



KNET TECHNOLOGY PTY LTD

Making Technology Work



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KNet Technology Pty Ltd
ABN 91 070 043 266

KNet Ventures Pty Ltd
ABN 97 077 948 639

Friday, 8 April 2005

The Secretary,
Senate Environment, Communications Information Technology and the Arts References
Committee,
Parliament House,
Canberra. ACT. 2600.

Dear Sir or Madam,

Submission

Inquiry into the performance of the Australian telecommunications regulatory regime

I wish to offer the following comments for consideration within your current inquiry. My submission relates to the following part of the Inquiry Terms of Reference:

(g) whether the Universal Service Obligation (USO) is effectively ensuring that all Australians have access to reasonable telecommunications services and, in particular, whether the USO needs to be amended in order to ensure that all Australians receive access to adequate telecommunications services reflective of changes in technology requirements

I would submit that the Universal Service Obligation (USO) does need to be amended in order to ensure that all Australians receive access to adequate telecommunications services reflective of changes in technology requirements.

I am not sure just how the USO could be amended to ensure that new technology is implemented into locations within Regional Australia as this technology becomes standard in the provision of adequate telecommunications services. However, I believe that this is essential before any consideration can be given to the further privatisation of Telstra.

The implementation of new technologies, especially in relation to the access of data services including Internet access, can be essential for businesses located in country towns to compete with those businesses located in capital cities and competing in the same marketplace. Our business, KNet Technology Pty Ltd is an example of this occurrence.

Our business is now dependent on access to information, ordering of products, communication with suppliers and customers, and all forms of electronic commerce, to conduct our day to day



Authorised Reseller



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activities. It is essential that we remain as effective as our competitors in these activities and to achieve this we require data access speeds equivalent to, or close to, our competitors.

An example how this may change is the availability of Internet Broadband services. At present we have access to Telstra ADSL services within the Dubbo and Orange CBDs. This is not necessarily the case for all our business customers within Dubbo as many parts of East Dubbo, including business and industrial areas cannot access ADSL services.

While some businesses in Dubbo and other regional centres and country towns are still waiting for ADSL connections, in capital cities such as Sydney, Melbourne and Adelaide, many businesses can connect to ADSL2 or ADSL2+ services offering 10 times the speed of ADSL.

Technology will always continue to evolve and as such today's technology becomes superceded in just a few short years. The difficulty is to ensure that a fully privatised telecommunications company continues to roll-out new technology in locations where they know they cannot recoup their investment - I am not talking about remote country towns, I am referring to regional centres such as Dubbo and Orange.

I do not wish to be faced with a decision in a few years time whereby I must consider moving our IT company from Dubbo and Orange to Sydney to remain competitive and to survive in our industry.

I trust my comments and concerns might be taken into consideration during your inquiry. I would be happy to expand on my comments within and I would welcome an opportunity to address your committee.

Yours sincerely,

Joe Knagge
CEO / Director
KNet Technology Pty Ltd