

Senate Standing Committee on Environment and Communications

Answers to Senate Estimates Questions on Notice

Budget Estimates Hearings May 2015

Communications Portfolio

Australian Broadcasting Corporation

Question No: 36

Program No. Australian Broadcasting Corporation

Hansard Ref: Pg 26 27/5/2015

Topic: ABC Fact Check promise tracker website

Senator Conroy, Stephen asked:

Senator CONROY: Do you know if your Fact Check website is aware of it?

Mr Scott: I will have to check on that.

Senator CONROY: Mr Abbott also issued a letter to all Australians, which I presume includes the people who work at Fact Check, on 7 September 2013, where he said: 'I want our NBN rolled out within three years and Malcolm Turnbull is the right person to make this happen.' My question to you is very simple. Why does the ABC website list the 2019 promise as a promise in progress and ignore the clear, unambiguous promise for 2016?

Mr Scott: I will have to take that on notice.

Senator CONROY: You may also be aware that Mr Turnbull has already admitted that they won't meet the 2016 promise—it is not even an argument that it is going to be met or it could be met or it is a 'met' in progress. It will not be met. But I can find no evidence of that promise being broken on your Fact Check.

Mr Scott: I will have to take that on notice.

Senator CONROY: Just to confirm, the coalition announced in 2013—not long after they won election—that they would fail to reach the 2016 target. It is not an argument politically—they have said they won't do it—and it is completely ignored by your website. So why does the ABC website list this promise in progress when the government announced in December 2013 that it wouldn't even make its second target of 2019? They have already announced that the network is expected to be completed by the end of December 2020. These are announcements from the government. Your fact checking website is completely unaware of the 2016 promise and completely unaware that the government has already announced it is not going to complete the network until 2020.

Mr Scott: I will take that on notice. I am sure the fact checking unit will review the questions that you are raising.

Senator CONROY: I just want to understand the process by which they decide which promises they are going to hold the government to—when the government has already announced they are going to break them.

Mr Scott: I can give you an answer on notice on how the fact checking unit goes about doing its work around that Promise Tracker.

Senator CONROY: Turning to the second Promise Tracker: 'Complete the National Broadband Network with \$29.5 billion in taxpayer funding', your website says: 'When the coalition announced its policy for the National Broadband Network on 9 April 2013, it said taxpayer funding would be limited to \$29.5 billion.' The 2013 coalition plan did say this, but it also said that the \$29.5 billion would be the total required funding for the coalition's NBN. Are you aware of that? So the \$29.5 billion was the cost; it wasn't the equity to be injected.

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Mr Scott: If you have a series of questions on the way the fact checking unit has framed the questions around the NBN, I am happy to take those on notice and respond to you once your issues have been reviewed by the fact checking unit.

Senator CONROY: So they can fully research their facts, page 15 of the coalition's 2013 NBN policy document clearly defines 'required funding' as: 'Required funding is the money a new project or company needs to raise as equity or debt to reach a point where it can sustain itself without assistance.' So the actual promise made by the coalition on 9 April 2013 was that the NBN would be completed for total required funding of \$29.5 billion—'total required funding'. They define 'required funding'. Both Mr Turnbull and Mr Abbott made a very big deal of the \$29.5 billion number—particularly Mr Turnbull, who consistently claimed savings of \$60 billion from his network compared to the fictitious number that he created for the previous government's network. So it is not an argument about what the total cost of the coalition's NBN build was going to be; it is in black and white. It has been argued consistently. It is just that they are inconveniently not going to meet it so they have stopped talking about it and redefined it.

Answer:

ABC Fact Check considers a range of sources when determining the precise promise to be tracked on a particular issue.

ABC Fact Check used the formal policy document, *The Coalition's plan for fast broadband and an affordable NBN*, as the basis for "Promise check: Complete the National Broadband Network by the end of 2019" and "Promise check: Deliver broadband speeds of 25-100 mbps by the end of 2016 and 50-100 mbps by the end of 2019".

ABC Fact Check considers that it cannot declare that a promise to achieve something by a particular date is broken before that time is reached. In this case, it cannot declare that a promise to achieve something by 2016 is broken until 2016 and likewise it cannot declare a promise to achieve something by 2019 is broken until 2019

Nonetheless, relevant parts of NBN Co's strategic review published on 12 December 2013, and the Communications Minister's Ministerial Statement of the same day, have been included in updates to the promise checks.

The 12 December 2013 update to "Promise check: Deliver broadband speeds of 25-100 mbps by the end of 2016 and 50-100 mbps by the end of 2019" reported that the Strategic Review's estimate that 40-45 per cent of premises will have access to download speeds of at least 25 mbps by 2016, did not meet the Coalition's target outlined before the election.

The update reported that the review estimates that 90 per cent of users connected to fixed line broadband will have speeds of at least 50 mbps by the end of 2019 - in line with the Coalition's commitment - and 98-100 per cent will have at least 25 mbps by the end of 2020.

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It also noted that the Communications Minister Malcolm Turnbull MP, while not explicitly adopting the review's Scenario 6 recommendation, conceded that the 2016 target would not be met under that scenario. However, he also stated that “the government ... will work assiduously with NBN Co to do everything we can to surpass the forecasts in the strategic review”, suggesting the Government has not yet abandoned the 2016 target.

The 12 December 2013 update to “Promise check: Complete the National Broadband Network by the end of 2019” stated:

“The review recommends its 'Scenario 6' - an 'optimised multi-technology mix' network, using fibre, copper and hybrid-fibre coaxial cable, as well as satellite and fixed-wireless. NBN Co estimates this plan can be achieved by the end of 2020, which is a year later than the Government's promised 2019 rollout deadline before the election.”