



Australian Government
National Office for the Information Economy



Acting Chief Executive Officer

Mr Michael McLean
Secretary
Senate Committee on Environment, Communications,
Information Technology and the Arts
Parliament House
CANBERRA ACT 2600

Dear Mr McLean

I am writing in response to your letter of 11 March 2004 concerning the eligibility boundaries for the Coordinated Communications Infrastructure Fund (CCIF) and related matters.

As part of the National Broadband Strategy, the CCIF aims to encourage further investment in broadband infrastructure in rural and regional areas by funding selected projects. This infrastructure will support improvements in the delivery of health, education, government and other services that will lead to significant economic and social outcomes.

With regard to the geographic coverage of the program, the CCIF guidelines state that:

“Consistent with the National Broadband Strategy, the CCIF seeks to encourage further investment in broadband infrastructure in regional areas with an emphasis on developing improved outcomes in health, education and government services.

For the purposes of the CCIF, regional areas include all of Australia outside capital cities. Projects will be expected to deliver services predominantly in regional areas. However, the CCIF may be used to establish links between regional communities and capital cities.

The CCIF aims to improve broadband infrastructure across the country and support the wide distribution of best practice in broadband development and procurement.”

Major urban areas such as the Gold Coast are therefore eligible to apply for CCIF funding.

It is the case, however, that the National Broadband Strategy was established as part of the Government's response to the Regional Telecommunications Inquiry and that the intent of the CCIF therefore is primarily to stimulate the roll-out of broadband infrastructure in less populated areas. As a result, projects that relate solely to infrastructure in major urban areas that have existing broadband access are likely, in general, to find it more difficult to rate well against all the CCIF selection criteria.

The eligibility arrangements were specified in the CCIF program guidelines which were released on 12 November 2003. The guidelines have not been reviewed and no changes have been made to the guidelines since they were issued.

The National Broadband Strategy aims to facilitate fair and reasonable access to broadband and its benefits by all Australians. In working towards this goal, it will be necessary to take account of the specific issues and needs of users in capital cities, other major urban areas, rural areas and remote Australia.

I trust this information will assist the Committee with its inquiry into competition in broadband services.

Yours sincerely



John Grant
A/g Chief Executive Officer

7 April 2004