



PARLIAMENT OF AUSTRALIA
HOUSE OF REPRESENTATIVES

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Telstra Local Presence Plan is panic politics

Independent Member for New England, Tony Windsor has described the latest development in the sorry Telstra sale saga as panic politics.

“The Government is running out of time to sell Telstra and its latest plan to impose a ‘Local Presence Plan’ on Telstra is panic politics and a sop to the Nationals to be seen to be doing something about future proofing telecommunication services in the country so that they can save face. Country people aren’t silly – they’ll see through this ploy.

The term “Local presence” is like the term ‘Up to scratch’ - everyone has an opinion about what is ‘up to scratch’ and everyone will have an opinion on what they see as being a ‘local presence’.

The Minister states in her statement that ‘Telstra must maintain a local presence in regional, rural and remote Australia to the extent that this

- is broadly compatible with the licencees’ overall commercial interests and
- is not unduly prescriptive and does not impose undue financial and administrative burdens on the licencee.’

This is a very wish-washy statement that sets no real standard for Telstra to meet and in fact Telstra is being asked to write their own job description and their own performance measures – they can set the height of their own bar!!” Mr Windsor said.

Mr Windsor believes that the Minister’s ‘extra licence’ requirement is purely a smoke screen and will only reflect what is currently happening without anything new being announced to increase Telstra’s presence or service.

“The local presence plan is only a flag to run up the flagpole for the Government to salute and be able to point to for others to salute as it flutters in the breeze.

Any local presence plan should be delivered by the Government telling Telstra what is required and how the Government will measure their performance – not Telstra telling the Government.

Further, there is no mention of expanding their presence, only that ‘Telstra must maintain a presence and commitment to the bush.’

How long will the process take? Surely if it is to meet community needs and expectations the process should involve extensive consultation with people in the country.

In a competitive market this sort of public plan would be putting Telstra in a vulnerable market position with its competitors being able to see what it has to do and how it will be measured.

In the ‘General Advice’ in the Minister’s release, Senator Coonan states “The local presence plan should enable the Minister to undertake a reasonable and effective assessment of the measures, strategies and activities proposed for maintaining a local presence in regional, rural and remote Australia.’

You have to ask HOW, when the Minister seems to be content to not be too prescriptive in her requirements for what is put in the plan by Telstra,” Mr Windsor said.

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