

Dear Sir or Madam

It is my understanding that that a Senate enquiry is currently being held in relation to the proposed telecommunications legislation and that and view of the public and interested parties are welcomed. Accordingly, I feel compelled to forward this e-mail to outline my concerns in relation to this proposed legislation, and in particular the potential for detrimental affect to Telstra Corporation Limited; with whom I hold a current shareholding as too does my spouse and numerous family members.

I purchased shares in Telstra as a listed company from the Federal Government in the T2 & T3 floats. I have been a loyal shareholder and have held my shares with the view that potential exists in Telstra over the longer term and I wished to be part of that success, which is exactly what the Federal Government wanted. Now that the Government has sold its shares to the general public and received handsome financial rewards, I am unable to accept the proposal that the Government now proposes to force a listed company to divest such assets back to the Government or force a sale to competitors. Is the Federal Government going to provide compensation to me as a shareholder? This is now a publically listed company and any change is to affect my rights as a shareholder!

It raises serious concerns given the timing of the Governments exit from the stock and the more recent reduction of holding in the 'Future Fund' and announced proposed legislation which in no uncertain terms will be detrimental to Telstra and its shareholders. Was it that the Government wished to seek a fair and reasonable price for its holding before proposing the outrageous legislation, knowing the likely detrimental impact on share price? Although illegal, it does make the average Australian query whether information was available to some and not the general public!!

What seems so outrageous to me is that whilst Government owned, Telstra had a larger slice of the telecommunications market and was acceptable. Now that the Government does not have such a large vested interest and even though from my understanding that competition is greater, it is now an issue. Have can the Government not understand that the remaining shareholders would have an issue with this ironic proposed legislation.

In recent times I have listened to the Government raising concerns about lack of competition or that current laws and legislation do not give consumers a choice. I dispute this view and has it not been considered that the Government was so successful in the sales pitch to Mum and Dad investors to buy Telstra shares from them, that perhaps, as shareholders, we seek to use the services of a provider in whom we have a vested interest! There is in my view considerable competition in the market with mobile and internet service providers, it has been my *informed* choice to use Telstra services for fixed line, mobile and internet. If for some reason I decide that I am not happy with the service delivery, then I can elect a different provider.

If the Government is so concerned about providing a better telecommunications system for all, then the Federal Government should negotiate with the publically listed company Telstra to purchase its infrastructure. Then the Government can provide access to all parties. I as a shareholder have paid dearly for Telstra's infrastructure and under what right does the Government have to take, force the sale or reduce the ability for me as a shareholder to get a return on my capital.

The current proposed legislation is unfair to all Telstra shareholders and must not be permitted to proceed in its current form. I state again this is a publically listed entity and the Government lost their right to make such proposals following the sale of its shares. If the Government wishes to proceed, then I am calling for my purchase cost of my Telstra shares (from the Government) to be returned to me with additional compensation and I will transfer my shares back to the Government.

The entire nature of this proposal is so outrageous that I can say with confidence that the current Government will not receive my vote at election time!

I sincerely hope that this proposed legislation is recognized for what it is, outrageous, and does not proceed that that the Government pursues another path for achieving their objectives, such as negotiation with the Telstra board.

Yours sincerely

Wade McGirr