

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates, 2 June – 4 June 2009

Question: bet 160

Topic: National Broadband Network

Hansard Page: E62-63

Senator Coonan asked:

Senator COONAN—I want to ask questions about the NBN. Dr Henry, I think you were a member of the expert panel that reportedly alerted the government around 20 January that no bid was likely to be acceptable. Is that right?

Dr Henry—I was a member of that panel. Let us see where your questions go to. I was a member of that panel.

Senator COONAN—Is it correct that, on 20 January or thereabouts, the government was notified that none of the bids were assessed as providing value for money? I think that has been publicly stated.

Senator Conroy—That has been publicly stated.

Senator COONAN—So is that correct, Dr Henry?

Dr Henry—Yes, it has been publicly stated.

Senator COONAN—I will take that as a yes. After the abandonment of the previous proposal, when did you become aware that a new national broadband network had been proposed?

Dr Henry—I think you are going to matters of policy advice to government. You may even be going to—

Senator COONAN—I just asked when you were aware; I did not ask what it was.

Senator Conroy—I think you actually did.

Senator COONAN—I do not think that is going to hurt anybody.

Senator Conroy—The way in which you asked the question actually reveals policy advice.

Senator COONAN—No, it does not.

Senator Conroy—‘When did you first become aware of this policy process that was leading in this direction?’ That asks him to speculate on policy advice.

Senator COONAN—That cannot possibly be policy.

Senator BUSHBY—What is the public interest in not releasing that advice?

Dr Henry—This is not a question of public interest; this goes to whether it is appropriate in Senate estimates committees to discuss the formulation of policy within government.

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Senator BUSHBY—Dr Henry, I am interested in whether you have seen the order of the Senate, which I think was passed last month, regarding the answering of questions.

Dr Henry—I have seen the resolution of the Senate that relates to claims of public interest immunity, and I am making no such claim.

Senator BUSHBY—Have you read the section that talks about advice?

Dr Henry—I am making no such claim. I am not claiming public interest immunity.

Senator BUSHBY—Are you aware that, under the terms of that order, witnesses before estimates have no right to refuse to answer questions posed to them on the basis of advice, unless they fall within one of the eight public interest exceptions—and that is a claim that needs to be made by the minister. That is not to say that cannot be claimed; the minister can do that when it happens.

Senator Conroy—We will take the question on notice then.

Senator BUSHBY—I rest my case.

Senator COONAN—Treasury has had some involvement in the formulation of the new policy.

Dr Henry—Yes.

Senator COONAN—What has that involvement been?

Dr Henry—That goes to policy discussions with the government. It goes to matters relating to the formulation of government policy.

Senator COONAN—When was Treasury first asked by the government to look at the new proposal?

Dr Henry—I think I would have to take that question on notice.

Senator COONAN—How long before the announcement was made was Treasury involved in doing any work or devoting any resources to the new proposal?

Dr Henry—I would have to take that question on notice as well. It was a fairly long time actually, but I would have to take that question on notice.

Senator COONAN—Can you provide to the committee—on notice, if you cannot do it now—a chronology not of advice but of everything that Treasury was asked to do, in terms of process, between 20 January and the announcement of the new policy?

Dr Henry—I will take that question on notice as well and see what I can provide the committee with that does not breach longstanding convention.

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Answer:

1. After the abandonment of the previous proposal, when did you become aware that a new national broadband network had been proposed?

In the week beginning Monday, 19 January 2009.

2. When was Treasury first asked by the government to look at the new proposal?

In the week beginning Monday, 19 January 2009.

3. How long before the announcement was made was Treasury involved in doing any work or devoting any resources to the new proposal?

Treasury commenced devoting resources to the new proposal in the week beginning Monday, 19 January 2009.

4. Can you provide to the committee—on notice, if you cannot do it now—a chronology not of advice but of everything that Treasury was asked to do, in terms of process, between 20 January and the announcement of the new policy?

Treasury was asked to provide briefing to the Treasurer for Cabinet related deliberations on the development of the new policy, and also worked with the other central agencies and the Department of Broadband to prepare advice for those Cabinet related deliberations. This work commenced in the week beginning Monday, 19 January 2009 and continued until the announcement of the new policy on 7 April 2009.

Treasury was involved in discussions and preparation of advice that ranged across the spectrum of issues associated with the new policy, but its primary focus reflected Treasury portfolio responsibilities — specifically issues relating to competition policy, regulation and well-functioning markets, the federal budget, the financing of Government investment and expenditure, and economic impacts (particularly in relation to employment).