

Subject: Telstra

Government,

As a shareholder and Financial Planner, I think it's a disgrace on what the Government is proposing with Telstra. Many of my clients purchased Telstra Shares in "Good Faith" that the company will provide a growing income stream, so that they are self sufficient and as a minimal burden on the Government for any forms of assistance. While the politicians exist on their defined benefit schemes (Risk free to them) paid for by me and my clients they have the arrogance to enforce Telstra to split. Do we expect Wesfarmers / Woolworths to divest their market share? What of the four major banks and competition or lack of? Rio / BHP?

Or will the Government simply pick and choose what suits. As a country of 22 million and the size of our country can we support multiple telecommunications companies? If we had the population of the US, yes. Please don't burden future generations of tax payers with unnecessary and stupid decisions.

1 - Telstra is a listed company and its assets are owned by its 1.4 million shareholders. Most of these shareholders bought their shares and the assets the company owns from the Federal Government. It is absolutely outrageous for the Government to now change the laws so recently after selling its shares to the public and to force Telstra to divest assets back to the Government or to force Telstra to sell its assets to third parties.

2 - With regards to the lack of competition that the Government keeps harping on about, the facts do not match the rhetoric. Thus in mobiles Telstra has 40 % market share, similarly in the internet broadband segment Telstra has a 40% share of the market. In other words competitors control 60% of these markets. How can the Government claim there is a lack of competition or that the current laws and regulations do not give consumers a choice?

3 - It is also absolutely outrageous for the Australian Government to command a publicly listed company to sell its assets. This is unprecedented in this country and goes contrary to every shareholder's right in existence. The only precedence for this type of behaviour is from the Dictator Hugo Chavez in Venezuela and also by the old Communist Soviet Union or China.

Australia is still a democracy I hope.