

October 6, 2009

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

Dear Committee Members,

I write to you as both a voter and a Telstra Shareholder of many years and wish to make some brief points for your consideration.

The Telecommunications Legislations Amendment (Competition and Consumer Safeguard) Bill 2009 announced by Senator Conroy regarding the proposed break up of Telstra is offensive, unacceptable and demonstrates a clear lack of understanding on the value destructive nature of his proposal. It is simply UNAUSTRALIAN.

I along with many thousands of hard working Australians, have purchased Telstra shares off the Federal Government numerous times over the past 12 years. In that time, I have experienced a significant financial loss due to the continual and conflicted Legislative interference by Government and unelected bureaucrats. Telstra put simply is a publically listed company owned by over 1.4 million Australians. The mere thought that the Federal Government having sold me Telstra shares now wishes me as a shareholder to accept that it will force Telstra to sell assets back to it or force Telstra to sell assets to third parties is unjust and unprecedented in this country. I suggest the forced separation of Telstra would be better delivered in Communist Russia or China not Australia where I was under the impression a free market economy existed and a "far go" was always evident.

The "Win Win" scenario on the forced breakup of Telstra stated by Senator Conroy, in my view is incorrect and defies logic. Denying Telstra future access to wireless spectrum (which would destroy its wireless business) unless it agrees to structurally separate its fixed line infrastructure and retail business treats Telstra

shareholders with contempt. This "Legislated blackmail" described by Henry Ergas or a "very bad outcome and an horrendous one" described by Stephen Bartholomeusz simply demonstrate the consequences of his Legislation.

In light of the above, I request the Senate Standing Committee on Environment, Communications and the Arts find Mr. Conroy's proposals unacceptable and completely unfair for the 1.4 million Telstra shareholders. It is simply immoral and unethical for a Federal Government to propose such changes when these proposals were never communicated to potential and existing shareholders during privatisation or to voters prior to the last election.

Yours Faithfully



Lou Stefanetti