

**Senate Finance and Public Administration Legislation Committee**  
**ANSWERS TO QUESTIONS ON NOTICE**  
**SUPPLEMENTARY BUDGET ESTIMATES 2015-16**

Finance Portfolio  
20 October 2015

**Department/Agency:** Department of Finance

**Outcome/Program:** 2/2.1

**Topic:** Letter to the Chair of NBN Co.

**Senator:** Gallagher, Ludwig

**Question reference number:** F33

**Type of question:** Hansard Proof, F&PA Committee, Pages 95-98 and 101, 20 October 2015

**Date set by the committee for the return of answer:** Friday, 4 December 2015

**Number of pages:** 2

**Questions and Answers:**

**Senator GALLAGHER:** The request to the NBN chair, which was for the counterfactual—I am not sure what words are offending you in it—but obviously there is in 1.5—

...

**Senator CORMANN:** You might remember that this is a letter that was sent on 28 April 2015.

...

**Senator GALLAGHER:** My questions relate to the letter that was written to the nbn co chair.

**Senator CORMANN:** On 28 April 2015.

...

**Senator LUDWIG:** Did the department give any advice about the issue that we have raised about a GBE performing this counterfactual work?

...

**Senator LUDWIG:** Did you provide any advice about this letter to the minister?

**Ms Halton:** We will have to check our records.

**Senator LUDWIG:** You can take that on notice?

**Ms Halton:** We certainly can.

**Senator LUDWIG:** If you did, can you make it available to the committee, please?

**Ms Halton:** No, you know that we do not—

**Senator Cormann:** We will consider, consistent with the relevant Senate standing order, whether or not any such advice can be released or whether there is a public interest immunity exemption that would apply.

**Senator LUDWIG:** Secondly, did the department provide the minister with any advice about the question of political impartiality of a GBE answering this question that was put by the minister?

**Ms Halton:** We will take that on notice.

**Senator LUDWIG:** Thirdly, are you able to say why, when section 1.7 of the guidelines states that GBEs are meant to maintain the highest standards of integrity, accountability and responsibility, that would be consistent with asking for a counterfactual?

...

**Senator Cormann:** We have already taken this on notice. I understand the reasons why you are trying to dwell on this, but, if I had been given such advice, you can rest assured that I would not have signed the letter. But we have taken on notice whether advice was provided in the context of this letter having been sent by then communications minister Turnbull and me. We have also undertaken to assess whether or not that advice, if it does exist, can be released or whether there is a relevant public interest immunity exemption that would apply which would prevent its release in full or in part. We will get back to you.

...

**Senator LUDWIG:** Can the department advise the committee as to who originally drafted the letter? Was it Communications or Finance that drafted the letter?

**Senator Cormann:** We will have to take that on notice.

...

**Senator LUDWIG:** And can you particularly advise who drafted the section requested and updated the cost estimate for a fibre-to-the-premises NBN.

...

**Senator Cormann:** We will take it on notice.

...

**Senator GALLAGHER:** Just to finish on the nbn co—in response to the letter from the shareholder ministers to the chair, did you get a letter of reply?

**Senator Cormann:** I have to take that on notice, I assume so.

**Senator GALLAGHER:** Could you take that on notice and see if you could provide that letter to the committee.

**Senator Cormann:** I do not have all my correspondence here with me, so we will check it on notice.

### **Answer:**

The Department of Finance (Finance) did not provide advice on the issues raised with regard to a GBE performing counterfactual work and political impartiality of a GBE answering the question put by the Minister. Finance does not consider the request for nbn to undertake the counterfactual analysis was inconsistent with the GBE Guidelines.

Finance did provide advice to the Minister for Finance on the letter of 28 April 2015 from Shareholder Ministers to nbn but it would be inappropriate to disclose the nature of this advice.

The letter was drafted by the then Department of Communications in conjunction with the Department of Finance.

The letter was replied to, but contains material that is commercial in-confidence and its disclosure would cause commercial harm to nbn and the Commonwealth.