

Senate Standing Committee on Environment and Communications

Answers to Senate Estimates Questions on Notice

Budget Estimates May 2017

Communications Portfolio

Department of Communications and the Arts

Question No: 18

Program 1.1

Hansard Ref: Page 52-53, 24/05/2017

Topic: Tax on broadband – Financial Model

Senator Urquhart, Anne asked:

Senator URQUHART: Is it correct that this approach, if implemented, would presumably tax 4G and 5G wireless services?

Mr Madsen: No, that is not correct. Mobile networks are not currently within the scope of the regional broadband scheme.

Senator URQUHART: So, they are not within that?

Mr Madsen: The communications industry changes over time, and government has indicated that at an appropriate time it would conduct a review of the scheme, perhaps after four or five years, to see how the market was changing. At that time you would reconsider what services were providing equivalent services to NBN.

Senator URQUHART: In relation to the document that I asked you to table—and you said you could provide that—is that a financial model? Or is it a report that has a discussion about financial figures?

Mr Robinson: My recollection is that it is a report, and associated with the report, which I think we can provide, is the methodology, but it is not the actual financial model.

Senator URQUHART: Are you able to table the underlying financial model?

Mr Robinson: We will have to take that on notice.

Senator URQUHART: Has anyone else outside the department seen that financial model?

Mr Robinson: I would have to check that. I cannot recall.

Senator URQUHART: So, you will provide that and you will take the other one on notice?

Mr Robinson: Yes.

Mr Madsen: Yes.

Answer:

The Bureau of Communications and Arts Research developed a financial model as part of its NBN non-commercial services project. The final report of this project is available on the Department's website at:

www.communications.gov.au/publications/nbn-non-commercial-services-funding-options-final-report-march-2016

Under the project the Department engaged the services of the Centre for International Economics (CIE) and PPB Advisory. Both organisations were provided with the financial model for quality assurance purposes. The Department also provided nbn with a copy of the financial model for data validation and peer review.