



Policy costing

Finish the National Broadband Network (NBN) using the best long-term technology solutions and review NBN pricing structures

Party:

Australian Greens

Summary of proposal:

This proposal has two components.

- Component 1: Finish the NBN using the best long-term technology solutions (including fixed wireless and fixed line services, with satellite the technology of last resort, where no other options are possible) and make it available to all Australians by ensuring regional telecommunications are funded, fair and fit for purpose. This proposal would deliver an NBN that uses fibre to the premises, fibre to the curb, and 5G fixed wireless to bring Australia in line with the capabilities of other countries.
- Component 2: Conduct a transparent review of NBN pricing structures so retailers provide consumers with the best possible connection options, and ensure affordable base-rate broadband packages are available to low-income households.

The proposal would commence on 1 July 2019.

Costing overview

Component 1: Finish the NBN

The Parliamentary Budget Office (PBO) does not have sufficient expertise to reliably estimate the fiscal implications of this component of the proposal. To the extent that implementing this component does result in additional costs for the NBN Corporation, the decision on how to fund these additional costs and the implications for the net worth of the NBN would influence the extent to which it would affect the budget. The PBO therefore assesses this proposal to have an unquantifiable financial impact.

To determine the financial implications of this proposal would require a comprehensive assessment of the current NBN roll-out plans, existing infrastructure and service provision in order to determine what the best long term technology solution is across all regions in Australia. In particular, this would require an assessment of whether, for those premises where satellite is the current or planned method for the delivery of telecommunications services, it truly is the only option.

- Where it is determined that other options are technologically feasible (but for other reasons are not the current or currently planned solution) determining the cost of transitioning to an alternative solution requires sector-specific analysis and modelling.

If there were to be additional costs associated with implementing alternative technological solutions, the decision of NBN Corporation as to how to finance these costs would influence the timing and quantum of impacts on the budget.

- Options available to the NBN Corporation include one, or a combination of any, of the following: equity injections or loans sourced from the Commonwealth Government, equity injections or loans sourced from the private sector, or increases in fees charged to customers.

Component 2: Review NBN pricing structure

The PBO considers that the review could be delivered within the existing resources of a number of government departments including, but not limited to, the Department of Communications and the Arts, the Productivity Commission and the Australian Competition and Consumer Commission.

Table 1: Financial implications (\$m)

	2019–20	2020–21	2021–22	2022–23	Total to 2022–23
Component 1: Finish the NBN using the best long-term technology					
Fiscal balance	*	*	*	*	*
Underlying cash balance	*	*	*	*	*
Component 2: Conduct a transparent review of NBN pricing structures					
Fiscal balance	-	-	-	-	-
Underlying cash balance	-	-	-	-	-

* Indicates unquantifiable.

- Indicates nil.