

Ministers for the Department of Communications and the Arts

[Senator the Hon Mitch Fifield](#)

Minister for Communications

Minister for the Arts

Manager of Government Business in the Senate

[Previous Minister for Communications, the Hon Malcolm Turnbull >](#)

[Previous Parliamentary Secretary, the Hon Paul Fletcher >](#)

Government loan secures NBN rollout

18 November 2016

JOINT MEDIA RELEASE

Senator The Hon Mitch Fifield, Minister For Communications, Minister for the Arts
Senator The Hon Mathias Cormann, Minister For Finance

Under the Coalition, the NBN is on schedule, ahead of its revenue forecasts and has met or exceeded its key rollout targets across two financial years.

The Government's equity contribution of \$29.5 billion to NBN Co (nbn) is expected to be fully utilised in the current financial year.

nbn's 2017 Corporate Plan assumes it will source private debt funding for the remaining \$19.5 billion needed to complete the rollout.

To help ensure that nbn can fully focus on the remaining rollout as it significantly ramps up, the Government has decided to provide the remaining funding required to complete that rollout through a Government loan to NBN Co Ltd on commercial terms.

In anticipation of a future privatisation of nbn as provided for in the NBN Companies Act 2011, it is expected that this loan will be re-financed by nbn on external markets in 2020-21.

A Government loan on commercial terms represents the most cost effective way to raise the debt and secure funding to complete the rollout of this important national infrastructure project.

nbn has recently obtained strong indicative credit ratings from credit agencies, which shows that nbn's business case is strong.

These indicative ratings were improved from 2017 Corporate Plan assumptions. Commonwealth's commercial loan terms will be set in line with the credit ratings achieved by nbn.

Minister Fifield: Geraldine Mitchell | 0407 280 476 |

Geraldine.Mitchell@communications.gov.au

Minister Cormann: Karen Wu | 0428 350 139 | karen.wu@finance.gov.au