

Addendum to Press Council Complaint – response to the *Daily Telegraph* response.

The response from the publication has done little to satisfy the basis of my original complaints. I still feel that the articles were factually inaccurate and provided the public with unbalanced coverage of the issue. Individually and as a whole, their effect was to mislead the reader.

Article 1:

Mr Miranda's assertion that "*561 customers was the most current released figure*" is demonstrably false. As evidenced by the NBN Committee hansard I provided with the original complaint, the figure of 712 connected services (with another 11 waiting for connection) was made public on 16 May 2011, some four weeks before the *Daily Telegraph* article was printed. Additionally, there were the mainland trial customers as reported in the *Telegraph* and numerous other sources.

This incorrect figure is then used to form the basis of the dubious statement that "*By the end of June the NBN is expected to have 1000 staff, almost two employees for every customer*"

This compares demonstrably false data with projected data so as to provide a false and misleading position of the status of the NBN. Even the response from Mr Miranda partially agrees, admitting that the NBN connection figures are constantly growing. If this is understood, why did the article draw a conclusion by comparing an old figure (ie: the *current* number of customers) with a projected figure (ie: the *future* number of employees)? Why not compare the *current* number of employees with the *current* number of customers, or alternatively the *projected* number of customers with the *projected* number of employees?

Contrary to Mr Miranda's response, there is no confusion between "those who have signed up" (connected services), "those who potentially have access to the connection" (premises passed) and "those who have signaled they may link in during the free trial period" (A number that has never been "announced" in any official publication and is effectively non-existent).

From the next sentence in the response, it appears as though the Telegraph has little understanding of the NBN, or are deliberately distorting the facts. The article discusses the total number of users connected to the network, not just those at the mainland trial sites. While it is correct that those on the mainland trial sites are not paying for the service, those in Tasmania are paying for the service and have been since day one. While it is true that the "NBN's direct customers" (ie the ISPs) are not paying for connections on the mainland, the ISPs did pay for each connection in Tasmania, as evidenced by the statements from NBN Co and their CEO I provided with my initial complaint. I would expect that when writing articles about this major project, the publication(s) would take the time to ensure they fully understand the topic on which they are writing, so as not to mislead their readership.

Article 2:

It appears from the response that Mr Miranda has admitted that the majority of the article was inaccurate and based on no factual information.

He claims that a printed and online correction was made, however I did not see a printed correction, and there is no "online clarification" present on the website version of this story. The \$900 figure still quoted in the online article has no basis in reality.

One point in the article (repeated in the response) that "pensioners in Kiama reported they would not be able to afford the monthly connection fees which could range up to \$140." constitutes sensationalized and unbalanced reporting. Why didn't the article read "...monthly connection fees of between \$30 and \$140", which is an accurate representation of the plans available?

Article 3:

I am bewildered by this response, and the justifications therein.

At no place in the article was it reported that the NBN pricing quoted included broadband and a telephone service, drastically changing the value when compared to existing copper/ADSL services.

The article used the entry-level pricing from the NBN corporate plan but completely ignored the published entry-level retail pricing from iiNet, Internode, iPrimus and Exetel. However, it also ignored the forecast upper-level pricing from the corporate plan and instead used the published upper retail pricing from iiNet etc. Why use entry pricing from one source and upper pricing from another if not to distort the facts? Mr Miranda claims (quoting only the cheapest option) that the iiNet Tasmanian pricing represents poor value compared to that in the NBN corporate plan. This is simple cherry-picking, and a review of the other options clearly show they represent far better value than that forecast in the corporate plan.

The final paragraph in the response, where Mr Miranda claims that he cannot know whether [REDACTED] has a phone service because [REDACTED] *is not listed on the phone directory* is demonstrably false. It just took me less than a minute to look up [REDACTED] in the white pages for Coffs Harbour, then check Google streetview to confirm that the house for that address is the same as the one in the photo from the article. It is clear that [REDACTED] does have a phone service, and is therefore paying at least \$69 per month, which is considerably higher than the price for an NBN service, thereby destroying the entire premise of the article. Far from being worse off under the NBN, [REDACTED] will save money. Additionally, I am surprised that Mr Miranda and the *Telegraph* would not be aware that (for the vast majority of Australians), it is impossible to obtain a broadband service without bundling a telephone service, as this is a requirement of most of the existing network (ie: at about 4,500 of Telstra's 5000 telephone exchanges),

Overall, it is clear that this article contained demonstrably false and cherry-picked information and was unbalanced.

Given the selective omission of available information, it is hard to accept that this article was not deliberately designed to mislead the reader.

Although the final Exetel retail pricing was not announced until after the article was produced and is therefore irrelevant in the context of the article, I would like to point it out for the purpose of correcting Mr Miranda's demonstrably false statement that *"the value of the [Exetel] plans are dramatically more expensive than the figure used in the article"*. The NBN corporate plan predicts 50GB at 12/1 would cost \$53-\$58. In fact, Exetel offer this *exact* speed and download limit for \$39.50 per month, including a bundled telephone service. This is 25% *better* value than that predicted in the Corporate plan.