



PARLIAMENT OF AUSTRALIA
HOUSE OF REPRESENTATIVES

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Media Release

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HiBIS subsidy halts!

Government funding dries up so Telstra price goes up 6 times

Independent Member for New England, Tony Windsor is questioning the actions of the Communications Minister Helen Coonan and Telstra following the news that the HiBIS subsidy for the much touted Broadband service for rural customers has been wound up early.

“The rollout of HiBIS, the subsidised satellite service to rural and remote areas of Australia, has been effectively halted by Telstra after the Federal Government funding for subsidising the program dried up.

This is an amazing revelation that in the week that the National Party voted for the full sale of Telstra, the funding for the high profile much touted HiBIS program ran out!!

It seems that the full sale of Telstra has had much window dressing to get it through the Senate voting period and I wonder what other services and programs were put in place to make it look like a commitment to country people at this time.

It also begs the question about what future programs will be long term and what will be put up for a short term fix come election time,” Mr Windsor said.

Mr Windsor said that from this week, the HiBIS scheme won't be available to Telstra's customers at a highly subsidised rate, even though it was not due to wind up for another three months.

“Much has been made about the rollout of HiBIS and how it will help rural and remote Australians but the period for the assistance subsidy was very low key.

It's another case of the BIG PRINT giving and the small print taking away.

No wonder people are cynical about the political process.

In the week that National Farmers Federation and the NSW Farmers Association were given “guarantees” of pricing parity for telephone and Broadband services, the Government closes a subsidised program to give country people access to Broadband.

The price increase from \$129 to \$700 indicates the lack of desire by the Government to truly support country people in the long term otherwise they would not have allowed the Telstra fund to dry up.

Country people expect better than this and I urge the Minister to top up the fund for this program.

It was fine to put another \$50m into this program to get it past the Telstra sale vote so the Minister should be able to commit more funds to the program to see it through to the kicking in of the Future Fund,” Mr Windsor said.

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