

Committee Secretary,
Standing Committee on Environment, Communications and the Arts,
PO Box 6100,
Parliament House,
Canberra, ACT, 2600.
Australia

01 October 2009.

Dear Sir/Madam,

[Telecommunications Legislation Amendment \(Competition and Consumer Safeguards\) Bill 2009,](#)

As a Telstra shareholder and a self funded retiree I wish to protest strongly against the decisions announced by the Minister for Broadband, Communications and the Digital Economy on 15 September 2009, relating to the proposal to enforce the separation of the wholesale and retail parts of Telstra.

The proposed regulatory reform package appears to be designed to facilitate the Government's National Broadband Network (NBN) roll-out, rather than being designed to introduce greater competition into the communications industry as claimed by the Minister.

The government does not need to cause Telstra to split into different entities to simply create a more open and competitive market place.

The government appears to be fearful of and aims to avoid having to compete with Telstra in the wholesale area and at the same time it intends to acquire certain parts of the Telstra infrastructure for it's own purposes, at a price that will be 'acceptable' to the government.

Simply put, the current and future operations of Telstra are to be severely restricted and much of their current infrastructure will be acquired by the government.

The process being used by the government to arbitrarily acquire the relevant parts of Telstra's infrastructure is to require the Telstra board to draft a proposal that will meet the government's demands, so relieving the government of any commercial, financial and technical responsibility of the outcome.

The successful financial future of Telstra as a commercial entity is being undermined by the government. The continued success of Telstra, including the value of shareholders assets and income, appears to be of little consequence to the government.

The government's \$43 billion NBN project appears to be both financially and technically flawed and will probably be out of date and unattractive to the community by the time it is rolled out. The government appears driven by dogmatic ideology and ambition and it is rushing to trade a future efficient telecommunications service for a dubious \$43 billion out-dated service, from which it will be unable to extricate itself.

This is clearly being shown by the Tasmanian experience and by other telecommunication developments - if any real evidence is required.

The NBN project needs to be scrapped now, if any doubts as to its future viability exist.

The actions by the government are viewed by many in the community as preventing the Telstra board and management from meeting their legal obligations to act in the best interests of the Telstra shareholders.

The Telstra board and management appear to have little alternative than to challenge the legality of the position they now find themselves in and to more fully examine their legal position.

Those who will benefit from the proposed government changes will be Telstra's competitors.

Innovative development and the Australian community will undoubtedly be the worst losers.

There is very little in this Bill that will be beneficial to the Australian community individually or collectively and it is likely the government will rue the day they chose to go down this path.

Yours sincerely,

Frank Hart