Question No: 36

Program 1.1

Hansard Ref: Written, 31/10/2016

Topic: Mobile Blackspot Programme

Senator Urquhart, Anne asked:

1. When did the Department first receive a draft copy of the ANAO report into the mobile black spot program?

2. Please provide (in table and excel format) a list of 499 base stations that were funded in Round and the supporting information outlined in the table below:

Location	MBSP-identifier	Applicant	State	Electorate	Local Govt Area	Regional Development Australia Region	Lattitude	Longiture	**Funding**
									?

   Please note the addition of the Funding column, which is the main point of difference with the spreadsheet available on the Department's website.

3. How many of these base stations will allow a choice of provider?

4. Please provide a list of the new base stations that were announced during the Federal Election campaign?

5. Please detail the liaison that has taken place with NBN Co about co-locating mobile base stations with mobile base stations?

6. Please confirm the number of base stations from Round 1 that will be co-located with NBN Co base stations?

7. How many base stations in each of Round 2 will be co-located with NBN Co base stations?

8. What level of cost breakdown and description of works did the Department require from applicants in Round 1?

   (a) Has this been changed for Round 2? Please provide details of both.

9. How many funding agreements with applicants were varied to reduce the funding allocated to base station construction after the Department was alerted by the Financial Adviser in his or her Draft Working Paper that "at a number of base stations [the telecommunications company] included significant cost upgrades for their existing 'core network' " to add a new base station to their network?

10. Please provide details of all Departmental assistance provided to assist the Parliamentary Secretary conduct of Awareness Forums to promote the mobile black spot program, including the use of any Department resources, materials or other assistance. If costs were incurred please provide an itemised breakdown.

11. Will there be any further "awareness forums" held for Rounds 2 and 3 of the program? If yes, where?

12. Please complete the following table (see Index) for each electorate where a blackspot nomination has been received and/or funded as Part of Round 1:

Electorate	Party which held the seat (as of March 2016)	# of black spot nominations received by Department	# of awareness forums conducted	# of base stations funded	Total funding for base stations within electorate

13. Please provide information about each instance where the Department has created or updated electorate briefs in relation to the Mobile Black Spots Programme since September 2013. This should include information about what was prepared, at who's request and for which electorates. Please supply in the following format:

Electorate	Party which held the seat (as of March 2016)	# of black spot nominations received by Department	# of awareness forums conducted	# of base stations funded	Total funding for base stations within electorate

(a) If briefs have been prepared, do they contain any information about timeframes or locations that are not on the public record?

Answer:

1. The ANAO provided the Department of Communications and the Arts with its initial Report Preparation Paper in relation to its audit of round 1 of the Mobile Black Spot Program on 22 February 2016.

   The ANAO provided the Department with its proposed (draft) audit report on 13 April 2016.

2. The list of 499 mobile base stations funded under round 1 of the Mobile Black Spot Program can be found on the national map at www.nationalmap.gov.au.

   The cost of an individual base station is commercial-in-confidence.

3. As at 9 November 2016, co-location is expected to occur at up to 68 round 1 base stations.

4. Please refer to the relevant candidate's website for election commitments made regarding round 3 of the Mobile Black Spot Program.

5. The program guidelines for both rounds 1 and 2 of the Mobile Black Spot Program encourage the use of National Broadband Network (NBN) infrastructure to deliver improved mobile coverage to locations on the Government's database of reported regional mobile black spots. Discussions regarding the use of NBN infrastructure has occurred directly between the carriers and NBN Co Limited.

6. As at 9 November 2016, 46 round 1 base stations are expected to be co-located on NBN fixed wireless towers.

7. The Department of Communications and the Arts is currently considering the applications received for funding under round 2 of the Mobile Black Spot Program.

8. The costing requirements did not change between rounds 1 and 2 of the Mobile Black Spot Program.

   For both rounds, the Department required applicants to supply information about the estimated cost of construction and installation, the estimated cost of deployment of backhaul and the estimated cost of site acquisition and preparation (including provisioning of power) for each proposed base station. For each proposed base station, applicants were also required to advise how much they would be contributing as well as how much third party funding (if any) had been offered and how much Commonwealth funding was sought.

   For both rounds, applicants were required to provide details about the type of backhaul that would be deployed at each proposed base station, the structure and antenna height, whether the base station was a greenfield or brownfield. Under round 2, applicants were also required for each proposed base station to indicate whether it would be provisioned with auxiliary power to support operation for eight hours or longer.

9. Many of the round 1 base stations are in very remote areas where exchanges were only ever designed to provide standard telephone services. The cost of building the base station is only one element of the program, if the data can't be efficiently and effectively transferred back to the network then the quality of service is compromised.

   Reflecting this, carriers' applications necessarily included reasonable costs for connecting base stations to the nearest point of interconnection, where the required supporting infrastructure did not exist for proposed locations.

   The funding agreements includes 'claw-back' provisions to ensure the program only pays actual costs for the rollout.

10. The Department of Communications and the Arts did not assist with promoting, organising or provide any funding towards any of the regional communications forums.

    Upon request, the Department provided background briefing to the Parliamentary Secretary.

11. Round 2 is currently being assessed and round 3 has not yet commenced.

12. Refer to www.nationalmap.gov.au

13. As part of standard business, the Department of Communications and the Arts routinely creates and updates a wide range of briefing material for the Minister. These briefings contain commercially sensitive material and cannot be released.