

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates

1 June – 3 June 2010

Question: BET 372

Topic: Telecommunications

Hansard Page: Written

Senator EGGLESTON asked:

1. What would be the effect on the returned from the radio frequency spectrum action, if say, Telstra was excluded from being able to bid for the spectrum?

Answer:

The Financial Heads of Agreement which was announced between Telstra and NBN Co on 20 June 2010 provides an alternative path to address the degree of Telstra's power in telecommunications markets. The Government has announced that, subject to the acceptance by the Australian Competition and Consumer Commission of an undertaking by Telstra to structurally separate, the Government will not use the provisions in the Competition and Consumer Safeguards Bill to prevent Telstra from acquiring spectrum.