

**McMahon, Paul (REPS)**

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TELSTRA INQUIRY  
Submission No. ....29.....

The Secretary of the Committee. Submission to the Inquiry into the Structure of Telstra  
The future structure of Telstra is a relatively simple matter. It should be split into two businesses. One is the retail component owned by its current shareholders minus the Federal Govt. The other business is the infrastructure which is owned by the Fed Govt and operated as a corporation.  
Getting this achieved is another matter with a Federal Govt dedicated to selling its remaining share in Telstra in order to have about \$30 Billion to pork barrel and a Telstra executive dedicated to privatisation.  
Privatisation in Australia has been an abject failure. It has resulted in Aust Companies being grabbed by overseas conglomerates, obscene salaries paid to executives, massive downsizing, wholesale slashing of employees and a drastic lowering of service. The main objective of all of this is to increase the value (often overstated) of the company for the benefit of a few.  
By splitting Telstra in this way something like competition will exist in the market with all telecommunication companies providing access and competing on an equal basis. The Fed Govt owned Corporate Telstra Infrastructure can with the enormous income from selling access be able to provide ALL Australians with the necessary infrastructure for state of the art telecommunication. It would be up to the retailers to provide access for their income.  
It has been said that this cannot be achieved because Telstra as presently constituted is too complex. What rubbish no company is too complex to separate if the spirit of the Fed Govt is willing.  
I realise that the above is unlikely to be achieved due to the politicians in Canberra who cannot see the wood for the \$30 Billion pork barrel. Thank you for the opportunity to comment on the Structure of Telstra.

Peter.S.Lewis.