

- (1) The Telstra (Transition to Full Private Ownership) Bill 2005;
The Telecommunications Legislation Amendment (Competition and Consumer Issues) Bill 2005;
The provisions of the Telecommunications Legislation Amendment (Future Proofing and Other Measures) Bill 2005;
The provisions of the Telecommunications (Carrier Licence Charges) Amendment (Industry Plans and Consumer Codes) Bill 2005, and;
The Appropriation (Regional Telecommunications Services) Bill 2005
- to be referred at whatever stage the bills have reached at the end of the time available for the consideration of government business on 8 September 2005.

(2) In examining the bills, the committee consider only the following issues:

- (a) the operational separation of Telstra;
This is the first step in loosening the overbearing regulation, and it needs to be followed by fully privatising the retail/reselling part as a competitive business, and holding the infrastructure/wholesale part as a sub-government commission.

- (b) the role of the Australian Competition and Consumer Commission (ACCC), including:

- (i) the requirement that it consider the costs and risks of new infrastructure investment when making access decisions, and

The ACCC should confine itself to simple competition issues involved in retailing and reselling. With the operational/structural separation of Telstra/Bigpond, the wholesale prices will be consistent for all resellers.

It is the fault of wholesale buyers who do not scrutinise contracts to ensure that their contract pricings are not hedged against technology advances that lower prices, and the ACCC should recognise this and support Telstra.

- (ii) streamlining the decision-making processes, including the capacity for the ACCC to make procedural rules;

No comment

- (c) the role of the Australian Communications and Media Authority, including:

- (i) the provision of additional enforcement powers,

With Telstra fully privatised, then the ACMA will have to be massively grown and that is a very poor option.

With Telstra partially privatised, then the ACMA should continue to focus itself on receiving regular and consistent network performance reports from all carriers (irrespective of the comparative size of these carriers).

- (ii) improvement of the effectiveness of the telecommunications self-regulatory processes by encouraging greater consumer representation and participation in the development of industry codes; and

Industry codes are an engineering function that is beyond the vast majority of most consumers. The ACIF already does this role, and in my opinion it should be an ACMA role as standard industry fault/equipment/service codes. The ACIF should be brought into the DCITA as part of the ACMA.

- (d) the establishment of a perpetual \$2 billion Communications Fund.

This action is offsetting immediate investment requirements from now to an unconfirmed later date and it does nothing to address the immediate problem, which will only get far worse with time. The issue is that by offsetting this funding and using the interest obtained from this fund for future service improvements is a slight of hand trick when by actually investing in the infrastructure now, the Australian GDP will be substantially improved far beyond that of the investment and in turn, this return will far exceed that of the offset \$2 Bn comms fund.

Regards

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