

# Transcript: Radio Interview

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ABC Radio 774 Jon Faine

## National Broadband Network

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JON FAINE: Stephen Conroy is the Communications Minister, though, in the Rudd Government. The Prime Minister, together with the minister, have gone to Tasmania, which we were told yesterday is going to be the test bed for the new broadband roll out.

Stephen Conroy, good morning.

STEPHEN CONROY: Good morning, Jon.

JON FAINE: The Government's - the announcements yesterday subjected to intense analysis in all the press this morning, and it seems that most people think you're taking a huge gamble with more than \$40 billion of taxpayers' money.

STEPHEN CONROY: Look, the project costs \$43 billion. The Government does not have responsibility for the \$43 billion. The maximum exposure for the Commonwealth is \$21 billion over eight years. So if I could just put that furphy to bed right away. This is not a government borrowing \$43 billion.

But in terms of why we've done this: we believe this is the technology of the future. We believe this is the roads and the rails of the twenty-first century. This is a technology that will unleash a wave of productivity improvements, it will revolutionise the way people live their lives, it will revolutionise health service delivery, education service delivery. This is the twenty-first century technology.

JON FAINE: Senator, when the Government's bailing out businesses on everything from property development to construction of every other form, when you're putting up the money for infrastructure of every kind, why do you think you'll find private sector partners in this current economic climate for so much money, so soon?

STEPHEN CONROY: Well, we think that, if you listen to the analysis from the telecommunications companies yesterday, and I quote particularly the Optus - the second biggest

telco in the country - Optus yesterday said they think this is an attractive private sector investment.

So you don't have to believe me. If you listen to the telecommunications sector, they say it's bold and visionary, and that it is an attractive investment. So we strongly believe that there will be private sector investment in the national broadband network.

JON FAINE: The Opposition have been quick to say you can't guarantee that the end product will be affordable for Australian households. In fact, you've got no pricing structure at all, and this is the glaring, gaping hole in your proposal.

STEPHEN CONROY: Well, the market analysts who've come up with the sort of estimates have literally done them on the back of an envelope. We are a wholesale company, and these estimates are based on, we have to attract five million customers. Which has left me scratching my head, because we're a wholesale business, and we're making that quite clear.

We believe that there is - if you're looking in - for analysts who are making assessments, or analysts are also saying, this will be about the same price for faster broadband as what you're getting at the moment. There are analysts out there making all sorts of calls.

So, for the Opposition, who are just walking both sides of the street - I mean, last month Malcolm Turnbull called for spending on infrastructure that was productive. He personally indicated communications infrastructure. So last month he said, we need spending in productive communications infrastructure. Today they're talking about blocking it in the Senate.

We're talking about 26,000 jobs that are going to be involved in this on a yearly basis, rising to 37,000 jobs at its peak. Malcolm Turnbull and Nick Minchin are saying they're going to block this in the Senate? This is just negativism and oppositionism for the same of it.

JON FAINE: Senator Conroy, do you want to smoke the peace pipe with Telstra now?

STEPHEN CONROY: I thought Telstra's response yesterday was very constructive. They ...

JON FAINE: So you are smoking - you are, with that answer, smoking the peace pipe with them, aren't you?

STEPHEN CONROY: Well, we accept, on face value, that they - their statement yesterday was, they want to sit down and have a constructive conversation about how to deliver the Government's vision.

We will be sitting down with Telstra, as we will be sitting down with all of the other telco providers, and saying, how can we all work together to deliver this outcome? Because the country needs it. This is not something that should be mired down in a sort of negativism and opposition for opposition's sake of Malcolm Turnbull. This is what the country needs. It delivers 26,000 jobs at a time when the country needs these jobs.

JON FAINE: Sure. Do you need Telstra in order to do it?

STEPHEN CONROY: We've set up a company, and we're going to do it. We're inviting private sector participation. That could be Telstra.

JON FAINE: Can you do that without Telstra?

STEPHEN CONROY: Absolutely. But we are saying, we welcome private sector investment, and if that includes Telstra then that's good. But if Telstra make a different decision, well, ultimately that's for the Telstra board and Telstra shareholders to debate among themselves.

JON FAINE: Did Sol Trujillo have to resign before you could sit down and get a working relationship with Telstra again?

STEPHEN CONROY: That's a matter for Telstra. I mean, Mr Trujillo has done a number of very positive things with Telstra. He's delivered a world class 3G network. He's been involved in a corporate transformation.

But that is ultimately a matter for Telstra. We're interested - we're not interested in playing arguments about who's the CEO of Telstra. We're interested in building a twenty-first century broadband network that will revolutionise the way the country does business, it will revolutionise the way people live their lives, the social interaction, the educational services, the health services.

This is a revolution that this country's needed. And after 11 and a half years of failed broadband plans from Nick Minchin and the previous government, it's staggering to see that they would consider voting against 26,000 jobs.

JON FAINE: And just finally, why Tasmania? Why are you in Tasmania?

STEPHEN CONROY: Well, Tasmania - the Tasmanian Government had the courage to put together a bid. Tasmania has the lowest broadband penetration, and it has the most expensive broadband in the country. So the Tasmanian Government were basically sick of it. They put together a visionary proposal, and they submitted a tender.

Now, the whole national tender didn't provide value for money. But we are down here in Tasmania, and we've just been announcing that the plan will be expanded from the Tasmanian Government's original vision to match the Federal Government's vision. And they are going to be able to commence the construction of the national broadband network in a couple of months time. They are literally going to be digging holes and stringing up cables in a couple of months time.

We've just been - we've done a press conference with the Tasmanian Premier, and they are right behind this. And we will start the roll out of the National Broadband Network in the areas which are the slowest and most expensive in the country.

JON FAINE: The spin doctors are here for their regular weekly segment, Senator, and we'll now get them to analyse your answers to my questions this morning for some instant responses.

I'm grateful to you for your time, and thank you.

STEPHEN CONROY: No worries, Jon. Thanks very much.

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