

**Environment, Communications,
Information Technology and the Arts
Legislation Committee**

**Additional Information Received
VOLUME 3**

**COMMUNICATIONS, INFORMATION
TECHNOLOGY AND THE ARTS
PORTFOLIO**

22 February 2001

**Additional Information Relating to the
Examination of Proposed Additional Expenditure for 2000-2001**

June 2001

**ECITA Additional Estimates 2000-2001
(22 February 2001)
Questions on Notice
Communications, Information Technology & the Arts Portfolio**

Final answer to Supplementary Budget Estimates DCITA Q 12 p. 1

Australian Broadcasting Corporation

Statement tabled by Mr Shier, ABC, 22 February 2001 p. 9

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Correspondence from Dr Kennedy, NGA, dated 22 February 2001-05-25 p. 14

Correction to evidence given at Additional Estimates 00-01

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Department of Communications, Information Technology and the Arts

Corporate & Coordination

<i>Senator</i>	<i>Ques no</i>	<i>Hansard ref.</i>	<i>Subject</i>	<i>Page No</i>
Lundy	161	215	I will just run through a few now and then take the opportunity to put some more on notice. I am particularly interested in the performance of that contractor within the department. We have heard from other group five departments that there have been serious disappointments in the performance of the contractor. I would like you to provide this committee with information relating to the service credits or financial penalties applied, for what those penalties were applied and what sort of server outages or functionality failures they were attributed to. I would also like a comprehensive breakdown of the department's own savings analysis projected across the outyears from the inception of the contract with particular attention paid to your own department's breakdown of the competitive neutrality factors within those savings that you can attribute to your department and whether or not overall you expect to in fact come out with a net saving generally taking all those factors into account. I think from memory you did not actually lose any money in your budget across the out years like many of the other departments. You think you did? I will let you take that on notice. I think you were the only department that did not.	17

Lundy	162	216	Senator LUNDY —The other thing I am particularly interested in is DCITA’s involvement specifically in the evaluation process leading up to the group five contract being signed. You are no doubt as aware as I am of the range of issues raised in the Auditor-General’s report. The group five contract did come out of that report as having been specifically targeted for poor performance and dubious savings outcomes, or questionable savings outcomes. I cannot remember where I was going with that one, but I want a run-down on which departmental officials were involved in the steering committee, options committee, evaluation committee, subcommittees and what opportunity you had to be involved across the board. Finally, I want the status of your assets at the end of the contract. Again, this was an issue raised in the Audit Office report. I want to know what type of exit clauses exist for you at the termination of your current contract with Advantra and what options the department will have to consider at that point in time. That will do.	19
Lundy	166	Tabled	What negotiations took place prior to the requests for tender being developed? Did OASITO negotiate with your agency separately from, or in conjunction with, external service providers?	19
Lundy	167	Tabled	Did any consultations take place with OASITO to develop the project specification, as part of the development of the request for tender?	20
Lundy	168	Tabled	Was there an independent review of your agency prior to the request for tender being developed and released?	21
Lundy	169	Tabled	Who conducted that review?	21
Lundy	170	Tabled	Who paid for the review and what did it cost?	21
Lundy	171	Tabled	What role did OASITO play in the review?	22
Lundy	172	Tabled	Was there much development of the project specification from the release of the request for tender to the final version of the contract?: Were there significant differences? Did those differences have an impact on the cost to your agency of outsourcing?	22
Lundy	173	Tabled	Did your agency have input into the development of the project specification, the request for tender and the final contract?	23
Lundy	174	Tabled	What processes were put into place to ensure that OASITO understood your business and any particular requirements that you have?	24
Lundy	175	Tabled	[The Humphry report at p 95 says OASITO's responsibilities in the IT initiative included the following: i) to provide guidance and assistance to agencies as they participate in tender processes; ii) to manage the evaluation and negotiation process to ensure fairness and probity; iii) together with agencies ensure a fair financial evaluation (p 96)] 1. Who was responsible for evaluating the tenders?	24
Lundy	176	Tabled	What was the process for evaluating the tenders? Can you outline the steps in the evaluation process?	25
Lundy	177	Tabled	Was your agency involved in each stage of the process?	26
Lundy	178	Tabled	Were agencies excluded from any stage in the process?	27

Lundy	179	Tabled	Was your agency involved in the industry development evaluation stage of the process?	27
Lundy	180	Tabled	What role did OASITO play in the tender evaluation for your group?	28
Lundy	181	Tabled	What role did your agency play in the tender evaluation process: individually? Or as a member of a cluster grouping?	28
Lundy	182	Tabled	What was the extent of that role?	29
Lundy	183	Tabled	At any time in any of the tender evaluation processes, did the cluster grouping make a recommendation for a particular tenderer which did not conform with OASITO's views?	29
Lundy	184	Tabled	What was behind the difference of opinion – on what basis was there a difference of opinion?	30
Lundy	185	Tabled	How was the difference of opinion resolved in each case – what was the outcome?	30
Lundy	186	Tabled	Were there any interim reports or discussion papers issued by OASITO setting out the different points of view, the basis for the differences and proposed courses of action?	30
Lundy	187	Tabled	Did OASITO award a contract during any process to an external service provider, which was not the service provider recommended by the agencies as a group?	31
Lundy	188	Tabled	Did you develop or have any part in developing the tender evaluation reports?	31
Lundy	189	Tabled	Can you make these available?	32
Lundy	190	Tabled	What role did your agency play in contract negotiations?	32
Lundy	191	Tabled	Did your agency have its own legal representation during the contract negotiation stages?	33
Lundy	192	Tabled	What components were outsourced – what services does the ESP provide to your agency?	33

Lundy	193	Tabled	<p>Why was it deemed necessary to sell to the provider the hardware at the commencement of the contract and buy the hardware back from the provider at the end of the contract?</p> <p>Is this a normal arrangement?</p> <p>Were both mainframe and desktop components included in the hardware transfer?</p> <p>What is the life of your mainframe?</p> <p>Why was the mainframe included in the transfer?</p> <p>What is the life of a desktop unit?</p> <p>When did you last replace your desktop units?</p> <p>When is the external service provider scheduled to replace your desktop units?</p> <p>What provision is there in your contract for the adoption of new technology?</p> <p>Are you concerned that your agency may not have the flexibility it once had to adopt new technology or to only do so at additional cost?</p> <p>What is your agency's potential liability for re-acquisition of assets at the end of the contract?</p>	34
Lundy	194	Tabled	<p>The Humphry Review report concluded that "grouping of agencies has served a useful purpose in enabling economies of scale and providing a coordinated approach to the market" [para 2.1, p11], but that as the Initiative has matured the original rationale for grouping appears to be less relevant:</p> <p>What is your view on that conclusion – was the clustering of agencies an appropriate approach to the implementation of the policy?</p> <p>What benefits did the approach deliver?</p>	36
Lundy	195	Tabled	<p>What advice did you provide to DOFA/OASITO in relation to potential savings from outsourcing prior to actually outsourcing?</p>	37
Lundy	196	Tabled	<p>Did your estimates of cost savings differ from OASITO's? – If so, what was the quantum of the difference and how were the different figures arrived at?</p>	38
Lundy	197	Tabled	<p>Were OASITO's projections re cost savings accurate? If not, why not?</p>	38
Lundy	198	Tabled	<p>What expenditure was incurred by you in preparation for outsourcing?</p>	39
Lundy	199	Tabled	<p>Has outsourcing been cost effective for your agency?</p>	39

Lundy	200	Tabled	Was any liability for the re-acquisition of assets [guaranteed buy back] at the end of a contract factored into the savings estimates?	39
Lundy	201	Tabled	The Humphry review also stated that there is broad agreement that the Initiative has delivered significant cost savings. However, the Audit report came to a different conclusion, arguing that savings estimates were unreliable and that significant elements of any savings calculation had been omitted. ¹ [ie (1) the service potential of agency assets on hand at the end of the evaluation period and (2) the cost of guaranteeing ESP's asset values]: Do you agree that there is broad agreement that the Initiative has delivered significant cost savings?	40
Lundy	202	Tabled	What service delivery standards were agreed with OASITO by agencies prior to finalisation of contracts? What negotiations/discussions took place between OASITO and agencies? Were service delivery standards written into contracts? How are service delivery standards measured? How are service delivery standards reported on? Are service credits being imposed?	40
Lundy	203	Tabled	Have the contractual arrangements been able to provide adequately for effective levels of service – have you experienced higher levels of service or lower levels of service since your IT requirements have been outsourced? what have been the major problems? What has this cost your agency? Are the costs of any downtime and poor service delivery factored into the savings figures? What are the improvements in the service delivery? What level of savings have been made?	41
Lundy	204	Tabled	Has your agency been required to request services which are outside those provided for under the contract?	42
Lundy	205	Tabled	Please advise of any 'extra contract' services required and the costs of the provision of those services.	43
Lundy	206	Tabled	Have agency operations been constrained because it is unable to provide a service because it has not been specified under the contract: Would this be because there are either no or limited funds available for extra contract service provision?	43
Lundy	207	Tabled	What outages did you experience during the contract period?	44
Lundy	208	Tabled	What service credits have been imposed as a result of outages?	44
Lundy	209	Tabled	Has the ESP been able to ensure continuity of contracted staff servicing your agency?	45

¹ Audit states at p 14 – "The [financial] evaluations did not consider the service potential associated with agency assets expected to be on hand at the end of the evaluation period under the business-as-usual case, or the costs arising from the Commonwealth's guarantee of ESP's asset values under the outsourcing case."

Lundy	210	Tabled	Is there any indication that the changes to the taxation system, which deems contractors/self employed persons to be employees and bound by PAYE requirements, to have impacted on the continuity of service by people employed by ESP's or by sole contractors?	45
Lundy	211	Tabled	Were privacy matters a significant issue for you?	46
Lundy	212	Tabled	What consideration was given to privacy matters a) in the request for tender and b) in the contract?	46
Lundy	213	Tabled	What were the cost implications of your privacy requirements?	47
Lundy	214	Tabled	Were you confident that the ESP had a commitment to and could guarantee the appropriate privacy protections?	47
Lundy	215	Tabled	Were intellectual property matters an issue for you?	47
Lundy	216	Tabled	Was this significant?	48
Lundy	217	Tabled	What consideration was given to IP matters a) in the request for tender and b) in the contract?	48
Lundy	218	Tabled	Is it possible to value the IP component of your IT requirements?	49
Lundy	219	Tabled	The Audit report contained a Whole of Government response to the report – have you any comment on that response and did it accurately reflect your own agency's views on all the findings and recommendations?	49
Lundy	220	Tabled	If not, where did your views differ from the whole of government response?	49
Lundy	221	Tabled	What is your reaction to the findings of the Humphry review?	50
Lundy	222	Tabled	Did your agency have input into the Humphry review?	50
Lundy	223	Tabled	Was that input written or oral – did you meet with Mr Humphry?	50
Lundy	224	Tabled	Were any meeting notes or minutes taken or any documentation at all developed out of these meetings?	51
Lundy	225	Tabled	Did the secretariat discuss any meeting notes with you – distribute any meeting notes for your comments?	51
Lundy	226	Tabled	Would it surprise you to know that there is no documentation standing behind the findings and recommendations of the Humphry review?	51
Lundy	227	Tabled	Will your agency continue to outsource at the conclusion of the present contract	52
Lundy	228	Tabled	What implications will it have for your agency if you decide not to continue with the present contract provider? What are the financial implications? What are the hardware and software implications?	52

Lundy	229	Tabled	<p>The initial contract for Group 5 was valued by OASITO in its 1998-99 annual report [p34] at around \$90 million over 5 years, with savings of \$10 million:</p> <p>What proportion of that contract was your agency responsible for – how much was it going to cost you for your IT services?</p> <p>Is this figure still an accurate assessment of the value of the contract and estimated savings?</p> <p>What payments have been made by your agency to date?</p> <p>What payments have been made to Advantra Pty Ltd which are within the contract?</p> <p>What payments have been made by your agency for services not covered by the initial contract?</p> <p>What is your obligation at the conclusion of the contract to buy back hardware?</p> <p>What software exposure will you have – ie what is the situation with software licensing and development provided during the course of the contract?</p>	53
Bishop	230	186-187	<p>Senator Ian Campbell I would just like to have a list of his duties. Can you tell me also, excluding his electoral staff—which is the same as mine and every other Senator—how many persons Senator Campbell has working for him?</p>	54
Bishop	232	88	<p>WASO When would they conclude preparation of that new Business Plan?</p>	55

Outcome 1

Output 1.4 (National Museum)

Senator	Ques no	Hansard ref.	Subject	Page No
Schacht	1	99	How many tonnes? (referring to the quantity of granite for flooring in the National Museum of Australia)	56
Lundy	2	100	Are you in a position to make any inquiries about the source of the granite now with respect to where it was sourced and whether or not child labour was used?	56
Lundy	3	100	I would like to think that would have affected your decision not to use that supplier. Perhaps the minister or you can offer up a policy with respect to sourcing materials, whether from Australia or not, that use child labour, and whether that specifically excludes that potential supplier from your consideration.	56
Lundy	4	101	Could you just take on notice to provide me with the staffing arrangements, the classifications, which are permanent, which are not and the projected time frames for letting those non-permanent staff go and what you anticipate there?	57

Outcome 2

Output 2.1 (Telecommunications)

<i>Senator</i>	<i>Ques. no</i>	<i>Hansard ref</i>	<i>Subject</i>	<i>Page No</i>
Lundy	147	205-206	<p>Could you just take on notice providing me with the number of incubatees for each of the seven incubators that are actually up and running – how many are in each of them.</p> <p>These quarterly reports they provide to you, can you provide those to the committee?</p> <p>I ask you to take on board this other request. It really is in the interests of accountability of spending public money – no more than that.</p>	65
Lundy	148	209	<p>The incubator is \$8 million; the skills development program is \$5 million. That is \$13 million of \$40 million. What else is coming out of that \$40 million?</p> <p>Could you give me the draft plan.</p>	66
Lundy	149	202	With regard the ICT Centre of Excellence, is it correct that the \$62.5 million from the ARC is not additional to the doubling of the ARC money, but inclusive?	121
Lundy	150	202	Does the biotechnology Centre of Excellence operate on funding formulation of half departmental and half ARC money?	123
Lundy	151	210	Can I ask the department to take on notice – and I confess it is probably a research project waiting to be done- an analysis of all of the social bonus funding, just a simple breakdown in allocation to the various projects and initiatives-the proportion of that funding which has been spent to date and the proportion of that funding which is anticipated to be spent before the end of this calendar year.	123
Lundy	152	210	<p>I note that with your response to question 15 you are relying on OASITO's advice in relation to releasing the contents of the ID schedules, which are a component of the various service agreements, and also you claim that you believe you have an obligation of confidence in regard to the contractors ID annual reports.</p> <p>I would like to formally place on notice that request again and ask you to offer some justification for refusing to provide to the committee information that is quite reasonable, albeit it is within your capability to deliver those reports with a request that they be kept in confidence, and we would consider that as a committee.</p>	125
Lundy	153	211	With regard to the Humphry review on the IT outsourcing...Could you take on notice and provide me with a schedule of that consultation, whom you intend to consult and what the process of, I suppose, acting on the results of that consultation will be?	127
Bishop	154	Tabled	<p>Untimed Local Call Tender:</p> <p>a) How many companies originally bid for this tender and which companies were they?</p> <p>b) On what basis was Telstra selected over the other bidders?</p> <p>c) Were any of the unsuccessful bidders fully compliant with the selection criteria for the tender?</p>	128

Bishop	155	Tabled	<p>Digital Data Service Obligation:</p> <p>a) How many people have taken advantage of the Digital Data Service Obligation by quarter and in total since its introduction?</p> <p>b) How many people currently rely on the Digital Data Service Obligation?</p> <p>c) What is the current cost of providing the Digital Data Service Obligation?</p>	129
Bishop	156	Tabled	<p>USO Contestability</p> <p>a) When will the details of the USO contestability pilot trials be released?</p> <p>b) What is the proposed start date of the USO contestability trials?</p> <p>c) What will be the USO subsidy level or levels be in each of the pilot zones of parts thereof?</p> <p>d) What traffic and customer data will be made available to actual and potential competing universal service providers?</p> <p>e) From when will this information be available?</p>	130
Bishop	157	Tabled	<p>Mobile Phones on Highways:</p> <p>a) When will the Mobile Phones on Highways tender be announced?</p> <p>b) What has been the delay in announcing the outcome of this tender?</p>	132
Bishop	158	Tabled	<p>Local Call Internet Access:</p> <p>a) When will the final arrangements for this program be announced?</p> <p>b) What has been the delay in announcing the final arrangements for this program?</p> <p>c) How much money remains to be spent under the NTN both nationally and in each State in each of the remaining years, including the current financial year?</p> <p>d) Has any evaluation been made of the RTIF or NTN programs to determine the effectiveness and efficiency of the program and, if not, why not?</p> <p>e) In 1998-99 \$750,000 was set aside for a report by Purson and Associates to do an evaluation, did that evaluation take place, when was it completed, how much did it cost and can I have a copy of the report and, if not, why not?</p> <p>f) Have any other evaluations been done, who by, when, how much did they cost and can I have a copy and if not, why not?</p> <p>g) Of the projects approved, how many as both a number and percentage and total cost are grants aimed to assist with the preparation of further applications (ie consultants costs)?</p> <p>h) How many as both a number and percentage and total cost are grants to set up (I) regional telecentres; and (ii) ISPs?</p> <p>i) How many as both a number and percentage and total cost are grants to other tiers of Government or Government agencies for internet training and equipment?</p> <p>j) Has any estimation or calculation been made about the amount of money that is being paid indirectly to Telstra for the services they provide in assisting successful applications fulfil the objectives of their grant?</p> <p>k) Of the grants monies allocated, how much money has actually been paid to grant recipients and in relation to amounts outstanding when is it anticipated that those outstanding amounts will be paid?</p>	132

Carr	159	Tabled	<p>Universal Service Provision</p> <ol style="list-style-type: none"> 1. Can you explain what stage the Extended Zones tender has reached? 2. There seems to be little recent information on this process on the Department's web-site. Has the actual Request for Tender been made public? 3. Have all those companies that were invited to tender for the Extended Zones project actually tendered: If not, how many have responded and who are they? 4. Will any details of the competing tenders be released either before or after the tender has been awarded? 5. It appears that Heartlands Communications was one of the companies that was invited to tender for the \$150 million available for providing untimed local calls in these areas, Heartlands is now in the hands of administrators. What criteria was used in determining which companies would be invited to tender for these monies? 6. Optus Communications, which was also invited to tender, is now being broken up and sold. Is this, in your view, likely to have any bearing on its suitability as a potential universal service provider? 7. The winner of this tender will automatically become the Universal Service Provider for the Extended Zones. What scope, if any, is there for any further public input into this selection process? 	137
Lundy	160	200	<p>Senator LUNDY—Has the department done any modelling on the potential impact of importing changes on Australia's local software industry? The changes to—I cannot recall what it was called.</p> <p>Mr Stevens—Parallel importing changes?</p> <p>Senator LUNDY—Parallel imports of software?</p>	139
Lundy	231	215	Please provide an update on what might be happening in relation the recommendations of the IT Engine Room Report.	140

Output 2.1 (Broadcasting & Intellectual Property)

<i>Senator</i>	<i>Ques. no</i>	<i>Hansard ref.</i>	<i>Subject</i>	<i>Page No</i>
Harradine	43	Tabled	<p>NetAlert When was NetAlert established? How much funding will it have received by the end of this financial year?</p>	142
Harradine	44	Tabled	What services has it provided to the public in that time?	142
Harradine	45	Tabled	How have the services been promoted and by whom?	143
Harradine	46	Tabled	What has been the total expenditure on promotion of NetAlert, ie, both by inhouse staff persons and by contracted agency?	144
Harradine	47	Tabled	What has been the public's response to the services?	145
Harradine	48	Tabled	How has the public's satisfaction/or otherwise with the services been measured?	145
Harradine	49	Tabled	When was the Helpline established?	146
Harradine	50	Tabled	Who has been operating the Helpline?	146
Harradine	51	Tabled	How has the Helpline been promoted?	146
Harradine	52	Tabled	What has been the response from the public? How many calls has it received?	147
Harradine	53	Tabled	How many of those calls were genuine calls for NetAlert information? What were the majority of calls about?	147

Harradine	54	Tabled	Did the NetAlert Board ensure that the advice provided by the Helpline was accurate, relevant to Australian conditions, of high quality, and was able to be monitored?	148
Harradine	55	Tabled	What has been the total cost of operating the Helpline for the period of operation both in terms of the actual cost of the Helpline operator and the cost of promoting the Helpline service?	148
Harradine	56	Tabled	What was the average cost per call to run and promote the service during the period of operation?	148
Harradine	57	Tabled	What remedies is NetAlert going to put in place to make the Helpline service both more cost effective and provide the sort of service that the public wants and that parents feel comfortable to ring?	149
Harradine	58	Tabled	How has NetAlert gone about determining the sort of information that parents need in relation to the Internet? What research/consultation has been conducted to find this out and to determine the focus of NetAlert's information and services?	149
Harradine	59	Tabled	Has NetAlert been seeking cooperative ventures with other organisations who have experience in the field, or who have a particular stake (such as school and parent's organisations) in ensuring that NetAlert services meets the consumers' needs?	150
Harradine	60	Tabled	Has NetAlert seen the need to use consultants for any area of its endeavours? If so in what specific areas, and at what cost for each consultancy? When were the consultancies undertaken? What percentage of the NetAlert budget do these consultancies represent?	152
Harradine	61	Tabled	Given that NetAlert has a well defined task and a limited budget, what is the justification for these consultancies and their cost?	155

Output 2.2-2.3 (National Office for the Information Economy)

Senator	Ques. no	Hansard ref.	Subject	Page No
Lundy	163	212	...are there additional costs associated with the establishment of the new Melbourne office? If so, what are they? Can you take on notice the question about the additional costs?	156
Lundy	164	212	Was NOIE incurring rent/lease charges when it was co-located with DISR in Melbourne? Answer: Yes. Can you tell me how much that was? You can take that on notice.	156
Lundy	165	212	With eight in Melbourne, eight in Sydney and you going in between, leaving about 140-odd here in Canberra. Can you tell me proportionally how many of those people are involve in that policy development type of work and how many of those people are involved in program implementation and the specific programs that NOIE has carriage of? .../... I am happy for you to take it on notice.	157

Government Business Enterprise

Telstra

Senator	Ques no	Hansard ref.	<i>Subject</i>	<i>Page No</i>
Lundy	134	188	<p>For ADSL – Can you tell me if you differentiate between business and residential clients?</p> <p>Are you in a position to tell me how they compare?</p> <p>And also if the ADSL packages vary from region to region. Some parts of Australia in fact cost more than in other parts as well, if you could.</p>	158
Lundy	135	189	<p>In terms of the upgrade of exchanges – How many of those rural exchanges have in fact now been upgraded to carry the advanced digital services?</p> <p>If you could, and also identify the individual exchanges that have been upgraded and identify the individual exchanges which are currently on your schedule and when they are likely to be done.</p> <p>Maps would be good.</p>	159
Lundy	136	190	<p>Has Telstra in any way, shape or form altered the code in the CD it distributes with its Big Pond access set up in such a way that it provokes an automatic disconnect following the download of email?</p>	212
Lundy	137	190	<p>Can you also tell me if you collect data or provide any information about the frequency of disconnects that occur when people do dial into Big Pond, either business or residential products, as to the frequency of the disconnect causing a reconnection as part of that connection and whether there is any mechanism that Telstra has evoked either unwittingly or wittingly to cause a disconnection following a process such as an email download as part of using Windows Explorer, which I understand comes on that CD and is part of that installation package.</p>	212
Mackay	138	191	<p>What work was done and what specific figures can you give me in relation to the reduction of demand and volume in relation to regional Australia specifically?</p>	213
Mackay	139	194 and Tabled	<p>Where are the 250 NDC job losses in Australia coming from, in which States and where is each State.</p> <p>There has been a further round advised in relation to NDC, or are the 35 in Tasmania a proportion of the 250?</p> <p>Tasmania's share of the 250 round is 35?</p>	215
Mackay	140	195 and Tabled	<p>What I would like, Mr Stanhope, is a copy of all of the E71s in Australia.</p>	216

Mackay	141	195 and Tabled	<p>In relation to that, we would like analyses of each E71(sub-standard plant) in Australia by the number of complaints or potential faults, whatever term you want to use, that are in the E71 and the dates from which they refer?</p> <ul style="list-style-type: none"> • Specify type of defect reported per E71 • Number of faults or other defects per E71 • How many faults or defects in total by each Federal electorate • How many in total in each State • The dates of when each of the faults/defect was first reported • Provide a summary of the number of working hours per fault to repair it and in total by Federal Electorate • What are the projected costs of each fault/defect by Federal electorate 	216
Mackay	142	Tabled	<p>What system is used to report <u>internal</u> sub-standard plant requiring repair. Please provide the same details as for the E71s above(in question ???) for the internal sub-standard plant as well.</p>	217
Mackay	143	Tabled	<p>Pair-gain systems – please provide a list of where all Telstra’s pair-gain systems are in Australia. And please provide a list of what type of pair-gain system (for example 6/16, RAM 8, 16/96). Please provide this with a Federal electorate breakdown.</p>	218
Lundy	144	197	<p>It relates to the Northern Rivers region of Australia in the north-east corner of New South Wales. I would like to request from Telstra universal service obligation reports, the number of faults, average repair times, et cetera, including something known as the Telcat stats for the consumer access network of those regions?</p>	218
Carr	145	Tabled	<p>Pacific Century CyberWorks (PCCW)</p> <p>Can you explain some of the details of the two new companies that have now been formed as a result of the Telstra alliance with PCCW:</p> <ol style="list-style-type: none"> Can you explain the structure of the IP backbone company, Reach, and of the mobiles company, the Regional Wireless Company? How many employees will each company have and where will they be based? How many existing Telstra staff will go into these companies? What Telstra assets have been placed in Reach? Why have these companies be incorporated in Burma? 	221
Carr	146	Tabled	<p>Pacific Century CyberWorks (PCCW)</p> <p>What are the implications of this corporate structure for existing policy on Telstra ownership? For instance:</p> <ol style="list-style-type: none"> If Reach is floated, as appears to be the intention, won’t this amount to privatisation of the Telstra assets in it? How does the new company structure fit in with the current foreign ownership limits on Telstra? (ie maximum foreign equity 30%, with 5% ceiling on any one foreign equity holding) Last year it was suggested in the industry press that Reach would probably become the preferred vehicle for any further offshore acquisitions or alliances of Telstra’s. Is this a way of circumventing the current foreign ownership restrictions? Does Telstra regard the current foreign ownership rules as appropriate? 	225

