

Standing Committee on Finance and Public Administration

ANSWER TO QUESTION ON NOTICE

Budget Estimates Hearing – May 2009

Department of Finance and Deregulation

Finance and Deregulation Portfolio

Outcome 1, Program 1.1

Topic: National Broadband Network

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Senator Coonan asked:

I understand that there is this implementation study. I am just trying to be very clear and to give Finance an opportunity to be clear about Finance's role and what you did in relation to advice provided on this project. The minister has also said that the cost could be less if private companies contributed their assets. Has Finance made any assumptions about this and how sensitive is this final costing to this assumption?

Answer:

The preliminary estimate of up to \$43 billion to build the National Broadband Network (NBN) was based on building a completely new network with 90 per cent coverage using fibre to the premise and the remaining 10 per cent made up with wireless and satellite technologies. This estimate did not assume any contribution of assets by private sector companies.

The implementation study and the company set up to build the network will consider the potential for, and benefits of, the private sector contributing assets to the network.