

Senate Estimates on the National Broadband Network
Answers to Questions on Notice
Public Hearing 20 November 2014
Communications Portfolio
Department of Communications

Question No: 221

Program No. NBN Co

Hansard Ref: In writing

Topic: CBA - Communications Chambers

Senator Urquhart asked:

Communications Chambers has been writing reports questioning the need for FTTP for some time (e.g. Robert Kenny and Charles Kenny, "Superfast Broadband: Is It Really Worth a Subsidy?" November 2010). In March 2012, Robert Kenny gave evidence to the Select Committee on Communications in the UK ("Evidence for the Select Committee on Communications re Will superfast broadband meet the needs of our "bandwidth hungry" nation?"). In this evidence, Robert Kenny said "Even a household of four people, each simultaneously watching their own on-demand HD video stream (presumably a rare scenario) has a bandwidth requirement of 20 Mbps – far lower than the EU 100 Mbps target, and well within the capability of fibre-to-the-cabinet technology."

- (a) Was the Cost Benefit Analysis panel aware of Communications Chambers' publications on FTTP and bandwidth demand prior to selecting them for the technical demand study?
- (b) Why did the Cost Benefit Analysis panel choose a UK consultancy to do this work rather than an Australian consultancy?
- (c) Did the Minister suggest that Communications Chambers do this work for the Cost Benefit Analysis?
- (d) Did Mr Ergas suggest that Communications Chambers do this work for the Cost Benefit Analysis?

Answered by the Department of Communications (Program 1.1):

- (a) Yes.
- (b) The panel and CIE advisors wished to have empirical evidence and were aware of the previous modelling that Communications Chamber undertook in the UK. The panel was keen to develop an Australian version of this model and determined that the most effective way to do so would be to engage the original developers.
- (c) The decision was made by the panel.
- (d) No.