## **Additional Estimates 2014-15**

## Communications Portfolio – Tuesday, 24 February 2015 and Thursday, 19 March 2015

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
1.	Programme 1.1	Urquhart	Dr Paterson-Ergas	Senator URQUHART: I understand that Dr Paterson has previously had time working for Ergas at Concept Economics. Can you talk about the work history that he had there? What was his role and what did he do?  Mr Clarke: No, I am unable to. I do not have a copy of Dr Paterson's CV in front of me. I chaired the panel that selected him, but I simply do not have the detail in front of me. So I would rather take that question on notice.	24/02/2015 Page 4
2.	Programme 1.1	Urquhart	Bureau of Communications Research Budget	Senator URQUHART: What about the bureau's budget? What is the budget for the bureau?  Mr Clarke: I do not have the specific breakdown, but it will reflect 20 ASLs and a modest amount of funding for consultancy and other professional services. Again, I will provide the specific detail but it will be commensurate with a work unit of 20 staff.  Senator URQUHART: Roughly what is that?  Mr Clarke: It will be of the order of \$4 million to \$5 million per annum. I will provide you the specific answer on notice.	
3.	Programme 1.1	Urquhart	Bureau of Communications Research - Tenders	tenders?	24/02/2015 Page 4-5

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				DrPaterson and the bureau have for those three projects. We will provide you with that estimate as quickly as possible.  Senator URQUHART: I understand that the closing date for those applicants was yesterday—23 February.  Mr Clarke: I do not have that date in front of me, but that would sound right.  Senator URQUHART: Do you know about the applicants?  Mr Clarke: No, I do not as of today.  Senator URQUHART: Are you able to provide that?  Mr Clarke: We will be able to provide you with the number of responses that were received under those three headings, yes.  Senator URQUHART: If you could provide that.	
4.	Programme 1.1	Canavan	USO – Gulf region of Queensland	Senator CANAVAN: The issue I want to raise is in the gulf region of Queensland around Normanton. I have heard of numerous properties that have been without a standard telephone service for months at a time. I have personally raised this with Telstra and they have blamed equipment suppliers and manufacturers and delays in getting particular equipment, which is somewhat out of date, apparently, and hard to source. I want to ask the policy related question. My reading of their universal service obligation basically gives them an out if they have a supplier issue. Is that correct?  Mr Clarke: It is probably a question best put to TUSMA, who administer the contract. It will be a matter defined under the TUSMA contracts.  Senator CANAVAN: It is a policy issue as well, presumably. We set the policy, presumably.  Mr Clarke: If the contracts are not delivering a satisfactory service on balance, then it would become a policy issue, yes.  Senator CANAVAN: If it is an out clause, then obviously TUSMA would say that they are meeting their current obligations under the policy framework that the government has set. You are not aware of what the policy settings are in that regard right now?	

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				Ms O'Loughlin: I do not have the detail with me, but it is fair to say that there are various provisions around the USO to add a reasonableness requirement within the delivery—so for things like if there are massive disruptions due to the weather in the area. That might be one. We would be happy to take it on notice or talk to TUSMA about it.  Senator CANAVAN: Can you take that on notice  Ms O'Loughlin:But we would be happy to take the detail of that on notice and explore it with Telstra and get back to you as to why people have been without phones for significant lengths of time. Obviously that is something we would be very concerned about.  Senator CANAVAN: Just to clarify, these are cattle stations largely. So they would be reliant on radio for part of the service. They are not on a network. But they do not have any other real communications—no mobile phones or anything like that, of course. So they do require it.	
5.	Programme 1.1	Dastyari	Nihal Gupta	<b>Senator DASTYARI:</b> Can you take on notice whether or not the minister was aware before 10 November 2014 of the following	24/02/2015 Page 58

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				Senator Fifield: I do not know that it is appropriate that I would take on notice a newspaper article, or claims in a newspaper article, when I am not particularly sure what they relate to. Perhaps you could reframe your question, Senator Dastyari.  Senator DASTYARI: The question again. I thought I was making this easy for you by saying that it is something that the minister's office, who I am sure are listening to this now, can actually respond to in their own time—that is, there was a series of allegations related to Mr Gupta published in <i>The Australian</i> on 10 November 2014. The question is whether the minister was aware of the allegations that are raised in that article prior to that point in time, because people like me became aware of many of these allegations at that point in time. I am just wondering whether the minister had had these allegations raised with him before that time. You obviously cannot answer that question.  Senator Fifield: I am still not entirely clear what the allegations are. Senator DASTYARI: The allegations are that Mr Gupta has never worked in the media industry, has no legal background and has limited corporate government experience.  Senator Fifield: I will take on notice for the minister that I am sure we can provide background as to Mr Gupta's experience.	
6.	Programme 1.1	Ludlam	SBS Budget	Senator LUDLAM: I have a couple of follow-up questions. I just want to bring you back, Mr Ebeid, to questions around funding for SBS and how you were treated in the last budget, with foreshadowed legislation to allow SBS to effectively shift the balance of advertising on your stations. Can you maybe just quickly provide us with an update as to your understanding of how the legislative process is going to run from here when that bill needs to be through to provide certainty for the station.  Mr Ebeid: That is correct—the proposed legislation is to allow SBS to have some flexibility around the number of minutes of advertising throughout the day, with a maximum cap per hour of 10 minutes.	Page 59

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				The next steps for the legislative process is a question for the department, but my understanding of it is that a proposal will go before the Senate sometime in the next couple of months for consideration. Then the impact that it would have on SBS would be considered after that.  Senator LUDLAM: Does it have to be through before the next budget—the 2015-16 budget?  Mr Ebeid: I would certainly hope so, but I am not aware that a date has been set by the minister—  Senator LUDLAM: We are a bit fortunate that we have got that Manager of Government Business in the Senate sitting here with us. Are you able to wear that hat for us for a moment, Senator Fifield? What is the government's expected timetable for passage of that bill? Senator Fifield: I will seek advice from Minister Turnbull on that. As Manager of Government Business, my role is to seek to give effect to the agenda of my ministerial colleagues, so I will seek that advice from him.	
7.	Programme 1.1	Ludwig		During Supplementary Estimates in 2014, Finance flagged changes to the Enhancing Online Safety for Children program (Q F83).  1. Could you please provide a summary of these changes?  2. What is the timeframe for implementation?  3. Who is the responsible agency for actioning these changes?  4. When was the minister last briefed on this item? Was this briefing requested or initiated by the Minister or was it initiated by the department?  5. What action has the minister taken on this policy?	Written
8.	TUSMA	Canavan	Connection times –	Ms Silleri: We are aware that there have been some issues with connection times in northern Queensland, particularly those exacerbated by weather events. We are pursuing those matters with Telstra. In terms of the actual reasons why the delays are occurring,	

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				it is unfortunately one of those issues that depend on the circumstances. But we are looking at that and discussing it with Telstra. We are looking for validation of any reasons that are put forward to us. I would encourage any individuals who feel dissatisfied with their engagement with and their responses from Telstra to also pursue the matter individually with the ombudsman's office. But, broadly, we are aware that there have been issues in northern Queensland.  Senator CANAVAN: From the information you have, how long have some people been without a standard telephone line?  Ms Silleri: I do not have that information to hand, but I am happy to look into it.  Senator CANAVAN: If you could take that on notice, it would be good	
9.	TUSMA	Canavan	Telecommunications Connection times – Northern Queensland	Ms Silleri: No, not at this stage. We are more focused on making sure that a service is delivered, ultimately. In many cases we have found that Telstra is very willing to pursue a whole range of alternatives to providing services in the way that may be disrupted. That is our first port of call. Then we may pursue remedial alternatives.  Senator CANAVAN: What are the alternatives for a cattle station that is not on the network?  Ms Silleri: I would probably have to look into those specifics before I could answer  Senator CANAVAN:When you say that you are looking at whether it is beyond their control, do you look at the contract they have, do you look at the stocks of the equipment? Because that is another issue, presumably. If they moved to a just-in-time process they are much less reliable.  Ms Silleri: We may do that, depending on the circumstances. But normally we would be asking Telstra the upfront question of how are they are planning to provide and guarantee the provision of this	

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				service. What steps have you got and what safety nets have you got in place?  Senator CANAVAN: You have not looked at their contracts for this particular example?  Ms Silleri: Not that I am aware of. But I will look into that for you.	
10.	Australia Post	Whish- Wilson	Parcel subsidies	Senator WHISH-WILSON: Could I ask you something specific on parcel subsidies? The 2014 annual report states: we have now reached a turning point where we can no longer expect profits from our competitive parcels business to offset the growing losses  You have talked about that. Pages 12 and 13 of the report indicate that overall revenue was about \$6.38 billion, and EBIT for parcels was operating profit of \$337 million and for mail services a loss of \$328 million. There are several references to revenue in the annual report; however, is difficult to find how expenses are allocated to each of the letters business and the parcel segment. For example, each day Australia Post vans distribute letters, parcels and freight to post offices in places like Northern Tasmania. These post offices then distribute those items to customers via post office boxes, over the counter and by mail delivery contractors. The vans typically have about three quarters of the space occupied by parcels and freight. How is the cost of those vans and their drivers allocated between letters and parcels? That is a very long question, and I am happy to put it on notice for you.  Mr Fahour: I am happy to take it also, but I can give you the short version.	Page 18-19
11.	Australia Post	Whish- Wilson	Personnel receiving substantial at-risk components to salary	Senator WHISH-WILSON: The 2014 annual report states that the corporation made an overall loss in the second half of the financial year—the first time you have made a loss in six-month period since you were corporatised in 1989. The report also shows that 418 personnel received substantial at-risk components on top of their reportable salaries. For example, one individual we note received a salary of \$158,230 but an at-risk component of 3.6 times that. It took	Page 19

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				the overall remuneration to \$731,016. Are these at-risk components technically performance bonuses?  Mr Fahour: In last year's annual report, for the whole year, we did make a profit and—  Senator WHISH-WILSON: But for the six months, you did not.  Mr Fahour: For some of that period we did not. The answer to your question is: the at-risk component is largely associated with bonuses. For this specific person or, I guess, for the number of band, I can find out the specifics if you wish. Obviously, without naming names, I can get you the detail of that. But overall the criteria that we use is a threefold. Firstly, we ask if the corporation met its budgets and its forecast. Secondly, we ask if the individuals specifically met their criteria of whatever the KPIs were that create that. Thirdly, we do what is called a calibration of a distribution curve where we have certain people categorised as one, two, three, four, five—and it is relative ranking. Those three criteria are all taken into consideration—  Senator WHISH-WILSON: For those 418 personnel, can you give us a rough idea of what their total at-risk components, or salaries, would have amounted to. Can you give us a dollar amount of what you, roughly, paid out in bonuses.  Mr Fahour: I can take that on notice and give you the answer to that information.	
12.	Australia Post	Wilson	Trans-Pacific Partnership agreement	<b>Senator WHISH-WILSON:</b> Before I get to a question for the minister, can I just ask you about the trade negotiations on the Trans-Pacific Partnership agreement that our country is entering into at the moment. One of the 29 chapters relates to the operations of state owned enterprises. This agreement is with 12 countries, mostly in the Pacific region. Have you been asked to provide any input to defence, foreign affairs and trade negotiations or to the government about Australia Post? Have they sought feedback from you at all around issues with government owned postal services?	Page 20

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				Mr Fahour: Me, personally, no. I am sure I need to look into whether Australia Post—this is what you are getting at—has been asked. I can take that on notice.  Senator WHISH-WILSON: Yes, if you could.  Mr Fahour: I can check on that and I will see if Australia Post has been notified or not.	
13.	Australia Post	Urquhart	QoNs from Supplementary Budget Estimates 2014	Senator URQUHART: I want to ask you about the questions on notice from the previous estimates. From about 9.58 this morning, a couple of hours ago, I have been continually getting emails with questions on notice that have been provided. But at about 9.58 there were about 50 questions on notice outstanding from the estimates last November. You are obviously aware that estimates is an accountability process. Under the standing orders the questions were actually due on 9 January. Why have they been delayed?  Mr Fahour: The questions on notice?  Senator URQUHART: Yes, from November.  Mr Fahour: I will need to come back to you on notice, and I will have to do it in a timely way  Mr Fahour:I do not have a satisfactory answer for you now. I can assure you, without doing any buck-passing to anybody, that Australia Post takes them very seriously and we respond fairly quickly, but we have to go through a process.  Senator URQUHART: What is that process?  Mr Fahour: Normally the process of any agency is that you submit them to the department, and you get the feedback.  Senator URQUHART: Have the questions that you were asked in November been submitted to the department?  Mr Fahour: Absolutely.  Senator URQUHART: So Australia Post has provided them to the department?  Mr Fahour: What I can say is we take responsibility for where we are. We take it very seriously. I will give you in writing a response	

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				of where the bottleneck to those responses is. I would add—and I know you are fully aware of this—that the number of questions that came out of the last estimates totalled 89, but there were a whole bunch of subquestions. Of those 89, one of them had 40 subquestions, and of those 40 subquestions there were a further (a), (b), (c), (d) and (e) questions. When I added up each of the questions, they went into the hundreds. This is not an excuse in any shape or form, because we take this incredibly seriously. But over the last six months we have been under enormous pressure as an organisation to deal with all sorts of issues. This is something we have resources allocated to, but I do not have a department or an office big enough to get through the amount of questions that we had. Right now, with the overhead cost reduction that we have been doing, and reducing costs everywhere, things are taking a little bit longer. However, I promise you that we are taking it seriously. I ask your indulgence a little bit.  Senator URQUHART: Given that they were due on 9 January and we are almost at the end of February, I think there has been a reasonable amount of indulgence. The question is: has Australia Post answered the questions and forward them to the department? Is that where the bottleneck is?  Mr Fahour: I am not going to blame anybody. Senator URQUHART: I am not asking you to blame anyone. I am just asking you a question. Has Australia Post forwarded the questions? That is the question.  Mr Fahour: Yes, we have.	
14.	Australia Post	Urquhart	Service Stakeholders	Senator URQUHART: I will move on—I think I have your answer. You did respond to an earlier letter from this group, and that letter was dated 28 January. You referred to a stakeholder council out of that group. Can you tell me who are the members of this council.  Mr Fahour: We can provide that to you, on notice—each of the	

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				members of the council.  Senator URQUHART: You do not know who they are?  Mr Fahour: Yes I do, but I would like to give you the exact name, where they come from, their background. I will give it to you as a question on notice.  Senator URQUHART: Is there no-one here with you today who can tell me who is on there?  Mr Fahour: Would you like us to get that information for you right now?  Senator URQUHART: I would just like to know the names.  Mr Fahour: We will grab that for you.  Senator URQUHART: So you will provide that today?  Mr Fahour: Yes.  Senator URQUHART: Can you tell me when they last met and when they will next meet?  Mr Fahour: We will get that for you.	
15.	Australia Post	Urquhart		Senator URQUHART: Okay, so what functions will transfer with the sale of PostConnect?  Mr Fahour: I am happy in terms of the specifics to take the question on notice. One of the things I am just conscious of is that we have just entered a commercial negotiation to sell that to a player in the association. I am not sure that I want to breach any confidentiality agreements, but I am not sure they would appreciate having the other printing industry players know that level of detail. But, as always, you have the right to ask me in camera, and I will give that to you in camera if you wish.  Senator URQUHART: Can you provide that to us.  Mr Fahour: In camera?  Senator URQUHART: How many bidders were there?  Mr Fahour: Again, there is a commercial transaction that took place here, and I would wish to—	Page 31

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				Senator URQUHART: I am not asking you who they were; I am only asking how many.  Mr Fahour: I think that is commercial-in-confidence, but I am happy, again to provide you all the answers, such that different players in the industry do not know what the nature of the commercial transaction was. But it was a tender, and we will provide the committee with that in confidence.  CHAIR: Can I just put on record, Senator Urquhart, that you will need to provide that evidence under standing order 25  Senator URQUHART:And what will happen to the PostConnect staff? Have they been transferred, or will they be made redundant, or—  Mr Fahour: There are, as part of the process, a number of staff that have been offered an opportunity to go with the acquired entity, and there are some staff that are not needed.  Senator URQUHART: How many staff are there that are attached to PostConnect?  Mr Fahour: Again, the specifics of the data around PostConnect we can give you in writing. We will take that question on notice to give you the exact number of people, but what I can say to you is that, while a number would go with the transaction, some are going to stay at Australia Post, and we are in the process of activating our RRR process. Our RRR process requires us to follow through a retraining and redeployment process, and then, if there is no opportunities for any of these people, a redundancy package is then offered to these people. But we are in the process of working our way through those who do not go with the sale of this business.  Senator URQUHART: So you will provide the numbers of employees currently—  Mr Fahour: The exact numbers, yes.  Senator URQUHART: and then how many will transfer.  Mr Fahour: Yes.	

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				<b>Senator URQUHART:</b> I presume that may not be all of them, but you will provide us those, and also the functions, if they are transferred all over.	
16.	Australia Post	Urquhart	Pro-Pac	Post has moved from using long-lasting corflute large letter tubs to	
17.	Australia Post	Canavan	Financial results	Mr Fahour: Thank you very much. There are two things that I would draw your attention to that have also occurred in addition to the decline in profitability. Firstly, in the first half of the year 2014, we disclosed in our annual report that we sold our building in Sydney, and the sale of that building generated a profit. There are other items of trading profit in the year 2014 that we made as a one-off that are not available to us in the year 2015. So that contributes—  Senator CANAVAN: Just to clarify that: do you do fair-value accounting or—  Mr Fahour: Yes, we do.  Senator CANAVAN: is that profit because it was sold above the fair value you had on the books?	Page 32

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				Mr Fahour: Yes. We managed to get a very good price above the book value, as such.  Senator CANAVAN: Yes.  Mr Fahour: That was good but it was non-repeatable.  Senator CANAVAN: How much extra was that?  Mr Fahour: I can get you the details on notice, if you wish, because we will have the precise amounts.  Senator CANAVAN: All right.	
18.	Australia Post	Canavan	Financial results	Senator CANAVAN: The five per cent growth was the size of the market and not the size of your share of the market?  Mr Fahour: Correct.  Senator CANAVAN: Did you submit the handout you are reading from to the committee? Is that something you released publicly?  Mr Fahour: Yes, we did.  Senator CANAVAN: I could not see that online. I have your release with some of the graphs. Could you provide that?  Mr Fahour: Would you like—  Senator CANAVAN: If it a PowerPoint presentation or something.  Mr Fahour: Of course. I am more than happy to do that.  Senator CANAVAN: I would appreciate that.	24/02/2015 Page 33
19.	Australia Post	Xenophon	Mail2Day	Senator XENOPHON: On the Mail2Day changes, I have been advised that Mail2Day, which currently costs \$55 a year for email notification and \$89 for SMS notification of the customer's PO box mail status, will soon be offered free to customers who open a MyPost digital mailbox. Is that correct?  Mr Fahour: Can I get Ms Corbett to answer your question?  Senator XENOPHON: Yes or no would be good, because I am conscious that Senator Sinodinos is waiting patiently, and I have to go to another—  Ms Corbett: It is actually being proposed, and we are currently under consultation. However, with that, we will be in consultation with our licensees, because that will then require a scanning	

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				payment.  Senator XENOPHON: Can you advise on notice whether any licensee representatives were consulted in this decision-making process.  Mr Fahour: We have not made a decision: We are in the process of consultation now.  Senator XENOPHON: But have you received any feedback from representatives, or you have not got any feedback yet?  Ms Corbett: It has all just happened at the moment. We have done some initial consultation with the different licence representative groups, but we are just at the start of that consultation.  Senator XENOPHON: Have you had initial feedback in respect of it, or not?  Ms Corbett: I understand we received some feedback yesterday, but I am happy to take on notice the details of it.  Senator XENOPHON: Was it good, or bad, or indifferent?  Ms Corbett: I just understand that we received some feedback yesterday.  Senator XENOPHON: Does Australia Post have any plans to trial or roll out mobile retail or business hub vehicles into communities?  Mr Fahour: Can we take that on notice?  Senator XENOPHON: Right.  Mr Fahour: They are very specific questions which we would be delighted to give you specific—  Senator XENOPHON: I am just trying to be forensic with you, Mr Fahour. I am just trying to be helpful.  Mr Fahour: Therefore we will write it down and give you the exact answer.	
20.	Australia Post	Xenophon	Underpayment disputes	these, can you indicate whether there has been an improvement in	24/02/2015 Page 37-38

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				Mr Fahour: Quality. Senator XENOPHON: success rate for resolving those disputes? If you could take that on notice.	
21.	Australia Post	Xenophon	My Post Mailboxes	<ol> <li>Apart from the initial incentives for licensees to sign up their customers for MyPost, what ongoing revenue potential exists for licensees whose customers go on to use Australia Posts online services?</li> <li>Do you think that Australia Post online services are mutually beneficial for licensees, and in what way?</li> <li>Do you have the total number of Digital Mailbox users who log in and interact on a weekly basis, other than Australia Post employees?</li> <li>What is the total cost to date for complete roll-out of the Digital Mailbox?</li> <li>What are the projected costs over the next six years?</li> <li>What is the current ROI for this initiative?</li> </ol>	Written
22.	Australia Post	Xenophon	PO Box Price Rise	<ol> <li>I refer you to the Herald Sun article dated 13 February 2015,         <ul> <li>'Australia Post raises prices again to stem huge losses'. In this article, Michelle Skehan from Australia Post is quoted as saying, 'Higher post office box charges would benefit licensed post office owners battling declining mail volumes'. Can you please indicate how licensees would benefit from any price rises to PO Box service fees, when we know that licensees have their payments for PO Boxes linked to the Basic Postage Rate?</li> </ul> </li> <li>I note the 2015 high increase in PO Box fees to customers. Can you indicate the modelling used by Australia Post to determine this price rise?</li> <li>Have you commissioned any modelling as to how this price rise will impact on the number of customers who will not renew their PO Boxes?</li> </ol>	Written

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
23.	ACMA	Urquhart	Complaint numbers	Senator URQUHART: Do you have statistics on how many complaints you get? If you need to take it on notice, do so.  Ms McNeill: Perhaps I will need to take it on notice, but may I just ask whether the complaints you are inquiring about are complaints about cyberbullying or complaints about other things? We are one of those organisations that receive very many complaints from all sorts of people about all sorts of things.  Senator URQUHART: It is more about online bullying.  Ms McNeill: I will take the question on notice, but I think that we will not have detailed information about that.	
24.	ACMA	Ludlam	The Intercept online journal allegations	Senator LUDLAM: How seriously do you treat these reports? Off the top of my head, I am not aware of anything as serious as this in the Australian telecommunications industry since forever.  Ms McNeill: That may well be so. We have memorandums of understanding in place, including with the privacy commissioner, and we would work with the privacy commissioner and other interested agencies. Things are at a very early stage, and there is certainly no specific action planned, beyond monitoring and verifying reports.  Senator LUDLAM: Okay. You probably did not have a whole lot of material at your desk, Ms McNeill, and maybe you did not expect that I was going to come and ask you about this stuff—can I just ask you on notice if there is anything you would like to advise us of that might contain a bit more structure? Given that I did not give you any warning that I was going to ask about this matter, could you advise as us to what kind of coordinated, or uncoordinated, response you might be part of within the broader Australian government?  Ms McNeill: Sure. And perhaps it also goes without saying that there may well be criminal conduct involved.  Senator LUDLAM: There may, although it is likely to have occurred on behalf of the NSA and GCHQ, which I would not	Page 47

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				expect you guys to go and prosecute—although it would be fun to watch you try! Thank you.	
25.	ACMA	Xenophon	Gambling Ads	report in The Age on 15 November 2014 headed, 'Gambling ads	24/02/2015 Page 47-48
26.	ACMA	Xenophon	Gambling Ads	Ms McNeill: We get some global information about statistics. I am not conscious of there being a breakdown. It would be open to us to seek that. Can I say, even my that rider, first port of call for code matters is usually the broadcasters and then the matters are escalated to asked if people have enduring concerns. We, in the lead-up to the registration of these code provisions, were receiving quite a number of complaints directly. So a lot of people are ringing and making	Page 48-49

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				inquiries. We have seen a significant drop-off in that level of contact since the codes were registered. I do not have the figures to hand.  Senator XENOPHON: If you could take that on notice.  Ms McNeill: I would be happy to provide them to you. We have seen a reduction.  Senator XENOPHON: I accept that the broadcasters would get the complaints directly, and that is what normally would occur. Is there any requirement on the broadcasters to at least provide you with that information so that you have an idea of the sorts of complaints that are being received and how they are being dealt with by the broadcasters?  Ms McNeill: There is not, no. However, the point that I would make about that is that it suggests that a co-regulatory scheme is working satisfactorily if people go to the broadcaster, raise their concerns, the concerns are addressed and they are not escalated to us.  Senator XENOPHON: You do not know, do you?  Ms McNeill: We do know that, when people complain to a broadcaster about a code matter and the broadcaster responds to the complainant, the broadcaster is obliged to tell the complainant that they can escalate their concerns to us if they remain unhappy. Then we have good visibility of the number of complaints that come to us.  Senator XENOPHON:If you could take on notice the global statistics and also the exchange of information between the two, because I thought that it may have been useful in terms of ACMA's role  Ms McNeill:I will take those matters on notice and give you a comprehensive response.	
27.	ACMA	Xenophon	Advertising of interactive gambling services	<b>Senator XENOPHON:</b> In the budget estimates I also asked about the enforcement action available to ACMA if advertising breaches occur in relation to the advertising of interactive gambling services	24/02/2015

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				on television and radio. Some of them advertise a site that is actually linked to an online gambling site that is prohibited. I was advised that the enforcement action available to ACMA as set out in part 10 of the Broadcasting Services Act can include remedial directions, suspension or cancellation of a licence. Has there been any action in respect of that where some ads, clearly, are either in breach or are encouraging a breach in the context of advertising online gambling sites?  Ms McNeill: I am a little confused by the premise of your question, which might reflect some confusion in some information that we have previously given you. Are you only just talking about broadcasting advertisements?  Senator XENOPHON: I am talking about ads on television and radio.  Ms McNeill: On television and radio. Okay, broadcast advertisements, not advertising on the internet.  Senator XENOPHON: No, broadcast. It is an ad on TV usually late at night or at two in the morning. Those ads, which refer to gambling sites, refer to a free site, but when you click onto that it actually sends you to a paid site, which is in breach of the act. That is the sort of thing I am referring to. Do you want to take that on notice?  Ms McNeill: I will take that on notice. It sounds rather like an investigation that we did some years ago.  Senator XENOPHON: If you could let us know what happened in relation to that. Have there been any prosecutions or fines that ACMA is aware of in relation to contraventions of the Interactive Gambling Act 2001?  Ms McNeill: I am aware that there are investigations underway.  Senator XENOPHON: Any prosecutions?  Ms McNeill: Investigations involving the police.  Senator XENOPHON: I will put some questions on notice. Finally,	

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				in respect of that, once the matter is referred to the AFP for investigation, does ACMA request or receive updates on the matter from the AFP?  Ms McNeill: The answer to that question is yes.  Senator XENOPHON: How often do you get responses? Can you tell us how many responses you have had from the AFP over the last 12 months?  Ms McNeill: I will tell you that on notice, if you after a number.	
28.	ACMA	Xenophon	Internet Gambling Content	1. Regarding internet gambling content hosted outside of Australia, I note in the period 1 January 2010 – 30 April 2014, ACMA investigated 118 different URLs which hosted content outside of Australia. Each was referred to the ACMA by a single valid complaint, except for six URLs which were referred by two or more valid complaints. During this time frame, one URL was referred to the ACMA by 12 valid complaints.  a. How does ACMA assess whether a complaint is valid?  b. Can the ACMA reveal these URLs to consumers? If not, why not?  2. How much funding is designated to investigating internet gambling content hosted outside of Australia?  a. Can you provide a breakdown in funding?  b. What is ACMA's role in promoting to consumers the risk of gambling on overseas web sites with regards to the lack of regulation and consumer protections?  c. Is funding designated to public awareness campaigns? If so, how much?	
29.	ABC	Williams	ABC local radio	<b>Senator WILLIAMS:</b> I am glad you raised that point about ABC local radio being the emergency broadcaster in Australia. It is not much good if you cannot hear the ABC.  I have raised this before with you in 2011-12. I live just outside of	Page 69

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				Inverell. My office is there. There are 12,000 people in town. We have 2GL at Glen Innes. There is a radio signal from there, 70 kilometres away. On the FM, Radio National and Tripe J come from Mount Dow, which is 104 kilometres. The signal in many parts of the town is very weak. I have councillors come to me. I have people come to my office saying, 'Can't you talk to the ACT to see if we can get the ABC signal? They want to listen to your program.' If you go out to Wilcannia or Cobar you will get a clearer signal that you will in the town, a town of 12,000. There are radio towers and television towers there. Would you please revisit and have a look at that signal in Inverell because it will stop people chewing my ears? They have a strong argument. If you are an emergency service you have a vital role, especially in rural and regional Australia, and it is not much good if we cannot hear you. Could you revisit that and see whether you can tap onto one of the towers there and give the town a good signal because they would really appreciate it?  Mr Scott: I appreciate that. We will pursue that with Broadcast Australia, who look after the transmission for us in the contract, and also with the ACMA. They are responsible for the allocation of different signals for different areas. They really work out the policy and then the execution of that policy on behalf of the ABC. Local radio effectively can be heard where 99 per cent of the country operates. So I am surprised that a town the size of Inverell may have difficulty receiving—  Senator WILLIAMS: It is pretty good in some areas. You go up Lewin Street and other areas where there are a lot of people and there is hardly any signal at all. I live west of town—than when I was actually in town.  Mr Scott: Sometimes that depends a bit on the direction that the transmitters are set up. Mr Pendleton is in charge of transmission internally for us. We will look into that and come back to you on	

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				that. <b>Senator WILLIAMS:</b> That will be wonderful. Thank you very much. Thanks, Chair.	
30.	ABC	Xenophon	Adelaide/Sydney Newsroom	Senator XENOPHON: Okay, let me put this to you: the Adelaide newsroom produced that and produced it effectively and efficiently. It was then shifted to the Sydney newsroom. You are aware of that? Mr Scott: Some years ago, I think.  Senator XENOPHON: No, not some years ago; recently. This was recently. My understanding was that that was meant to be a cost-cutting measure. That would be the reason why you would have shifted it back to Sydney—or to Sydney, not back to Sydney.  Mr Scott: Your question is about that, Senator?  Senator XENOPHON: My question is this: is it the case that the ABC has now had to employ two additional casuals in Sydney in order to cope with the additional bulletins that are being done? I would like you to take on notice—  Mr Scott: Yes, let me take that on notice.  Senator XENOPHON: No, my question on notice is: if that is the case—if you could confirm that—does that mean that there have been no net savings to the ABC in respect of that move? In fact, it could have meant, as I understand it, an additional cost to the ABC because of the way the shift occurred.  Mr Scott: Let me take that on notice. I can say to you that we have looked at our radio bulletins overall—the length of the bulletins, which bulletins are national and which bulletins are local—and there have been some changes around that. I am not sure if the changes you have identified are part of that broader strategy, but I can give you—  Senator XENOPHON: No, I am referring to taking away from the Adelaide newsroom the local bulletins—bulletins that were being done nationally.  Mr Scott: Let me take that on notice.	

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				<b>Senator XENOPHON:</b> My understanding is that they were being done effectively and efficiently, and now you have taken on extra staff in Sydney because they were not able to cope with it. That is not a reflection on the professionalism of people in Sydney; I just think it seems that that strategy has not worked. <b>Mr Scott:</b> Let me take that on notice.	
31.	ABC	Xenophon	Antiques Roadshow vs Collectors	Senator XENOPHON: Those longer bulletins on the weekends run an extra 10 minutes. On those can you please provide the number of reports and the minutes of airtime filed to news bulletins in each capital city by former current affairs reporters. In other words, to what extent has it filled that gap left by the local editions of 7.30? ABC management closed down Tasmanian television production in 2012, and perhaps it is a harbinger of what could occur in South Australia. It ended the popular antiques program, The Collectors. I note that the ABC now broadcasts every day a 60-minute program, called Antiques Roadshow, brought in from the UK. It is the case that the ABC axed a Tasmanian based program and now screens five hours of antique related content every week from the UK. How much does Antiques Roadshow cost the ABC? Are you able to tell us that? And which program, Collectors or Antiques Roadshow, does the ABC consider better serves the ABC charter to reflect the diversity of Australian society?  Mr Scott: We will give you that detail. I can tell you that acquisitions like Antiques Roadshow, which has run for about 20 years and has been different networks here, cost a fraction of the cost of creating a program like Collectors, and that is the reality. Acquisitions are cheaper than creating content, and with finite budgets there is always a trade-off that is concerned.	
32.	ABC	Xenophon	Board minutes	Senator XENOPHON: Perhaps I could ask you about the issue of board minutes—what the process is as to the board minutes of the	24/02/2015

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				ABC. And perhaps you could also take this one on notice: what material did board members receive from ABC management, or what material did they have in front of them, before decisions were made, for instance, to shut down the Adelaide television production unit?  Mr Scott: I know it has been a subject of discussion at other public sector broadcasters today around matters involving the board. As a course of policy, I am a director and I have not spoken about the detailed operations to the board. Meetings are minuted, of course.  Senator XENOPHON: Who writes up those minutes?  Mr Scott: The board secretariat; there is a board secretariat. Minutes are then approved by the directors at a subsequent meeting—a very standard process. And I can tell you that over the last year there has been extensive consultation, briefing and engagement with the board at a number of meetings around the decisions that were finally reached when the funding cut was delivered.  Senator XENOPHON: And my original question was: what material—what information—did the board have before the decisions were made, for instance, to shut down the Adelaide television production unit?  Mr Scott: Well, I can tell you that it was a practice that is similar for effectively all decisions that the board has to make. When the board makes a decision, briefings and papers are developed, and they are considered by the board.  Senator XENOPHON: And, on notice, will you provide a list of the documents that were provided to the board in the lead-up to that—  Mr Scott: Well, I will consider that. And I must say, it is an independent board. The workings of the board—  Senator XENOPHON: I am not questioning the independence of the board. I am just trying to understand what material the board had	

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				before taking a decision.  Mr Scott: I will take your question on notice.  Senator XENOPHON: And who the draft minutes are sent to for checking, and who has—  Mr Scott: I can tell you that the executives who are responsible for the operations of the divisions were very much involved in the preparation of materials that go to board briefings.  Senator XENOPHON: Okay. I just want to get details of that. And then perhaps you can take on notice who has the power to alter minutes before distribution. I am not suggesting anything untoward, but I am just interested in what the actual process is and whether you are in a position to provide both the draft and final board minutes in relation to those decisions. There is a wry smile on your face! Am I being too ambitious?  Mr Scott: Well, as always, I look forward to reading your questions on notice and we will consider them with detail.	
33.	ABC	Ruston	Wages/Efficiencies	CHAIR: My point was, if we can be clear and transparent about what is being invested or sought for investment in this new platform and what is actually an efficiency saving, then possibly some of the comments we are seeing and the interpretation you are getting from a lot of the senators and members of parliament—and members out there in the electorates—will be dispersed, if you can be very clear about what you are doing for efficiency savings and what you are doing for securing money for different purposes. At last year's estimates, I asked you—following on from your comments that you were considering the government's current wage policy, as it related to you and your development of your new industrial strategy into 2016—hypothetically, if you froze your wages, how many fewer employees would have been seeking to become redundant. You said you would take that on notice. I am just wondering if you have been able to do that?  Mr Scott: I am not sure if we have answered that on notice, so I	Page 76

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				may have to come back to you again on that.  Mr Pendleton: It would be a little bit dangerous to speculate on it.  Mr Scott: But we are aware of the government's policy. As I said last November, 2016 is the year where the industrial agreement becomes due that covers 90 per cent plus of our staff. So, of course, the board will take into account the advice and requests from the government at the time as we develop out policy. We have to find I think it is in excess of \$50 million of efficiency savings. It is \$20 million next financial year and it is \$50 million plus the year after that that the wages environment will need to be very tight. We will be looking for productivity offsets and we expect that there will be a significant engagement with our staff around that matter.  CHAIR: If you could do that and also get that other information in relation to your transferring of money, that would be handy	
34.	ABC	Urquhart	Pooling process	Senator URQUHART: Do you have a breakdown of how many there are?  Mr Scott: Yes. Let me give you that, too, on notice. I can give you a more detailed breakdown on notice.  Senator URQUHART: That would be great. Just in relation, then, to the pooled ones, I understand that about 330 staff who are on equivalent pay grades will be placed in pools.  Mr Scott: Yes. That would be about right. But most of that process has run. I think the question was raised at the end of last year that there was uncertainty facing our staff, and the uncertainty that our staff faced was that they were in a pool and that we had not yet run the decision making and prioritisation process around that pool.  Well, we had to consult first. We had to consult around that consultation process. We had to consult with our staff. We now have consulted, and so we have run that pooled process.  Senator URQUHART: Okay. Can you just step me through that process? The first step is consultation. What is the process?  Mr Scott: There was consultation. I can give you more of this on	24/02/2015 Page 77-78

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				Notice  Senator URQUHART:So is it fair to say then that, of the 300-odd employees that you were talking about, there are a number of them who know that their jobs are secure, and the rest know—  Mr Scott: Yes; I think the vast majority of them, Senator. I think the number of positions—and I will correct this on the record—but the number of positions that were going out of that pooled engagement was, I think, around 100, or fewer than 100. So, on that reckoning, 200-plus now know that they are not affected by it  Senator URQUHART:Okay. In relation to the numbers that I asked you about earlier, will you provide those on notice—that is, the breakdown of those 241 jobs? Can you please provide, within that answer, how many employees have already gone as a result of the job cuts that were announced in November?  Mr Scott: Yes. What we will do, if you give us that question on notice, is give you from the date of the question on notice an up-to-date list of the flow of the redundancy program.	
35.	ABC	Urquhart	Redeployment process	happening with that?	24/02/2015 Page 78

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				up are really very few when you are doing a staffing reduction at this level. So I think it is fair to say redeployment options are few. Senator URQUHART: Right. But there are some, are there? Mr Scott: I think, yes, we are looking for that, and there will be some staff who have been redeployed. Senator URQUHART: Okay. And will those redeployments be in different areas? Mr Scott: Yes; well, often it will be within the same division but in a different role. And sometimes it will be broader than that, but we can give you some detail on that too.	
36.	ABC	Urquhart	Re-hired staff	be two years—24 months, I think—before someone can be re-	24/02/2015 Page 78-79

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				Senator URQUHART: Do you expect that it might happen?  Mr Scott: In a sense people are taxed at a favourable rate on a redundancy. That is on the fact that it is a genuine redundancy. So we do not have people returning to do the same work they left from—  Senator URQUHART: But they may be hired to do different work.  Mr Scott: There is a possibility of short-term project work, but it is certainly not common in the organisation  Senator URQUHART:But I would certainly be interested if there were. If there are any, are they employed on lower wages and lesser conditions?  Mr Scott: Let me take that on notice.  Senator URQUHART: The other issue is whether or not you expect that that may need to happen, given what your overall makeup looks like for short-term or whether it will be longer-term contractual arrangements?  Mr Scott: We will take that on notice.	
37.	ABC	Singh	Adelaide production facility	understand, and some staff are finishing with that production.	24/02/2015 Page 82
38.	ABC	Singh	Non-local content	<b>Senator SINGH:</b> I do not have the annual report on me, but are you able to provide the committee with the breakdown of how much local content is currently aired on ABC TV and how much non-local content is provided?	

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				Mr Scott: And your definition of non-local content?  Senator SINGH: Non-Australian content.  Mr Scott: Okay, so Australian content and international content.  We will be able to give you a breakdown of that.  Senator SINGH: You don't have that on you?  Mr Scott: I do not have that on me, no.  Senator SINGH: Ah, you do have that.  Mr Scott: It is in the annual report on page 214. To June, 66 per cent of the content broadcast between 6 am and midnight was Australian and 33 per cent was from overseas.  Senator SINGH: Is that, on average, throughout the year?  Mr Scott: That is the full year for ABC1 from 6 am until midnight.  Senator SINGH: What do you mean 'the full year'?  Mr Scott: From July through June.  Senator SINGH: Do you have a breakdown of that by month?  Mr Scott: No, not here.  Senator SINGH: You can provide that?  Mr Scott: We can take that on notice.	
39.	ABC	Leyonhjelm	2015 Asian Football Cup	been an intimation that we were not sure that they were putting a bid	24/02/2015 Page 87
40.	ABC	Canavan	Research	Senator CANAVAN: I have noticed in other estimates and inquiries, Mr Scott, that you have often brought evidence about people's perceptions about the ABC. Do you have research on how those perceptions are different in regional areas relative to capital	24/02/2015 Page 91

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				cities?  Mr Scott: That is a good question. Let me take that on notice and come back to you.	
41.	ABC	Canavan	Legal unit oversight	Mr Scott: We have a legal unit. There is extensive 'legaling' of programs before they go to air if there is a belief that there is a legal issue involved with them, and our lawyers can be quite involved in those programs. I am not in a position to tell whether this was 'legaled' before it went to air, but we will deal with Mr Cooper's complaint. I understand that <i>The Australian</i> has a strong point of view on it. We will let our independent review team take a look at it. Senator CANAVAN: Can you take it on notice then, whether lawyers provided advice on the story before it went to air Senator CANAVAN:and obviously make your own judgements in your response. That is the pre—before the story. I would also be interested in whether you have had any legal advice subsequent to the story airing. I note already that on the <i>Media Watch</i> website at least there has been a correction about a quote that was attributed to the NHMRC. I do not know what that stands for.  Mr Scott: National Health and Medical Research Council.  Senator CANAVAN: National Health and Medical Research Council, I think. Are there any plans to provide any further corrections?  Mr Scott: I believe this is ongoing, and it will be looked at by our independent complaints review process. I will be able to give you more information on notice on that.  Mr Scott: They sometimes do go to people, so we can take that on notice.  Senator CANAVAN: In my experience, good journalists come and talk to you first. They make the time to do that. Can I also ask you to look, in particular, at claims that were, I think, made yesterday in an article in <i>The Australian</i> . I do not know if this would be captured by your process, but I just want to make sure that certain researchers in	24/02/2015 Page 94-95

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				Media Watch—Mr Duxfield, I think, in particular—received advice that was different to the line taken in the story and received advice that the research, by Mr Cooper in this case, was a reasonable scientific inquiry. None of that opinion was reported in the story. I am sure you are not, potentially, aware of all the details there. Some of that advice came from the acoustics experts, such as Dr Paul Schomer, and I would just like you to take on notice why that advice, which apparently was received before the story went to air, was not reflected in the subsequent story.  Mr Scott: I will take questions on that on notice.	
42.	ABC	McKenzie	Leased properties	past, but I will ask again: with those properties that are leased, could	24/02/2015 Page 100

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				Senator McKENZIE: Yes, that is on the answer. So, of the staff that you have overseas, do the three that are located in Beijing have one of those residences each?  Mr Scott: I would have to check on that. I do not have that detail, I am afraid.  Senator McKENZIE: We have got three residences being leased in Beijing; we have got three staff members.  Mr Scott: Yes, I expect so. I will have to check that out. There have been and there are quite significant restrictions around our ability to operate in China, and I believe that this area that we are operating in is an area where many of the international reporting bases are, and it is like a converted apartment block. I will find out. I am not quite sure where they all live.  Senator McKENZIE: Yes, some more detail on that would be great.  Mr Scott: There would be more than half a dozen staff who operate in our Beijing bureau, some locally based and some from Australia—a cameraman, a reporter and the like. We can get detail on that for you.  Senator McKENZIE: I am referring to the staffing locations in answer No. 548 to a question from Senator Canavan, which lists our overseas staff. Could you also review that, if there are six working out of Beijing?  Mr Scott: I did not have the precise number.  Senator McKENZIE: They are journalists specifically?  Mr Scott: There are journalists, but there are others who work—there might be a translator, there might be a sound engineer. These are locally based staff.  Senator McKENZIE: So, for instance, in London three journalists and a support crew, I assume.  Mr Scott: Yes, that is right.  Senator McKENZIE: As part of their deployment, if I could get	

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				some detail around accommodation. Are they staying in residences? How does that all work? Is that supplied or is it private or funded?	
43.	ABC	McKenzie	Backhaul	Mr Pendleton: We currently already back-haul about 19 of our regional services, and they are up on the VAST satellite as part of our distribution network. The secondary part of this exercise will be to bring the rest of the services back in order to get them up onto the VAST service and also to stream them at the same time. That is the second project.  Mr Scott: What we want to be able to do is then load them all onto the radio app, so that when you go to the radio app you do not just get the digital channels and the metro streams but you will be able to access all our local streams.  Senator McKENZIE: You would be able to personalise it, which I know is something you are very keen to do.  Mr Scott: Yes.  Senator McKENZIE: Is the \$2 million in the backhaul or is that in the streaming?  Mr Pendleton: To stream the first 19, there is about \$600,000 or \$700,000 worth of capital expenditure. That will place us in a good position for the residual services, but there is a capital spend on top of that. I do not have the number on that.  Senator McKENZIE: Could you get me the number on that?	24/02/2015 Page 101
44.	ABC	McKenzie	Regional Division	Senator McKENZIE: When you said you can pull the figure out—Mr Scott: I will have to get that for you. I do not have that on me now.  Senator McKENZIE: Thank you. I look forward to that. How much funding is allocated to run ABC Open in the Regional Division?  Mr Scott: I do not have the precise figure for ABC Open. It is several million dollars. One of the things that we are looking to do is to think through how we best deliver those services. One of the things that I want the Regional Division to look at is that there are	24/02/2015 Page 102

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				400 staff in our regional offices. Some are in radio, some are in	
				news, some are rural, some are radio multiplatform, some are	
				designated originally ABC Open. How do you best deploy those	
				staff and how are they best utilised? ABC Open has brought some	
				significant benefits back to the ABC and to our audiences, but how	
				do they work with the radio multiplatform people and how do they	
				work with the rest of the provision in regional? So we are looking at	
				how that is best deployed.	
				Senator McKENZIE: For the rural services for ABC Open and for	
				ABC Local Radio, I am interested in how much you are going to allocate for those under the Regional Division, but I also want to	
				know how much you currently spend on each of those aspects?	
				Mr Scott: In the first instance, it is going to be what we currently	
				spend.	
				Senator McKENZIE: What do you currently spend?	
				Mr Scott: I do not have the breakdown of that detail here.	
				Senator McKENZIE: Does anyone at the table at a budget	
				estimates hearing have the breakdown for how much ABC Local	
				radio services' spend is, currently?	
				Mr Pendleton: Open is about 8.4.	
				Senator McKENZIE: Thank you. ABC Local?	
				<b>Mr Pendleton:</b> ABC Local is probably a little bit harder.	
				<b>Mr Scott:</b> It is just the way we are cutting budgets at the moment	
				and it is the way we are going to cut budgets. As Mr Pendleton	
				looks, I can say that at this point we do not have additional money to	
				invest in regional. What we are firstly looking to do is to see how we	
				organise that current level of investment of the 400 staff.	
				Mr Pendleton: ABC local radio budget is about 66—which covers	
				the metros as well, unfortunately—and our rural. I would probably	
				need to do it on notice, Senator.	
				<b>Senator McKENZIE:</b> Could you please split the metros out of	
				ABC local radio? Could you also break it down by state and	

HIACTIAN	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				territory?  Mr Pendleton: Yes, I can definitely do it, but on notice.	
45. NI	IBN Co	Conroy	Service Stream	Mr Adcock: Service Stream.	24/02/2015
				Senator CONROY: that was part of Syntheo? Mr Adcock: Syntheo. Senator CONROY: That was a company that delivered how many homes out of a contract of 80,000 to 200,000? Mr Adcock: I do not know the exact number of homes but I can certainly get that for you.	Page 111
46. NI	IBN Co	Conroy	Remediation works	<b>Senator CONROY:</b> to do work and they actually could not do any work. Sitting around for five months when you cannot get any money because you cannot do any work is probably pretty tough, Mr Adcock. Any idea who at Telstra was responsible for that?	
				Mr Adcock: I do not want to get into that debate— Senator CONROY: You were there. You were on the Telstra side, running the remediation. I was on the 'we can't do any work because Telstra's stopped work' side.	
				Mr Adcock: And your point is valid. In handling the asbestos, high levels of care were deployed across the network as a—	
				Senator CONROY: And that is a good thing. I am not actually holding you responsible for individual subcontractors—	
				Mr Adcock: Thank you, Senator!	
				Mr Morrow: Can I just make sure that you know, Senator Conroy—if I understand the questions you are asking—that we are paying. Let's make it real clear: we are paying our delivery partners more now than two years ago, as an example.	
				Conroy—if I understand the questions you are asking—that we are paying. Let's make it real clear: we are paying our delivery partners	

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				(inaudible) single facts or questions.	
				<b>Mr Morrow:</b> Can we take that on notice and come back to you and let you know more of that detail.	
				<b>Senator CONROY:</b> You can take it on notice until in a couple of weeks time, when we are meeting again. You will be able to answer the question, I would assume, by then.	
				Mr Morrow: Stephen, can you commit to that?	
				Mr Rue: Of course I can.	
47.	NBN Co	Ludlam	Cost of Infill	of that contract. So any number that you are referring to is a source	24/02/2015 Page 127
48.	NBN Co	Conroy	Strategic review	Senator CONROY: What is in the strategic review?  Mr Morrow: I believe it started in FY15—Steven, can you confirm	24/02/2015 Page 133

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				unconditional? What forecast date did you have for the deals becoming unconditional, after which the rollout could then proceed apace? You must have had a predicted date.  Mr Morrow: Again, we know that the strategic review was the guideline around what it is that we can look for and expect in the future. It is our job right now to make sure that we now apply what that guideline and directional element was to facts, to actuals, to—Senator CONROY: But you cannot have started on the start date, because the deal has taken longer and you have not got condition precedent.  Mr Morrow: In terms of the full strategic review. But Senator, I will remind you that the strategic review assumed that the two new technologies being added would come later in time, and that we have continued to roll out with the fibre to the prem, both green- and brownfields; with our fixed wireless satellite; with our satellite application that we put in to enhance even the ISS—all of that has been humming along. And that is why we are able to produce the results that we are.  Senator CONROY: So you cannot nominate a start date for MTM.  Mr Morrow: We will look it up and follow up on that. We will build on a plan for the future that stays within the statement of expectations.	
49.	NBN Co	Bilyk	Approximate build dates posted on Sarah Henderson MP's website	<ul> <li>In relation to the information provided on the Member for Corangamite's website (Refer to attachment A) that is not included in the published MTM Rollout Plan:</li> <li>1. Is the information on the Member for Corangamite's website accurate?</li> <li>2. Has NBN Co released this information publicly? Where is it available?</li> <li>3. Had NBN Co released this information prior to it being published on the Member for Corangamite's website on 2 December 2014?</li> </ul>	Written

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
50	NDM G		O N 12 C	<ol> <li>Did NBN Co provide this information to the Member for Corangamite or her office?</li> <li>Did the Minister for Communications or his office provide this information to the Member for Corangamite?</li> <li>Did the Minister for Communications authorise the release of this information by NBN Co to the Member for Corangamite?</li> <li>Who else outside of NBN Co would have had access to this information on 2 December 2014?</li> <li>Please provide the full MTM Rollout Plan in the same level of detail as provided for the electorate of Corangamite on the Member for Corangamite's website, including the suburbs covered and the approximate build dates.</li> </ol>	
50.	NBN Co	Bilyk	QoN 12 from public hearing of 2 & 4 December 2014	<ul> <li>In relation to the unsatisfactory answer given by NBN Co to questions on the same subject during a public hearing of the Senate Select Committee on the National Broadband network (ref. QoN 12 from public hearing of 2 &amp; 4 December 2014):</li> <li>1. On what date did NBN Co submit its answer to this Question on Notice to the Minister's office?</li> <li>2. Was the Minister for Communication or his office involved in the preparation of this answer?</li> <li>3. Was this answer edited, amended or approved by the Minister for Communications before being released?</li> </ul>	Written
51.	NBN Co	Urquhart	Greenfields	<ol> <li>Referring to the new greenfields charges to come into effect from 1 March 2015 and 1 July 2015—the developer deployment charge of \$600 per SDU (\$400 per MDU) and the RSP connection charge of \$300:         <ol> <li>How many new developments does NBN Co assume it will connect over the 2015-16 financial year?</li> <li>How much revenue does NBN Co assume will flow from the \$300 RSP connection charge for the 2015-16 financial year?</li> <li>How many new developments does NBN Co assume it</li> </ol> </li> </ol>	Written

Question No	Program: Division or Agency	Senator	Title		Question	Proof Hansard Page & Hearing Date or In Writing
					will connect over NBN Co's three year Corporate Plan	
				47	period starting from 1 July 2015?	
				d)	How much revenue does NBN Co assume will flow from the \$300 RSP connection charge for the Corporate	
					Plan period starting from 1 July 2015?	
				e)	For how many SDUs does NBN Co assume it will	
					receive developer applications over the 2015-16	
					financial year?	
				f)	How much revenue for SDUs does NBN Co assume will	
				,	flow from the \$600 SDU developer deployment charge	
					for the 2015-16 financial year?	
				g)	For how many SDUs does NBN Co assume it will	
					receive developer applications for the Corporate Plan	
					period starting from 1 July 2015?	
				h)	How much revenue does NBN Co assume will flow	
					from the \$600 SDU developer deployment charge for	
					the Corporate Plan period starting from 1 July 2015?	
				i)	For how many MDUs does NBN Co assume it will	
					receive developer applications over the 2015-16 financial year?	
				j)	How much revenue for MDUs does NBN Co assume	
				J)	will flow from the \$400 developer deployment charge	
					for the 2015-16 financial year?	
				k)	For how many MDUs does NBN Co assume it will	
				,	receive developer applications for the Corporate Plan	
					period starting from 1 July 2015?	
				1)	How much revenue does NBN Co assume will flow	
					from the \$400 developer deployment charge for the	
					Corporate Plan period starting from 1 July 2015?	
				m)	The Telecommunications Infrastructure in New	
					Developments: Policy Update for Comment (11	
					December 2014) states on page 5 that where it doesn't	

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				have backhaul available to connect a new development, NBN Co may charge developers a co-contribution of up to 50 per cent of the first \$1000 per lot of capital costs it incurs. Developers will be liable for 100 per cent of backhaul costs in excess of \$1000 per lot. In respect of how many premises does NBN Co assume that this co-contribution will be levied?  n) How much revenue does NBN Co assume will flow from the backhaul co-contribution charge for the 2015-16 financial year?  o) How much revenue does NBN Co assume will flow from the backhaul co-contribution charge for the Corporate Plan period starting from 1 July 2015?	
52.	NBN Co	Urquhart	Cost per premises review	<ol> <li>In relation to the "cost per premises review" announced by NBN Co at Senate Estimates on Tuesday 24 February 2015, please identify each instance where the accounting practice used in this review to calculate the cost per premises has departed from the practice used by NBN Co as at April 2013. For the avoidance of doubt, please list each line item included in the 24 February 2015 review of cost per premises that was not included in the cost per premise as at April 2013.</li> <li>In respect of each change in accounting practice—or new line item included in the cost per premises as of 24 February 2015—identified at 1. above:         <ol> <li>Did NBN Co seek advice from the Department of Finance in relation to this change/additional line item?</li> <li>Did the Department of Finance provide and when was it provided?</li> <li>Did the Department of Finance recommend that NBN Co make this accounting change/include this new line item?</li> </ol> </li> </ol>	Written

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				d) Why were these accounting changes/inclusion of additional line items agreed to at this stage, when previously it was classified in a different way?  e) In particular, why has NBN Co made these accounting changes/included these additional line items at a time when, by NBN Co's own admission, it has no reliable data on the cost per premises for the technologies that will make up the great majority of the MTM rollout (HFC, FTTN and FTTB)?  f) When will NBN Co release cost per premises information for the technologies that will make up the great majority of the MTM rollout (HFC, FTTN and FTTB)?  i. What are NBN Co's current working assumptions for the cost per premises for the technologies that will make up the great majority of the MTM rollout (HFC, FTTN and FTTB)?  ii. If NBN Co will not provide this information on the basis of it harming NBN Co's commercial prospects, has NBN Co harmed its commercial prospects for the future brownfields FTTP, greenfields FTTP and fixed wireless rollout by releasing publicly detailed cost per premises information for these access technologies?	
53.	NBN Co	Urquhart	Aerial deployment	In respect of each activated FSAM to date, what proportion (as a percentage) is the aerial component? Please provide this information in the same way as in NBN Co's answer to House of Representatives Answer to Question in Writing No. 470 received on 27 February 2015 (Question No. HQIW470).	Written
54.	NBN Co	Urquhart	Rollout/General	Under the Multi-Technology Mix rollout, what is the equivalent network topology and terminology used by NBN Co when	Written

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				compared to the existing Fibre to the Premises rollout for each of the following?  a) Fibre Serving Area Module, FSAM b) Rollout Region c) Fibre Distribution Area, FDA	
55.	NBN Co	Urquhart	Rollout/General	Under the Multi-Technology Mix rollout, can more than one access technology (Fibre to the Premises, Fibre to the Basement, Fibre to the Node or HFC) be used within in a single:  a) Service Area Module (SAM)  b) Rollout Region  c) Distribution Area (or Fibre Distribution Area)	Written
56.	NBN Co	Urquhart	Rollout/General	What is the highest network topology level (e.g. a Distribution Area, or a Service Area Module) that will definitively determine the technology used in the MTM rollout?	Written
57.	NBN Co	Urquhart	Rollout/General	In the NBN Co MTM Rollout Plan released in December 2014, NBN Co lists certain regions/suburbs/towns as having both "Multi-Technology Mix" and "Fibre to the Premises" technologies. Please provide the estimated number of premises per technology for each of the following regions/suburbs/towns? (Refer Attachment B)	Written
58.	NBN Co	Urquhart	Rollout/General	Does NBN Co intend to connect Vertical or Horizontal MDUs in Greenfield areas using Fibre to the Building/Basement (FTTB) technology?	Written
59.	NBN Co	Urquhart	Rollout/General	Does NBN Co make available to Service Providers a full list of Service Area Modules and their tentative expected Ready for Service date for areas within the 18 month MTM rollout plan?  a) If yes, does NBN Co intend to make this information available to the general public?  b) If not, how does this accord with NBN Co's obligations under its Special Access Undertaking? Does NBN Co intend to make this available to service providers in the future? Does NBN Co intend to make this available to	Written

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				the general public in the future?	
60.	NBN Co	Urquhart	Rollout/General	For premises within the Fibre to the Node or Fibre to the Basement footprint, do customers who currently only have a PSTN service but not an Internet service have to migrate to the National Broadband Network before the end of the 18 month disconnection period?  a) If yes, how does NBN Co envisage Retail Service Providers connect their phone-only customers through the NBN?  b) If no, what does NBN Co expect will be the impact on revenues within the Fibre to the Node or Fibre to the Basement footprint since phone-only residents will not be customers of NBN Co?	Written
61.	NBN Co	Urquhart	Rollout/General	Was the Telstra Velocity FTTH network acquired by NBN Co as part of the Revised Agreements (or by any other means)?	Written
62.	NBN Co	Urquhart	Rollout/General	On the NBN Co map on the website, it lists blue areas as "Adequately Served." Why is the Telstra Velocity network not shown on the NBN Co map as a blue area?	Written
63.	NBN Co	Urquhart	Rollout/General	How many buildings has NBN Co activated with FTTB as at the most recent date for which NBN Co has information available?	Written
64.	NBN Co	Urquhart	Rollout/General	Has NBN Co encountered TPG in any buildings it has activated with FTTB? If so, how many buildings are served with both NBN Co and TPG FTTB? If so, what is the impact on speeds/service quality with two VDSL operators in one building?	Written
65.	NBN Co	Whish- Wilson	Connections in the Launceston area	<ol> <li>Are all properties operating from formally recognised street addresses in Tasmania being provided access to NBN services prior to the copper network being disconnected?</li> <li>Are all properties operating from formally recognised street addresses in Tasmania being advised of their access to NBN services prior to the copper network being disconnected?</li> </ol>	Written
66.	Aust Post	Urquhart	QoN 388 – Supplementary	I would like to follow up on the QoN 388 (Supplementary Budget Estimates 2014–15) which required a breakdown of mail volumes	Written

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				by category. This was due for response on January 9 but wasn't provided until February 24. Also, the response only offered the aggregated figure which is freely available in the annual report with no breakdowns.	
				I request that the original question be answered: Please provide the committee with the annual breakdown of mail volumes from 1993 to 2014, further broken down into stamped letters, bulk mailouts and any other category of non-parcel mail delivered by Australia Post.	
67.	SBS	Dastyari		<b>Senator DASTYARI:</b> I am not asking that question, then. That is a question that can be taken on notice. I am conscious of time. I do not want to keep us here beyond six. Mr Gupta, when did you first become aware that there was a vacancy for the chairmanship of SBS?	19/03/2015 Page 5
68.	SBS	Dastyari	channels	<b>Senator DASTYARI:</b> What is the option available for reviewing a decision once it has been made? <b>Mr Clarke:</b> None that I am aware of, but I am happy to seek advice and take that on notice.	
69.	SBS	Dastyari	chairman appointment	Senator DASTYARI: Mr Clarke, because we are going to be doing this for a while, can you take on notice and bring back to us in detail whatever you can in terms of all the dates, times and meetings that were held in the decision process for SBS? I do not think it will be surprising or require extreme deliberations for you to be able to tell us what times and when the selection panel met with Mr Gupta and for how long. I am not asking you about anyone else. If your concern is that you want the process to be private, it is on the public record already that Mr Gupta applied for and was awarded the position. I think that is pretty clear on the public record. I am not asking what I would like to ask; you are telling me that I cannot ask what happened in those deliberations, or you are not going to answer if I ask what happened in those deliberations. I want to work out	19/03/2015 Page 10-11

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				when, at what times and on what dates as you went through the process for Mr Gupta's selection as chairman of SBS.  And perhaps you can also take on notice two more questions. Firstly, what is the review mechanism to review decisions once they have been made? I would believe— and without knowing how the board is made up—that it can review decisions it has made itself if it has been given information that is false and misleading.  Mr Clarke: I will have to take advice on that.  Senator DASTYARI: Secondly, what oversight is there of this independent panel?—be it the Ombudsman or the department.  Perhaps you can take that on notice. I assume the Ombudsman will play a role, but take that on notice Senator DASTYARI: What you are saying is that the panel—and you are getting all of that information on it. And there is one other question I might actually add to that list that I gave you before: who was present at those meetings? You are saying that the process the panel went through resulted in three names being given to government, and government chose from those three names?  Mr Clarke: For this particular position, for the record, the panel was assessing two vacancies on the SBS board and one on the ABC. So it was a package. But in regard to the SBS chair, they did, indeed, put forward the minimum of three names.	
70.	SBS	Dastyari	Re-appointment of Managing Director to the Board	Senator DASTYARI: You said, 'We need to have a meeting next week,' or a meeting sometime. Can we ask for that email, on notice? Mr Khalil: I will have to check that.  Senator DASTYARI: Check. I am not sure what the precedent is for asking for an email on notice. In that email, at that point in time, were the board notified that the meeting was for the purposes of the contract of the chief executive?	19/03/2015 Page 14
71.	Programme 1.1	Urquhart	Vertigan Review	Senator URQUHART: Somewhere around January or February. Mr Robinson: I believe so, but I should take it on notice. Senator URQUHART: I thought it was December 2013.	19/03/2015

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				Senator URQUHART: When did the minister announce that he would form a panel of experts to do a review into the regulatory arrangements surrounding the NBN, including new developments? Mr Robinson: I think I should correct my answer. I meant the first part of 2014. It was an election commitment of the new government to undertake a review of regulatory arrangements and, of course, they were elected in September 2013. The announcement I will take on notice, but I believe it was early in 2014.	Page 16
72.	Programme 1.1	Urquhart	Greenfields demographic	Mr Mason: It is true that we have not done detailed research, but we do have an idea about the demographics of people who buy properties. But I guess the point is the charges apply to new developments. The extent to which they are passed through is dependent on a whole range of factors as well, including competition between developers. If the charges are applied generically across new developments, they will inevitably flow through—to the extent the developers allow for them to flow through—to whomever the home buyers are.  Senator URQUHART: Which are mainly young families, which I what I understood you to say?  Mr Mason: They include young families.  Senator URQUHART: You have not done any research, but you have looked at it. Would the majority of those people who buy in those places be young families?  Mr Mason: I would have to take the exact percentage on notice.	19/03/2015 Page 20
73.	Programme 1.1	Urquhart	Digital productivity initiatives	Senator URQUHART: So that is correct. There were two, effectively—2010 and 2013. In question on notice No. 564 from the May 2014 estimates we asked you the current status of the 34 digital productivity initiatives detailed in the update to the National Digital Economy Strategy. In response you said that 25 of the projects were in progress and that nine had been completed. Are they all now complete?	19/03/2015 Page 20-21

Question No	Program: Division or Agency	Senator	Title	Question	Proof Hansard Page & Hearing Date or In Writing
				Ms Cullen: I will need to take on notice the exact number that are still in progressSenator URQUHART: Maybe you would like to take this on notice as well just to give us a complete answer. For those that are not complete, has a formal evaluation been conducted?	
74.	Programme 1.1	Urquhart	Strategy	<b>Senator URQUHART:</b> So the minister would be aware of that. In questions on notice 201 and 203 from the February 2014 estimates you provided information on the 24 actions detailed in the update to that strategy. Was Digital First one of those actions?	
				<b>Mr Clarke:</b> I think it would have been. I do not have the answer in front of me.	
				Senator URQUHART: Can you confirm that.	
				Mr Clarke: Happy to. I expect the answer is yes. I just do not have the document in front of me.	

## **Attachment A**

Information that was posted on the Member for Corangamite, Sarah Henderson MP's, website on 2 December 2015 at http://sarahhenderson.com.au/2014/12/02/nbn-planning-in-corangamite/

The information the Member for Corangamite provided on her website included approximate build dates and detailed suburb information that was not included in NBN Co's MTM Rollout Plan, available on its website at <a href="http://nbnco.com.au/content/dam/nbnco2/documents/MTM-rollout-plan-01122014.pdf">http://nbnco.com.au/content/dam/nbnco2/documents/MTM-rollout-plan-01122014.pdf</a>

## Information from the NBN Co website:

Area	Premises	Technology
Apollo Bay-Marengo	2,200	Multi-Technology Mix
Anglesea	2,700	Multi-Technology Mix
Bannockburn	1,300	Multi-Technology Mix
Colac	4,200	Multi-Technology Mix
Lorne	2,000	Multi-Technology Mix
Ocean Grove-Barwon		
Heads	13,200	Multi-Technology Mix
Torquay	8,000	Multi-Technology Mix

## Information from Sarah Henderson MP's website:

Area	Premises	Approx. Build Date
Apollo Bay, Marengo, Skenes Creek	2,200	May 2016
Aireys Inlet, Anglesea, Fairhaven	2,700	May 2016
Bannockburn, Lethbridge, Murgheboluc,		
Russells Bridge, Teesdale	1,300	February 2016
Colac, Colac East, Elliminyt	4,200	February 2016
Lorne	2,000	April 2016

Barwon Heads, Breamlea, Mannerim, Marcus Hill, Ocean Grove, Point Lonsdale, Queenscliff, Wallington

13,200 October 2015 8,000 August 2015

## **Attachment B**

Bellbrae, Jan Juc, Torquay

State	Region/Suburb/Town		
NSW	Campbelltown		
NSW	Corrimal		
NSW	Dubbo		
NSW	Maitland		
NSW	Mayfield		
NSW	Nowra-Bomaderry		
NSW	Penrith		
NSW	Richmond		
NSW	Wollongong		
VIC	Shepparton		
VIC	Wallan		
QLD	Deeragun		
QLD	Edge Hill		
SA	St Marys		
SA	Gawler		
WA	Geraldton		
TAS	Hobart		
TAS	Glenorchy (Claremont)		
TAS	South Launceston		
ACT	Civic		
ACT	Queanbeyan		