

**Senate Standing Committee on Environment and Communications**  
**Answers to Senate Estimates Questions on Notice**  
**Additional Estimates Hearings February 2014**  
**Communications Portfolio**  
**NBN Co Limited**

**Question No: 84**

**Program No. NBN Co Limited**

**Hansard Ref: In Writing**

**Topic: Strategic Review**

**Senator Urquhart asked:**

At the hearing of the Committee Dr Switkowski said (Hansard Pp 39-40) “The strategic review laid out expectation and scenarios. The forecasts that we will be accountable for will be published when we produce our 2014-15 budget and then the 2014-17 corporate plan.”

- a. On the basis of this evidence is it Dr Switkowski’s evidence that no credence should be provided to any of the data in the Strategic Review as they are merely expectations and scenarios?
- b. At his press conference of 24 September Minister Turnbull said “My message to the NBN Co. now and in the months ahead is that what we want is the plain, unvarnished facts. We want to get to the facts, the truth of the matter, we want to know what this project is really going to cost and how long it’s really going to take and we want sensible, prudent, conservative estimates.” Is it NBN Co’s contention that a strategic review which “laid out expectations and scenarios” is consistent with the Minister’s direction?
- c. Later in the hearing (page 42) Dr Switkowski said “Senator Conroy, the revised strategy under the multi-technology mode anticipates that the rollout will be finished around about 2020, with the expenditure of \$40 billion plus. I think that is a very, very demanding outlook.” Can NBN Co explain whether the MTM is an “expectation” a “scenario” or a “demanding outlook”?

**Answer:**

- a. No, it is not what Dr Switkowski was concluding. On 8 April 2014, NBN Co was given direction by its Shareholder Ministers in an updated *Statement of Expectations* following the Government’s consideration of the findings of the Review.  
Such direction will form the basis of the company’s 2014 -15 budget and its 2014 – 17 Corporate Plan.
- b. It is not appropriate for NBN Co to comment on statements made by Minister.
- c. The comments by Dr Switkowski are consistent with the advice provided in the Strategic Review.