting them to the market.

c) Technical advice indicates that as internet filtering is access technology agnostic, the performance impact (if any) on any network delivery system/technology would be similar.

d) The policy approach has been has been informed by the constructive input of Australia's four largest ISPs, who came forward with a set of principles which the Government has taken into account. See (a) and (b) above.

As for all Government policies, the Government will continue to monitor and review developments.

e) A total of $13.9 million (administered, departmental and capital funding) has been approved to implement mandatory ISP-level filtering for 2009-10 to 2013-14.

This includes funding for development of the policy and legislation, maintenance and security of the RC Content list, procurement of a filtering tool that would be made available to ISPs to use should they choose to do so and RC content classification and review processes.

f) The ISP filtering pilot demonstrated that filtering a defined list of URLs can be achieved with 100 per cent accuracy and no over-blocking of content. Telstra's own testing provided the same results. If filtering is done correctly, there will be no over-blocking of content.

As part of the introduction of mandatory ISP-level filtering of Refused Classification (RC) rated overseas content, the Government has publicly consulted on measures to improve the

transparency of processes that lead to material being placed on the RC Content list. The options (not mutually exclusive) include:

- the Classification Board classifying Refused Classification -rated content which has been assessed by the Australian Communications and Media Authority (ACMA) following a public complaint;

- the ACMA notifying readily identifiable and contactable content owners and website owners that their content is to be added to the Refused Classification Content list (after liaison with the AFP where appropriate). This would give such owners an opportunity to either take down the content or to seek a review of the decision;

- a standard block page which would inform users, content owners and website owners that requested internet content has been blocked because it is on the RC Content list, and provides information on avenues to seek review of the decision to block the material; and

- a annual review of ACMA and Classification Board processes by an independent expert and a report to Parliament.

Submissions to the public consultation process closed on 12 February 2010 and are currently being reviewed. The submissions are available on the Department's website.

g) Under the mandatory ISP-level filtering scheme, RC content for the purposes of ISP filtering will be classified using the National Classification Scheme which currently applies to material in the offline world such as films and publications. The National Classification Scheme comprises the *Classification (Publications, Films and Computer Games) Act 1995* (the Act), the National Classification Code and the classification guidelines, i.e. the *Guidelines for the Classification of Films and Computer Games* and the *Guidelines for the Classification of Publications*. A full description of each type of classification, including the RC classification, is found with reference to the Act, the Code and the relevant guidelines in combination.

With regard to RC material, the National Classification Code provides that material would be rated RC if it:

- depicts, expresses or otherwise deals with matters of sex, drug misuse or addiction, crime, cruelty, violence or revolting or abhorrent phenomena in such a way that they offend against the standards of morality, decency and propriety generally accepted by reasonable adults to the extent that they should not be classified;
- describes or depicts in a way that is likely to cause offence to a reasonable adult, a person who is, or appears to be, a child under 18 (whether the person is engaged in sexual activity or not);
- that promotes, incites or instructs in matters of crime or violence;
- is unsuitable for a minor to see or play (*only for computer games*) noting that the Government has indicated that online games will not be subject to mandatory filtering until the outcome of the current public consultation process on the possible establishment of an R18+ category for games.

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Each set of classification guidelines set out further criteria for classifying material as RC. In addition, section 9A of the Act provides that material that advocates the doing of a terrorist act must be classified as RC.