

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: 107

Program No. NBN Co

Hansard Ref: Page 26

Topic: Wireless business

Senator Ludlam asked:

I think somebody may need to. Tell us about the wireless business—the whole idea of this universal open-access network is that the big cities subsidise the bush. It is how post operates. It is how electricity, water and gas operates, and I think it is how telecommunications should operate. That is the principle on which the network was set up. If some of the ideologues who are circling this network have their way and spool these entities off to separate businesses, someone is going to have to pay for them. With the fixed wireless business serving five per cent of rural and regional areas, if that was spun out into its own entity, would that be a loss-making enterprise?

Mr Rue: Again, I do not have the details. I am just looking in the Fixed Wireless and Satellite Review. If you would give me some time, I may be able to find some financials in there for you.

Senator LUDLAM: This is really my last question: how on earth is it going to operate if it is broken up? I am happy to throw to other senators while Mr Rue checks those other figures, if you like.

Answer:

A Fixed Wireless business serving an indicative five per cent of premises and spun out into its own entity without subsidies would be a loss-making enterprise.