

Senate Standing Committee on Environment and Communications

Answers to Senate Estimates Questions on Notice

Supplementary Budget Estimates Hearings November 2014

Communications Portfolio

NBN Co Limited

Question No: 105

Program No. NBN Co

Hansard Ref: In Writing

Topic: Exemptions under the Trans-Pacific Partnership

Senator Ludlam asked:

I have a couple of questions that might more properly rest with you, Minister—they are likely to be more about political decisions than the sort of stuff that we have been discussing so far around engineering. It has been reported that there are clauses in the Trans-Pacific Partnership, which is under negotiation at the moment, relating to state owned enterprises. I do not know whether you are a party to that agreement, Senator Fifield—I suspect maybe you are not—but I am very interested to know where NBN Co stands in terms of government policy. There is apparently a list where governments that are signatories or proposed signatories to this agreement can quarantine state owned enterprises and say, 'We want NBN Co to be exempt from whatever clauses might apply under the TPP.' Can you confirm for us, firstly, whether that list exists, and, if it does, whether you have placed NBN Co on it?

Senator Fifield: Senator, I do not have any knowledge in relation to that area. I think, as I indicated to you when you asked me a similar question in relation to the ABC and the Trans-Pacific Partnership, that obviously Minister Robb and the trade portfolio are the leads on negotiations in the Trans-Pacific Partnership. Probably the best I can do is take that on notice. If parts of that need to be referred to the trade portfolio, which I suspect they will—

Senator LUDLAM: They will.

Senator Fifield: then we can ensure that that happens.

Senator LUDLAM: Are you clear that what I am after specifically—it is where NBN Co sits relative to this alleged list? Nobody has seen the text; I have not and I suspect that you may not have either, but it has been preceded by leaks suggesting that it does exist. It would have a substantial and material impact on NBN Co if that is the case—if it is on or off that quarantine list. Again, this question might go to government policy: Senator Fifield, can you outline for us the government's policy on the break-up or the sale, privatisation or part-privatisation? What is this government's policy on the eventual structure of NBN Co?

Answered by the Department of Communications:

1. The chapter on State-Owned Enterprises in the TPP is still under negotiation. Parties are continuing to discuss the scope and nature of the obligations that will be included in the final text as well as the extent of any country-specific exceptions that may be included.
2. On 11 December 2014, the Australian Government released its policy paper *Telecommunications Regulatory and Structural Reform* which outlines the Government's response to the recommendations of the independent cost-benefit analysis of broadband and review of regulation, led by Dr Michael Vertigan AC. Page six of the paper addresses the Government's policy regarding the future structure of NBN Co.