

**Senate Standing Committee on Economics**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Budget Estimates, 2 June – 4 June 2009

**Question: bet 72**

**Topic: Government's \$43 Billion Proposal**

**Hansard Page: E65**

**Senator Coonan asked:**

**Senator COONAN**—We have been told by the minister that costing for the government's \$43 billion proposal was done by central agencies. What was Treasury's involvement in costing?

**Mr Murray**—The responsibility for expenditure costings—most of this is capital expenditure—is the responsibility of Finance in conjunction with the line agency, which in this case is the department of broadband. We do not claim any particular expertise in relation to expenditure costings, nor is it our responsibility to do so.

**Senator COONAN**—On 19 May, the minister said that this was done by central agencies based on advice from the technical advisers.

**Senator Conroy**—I was probably describing the process, perhaps inelegantly, that took place where the information, after being prepared, was considered by central agencies. I was not attempting to imply that Treasury had drawn up the costings.

**Senator ABETZ**—Is that just a 'probably', or is it a 'definite'?

**Senator Conroy**—I am sorry?

**Senator ABETZ**—You said that you were 'probably'. We want to know 'definitely' what you were up to.

**Senator Conroy**—You may have to clarify what you are referring to.

**Senator ABETZ**—You prefaced your answer by saying 'I was probably' and then you gave us the answer. 'Probably' is not good enough. We want to know definitely what you were up to.

**Senator Conroy**—As I said, I was probably describing—

**Senator ABETZ**—Not 'probably'.

**Senator Conroy**—I am just trying to remember exactly.

**Senator ABETZ**—You need to take it on notice, do you, Minister?

**Senator Conroy**—I do not have a copy of the *Hansard* in front of me, but I do not think anything I am saying now is inconsistent in the slightest with what I said last week.

**Senator ABETZ**—You do not have to take on notice—

**Senator Conroy**—I will take it on notice for you, if you would like.

**Senator ABETZ**—what you actually meant to say?

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**Senator Conroy**—I will happily take it on notice for you, Senator Abetz, so that I can cherry pick the answer.

**Answer:**

Central agencies, in conjunction with the Department of Broadband, Communications and the Digital Economy, provided advice to the Government on the National Broadband Network proposal during its development, including consideration of costings of the proposal. Consistent with general practice, specific responsibility for the production of the expenditure costings lay with the line agency – in this case the Department of Broadband, Communications and the Digital Economy - and the Department of Finance and Deregulation. It is appropriate that questions about the costings be directed to these departments.

The above is consistent with statements made by the Minister for Broadband, Communications and the Digital Economy in a speech at the FTTH Council Asia–Pacific Conference on 19 May 2009. The record of the speech, as it appears on the Minister’s website, indicates the Minister said that “[i]t is important to note that the Panel did not consider costing for FTTP. This was done by central agencies based on advice from their technical advisors.”