



PARLIAMENT OF AUSTRALIA
HOUSE OF REPRESENTATIVES

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MEDIA RELEASE

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TIME TO PULL TELSTRA SALE

Member for New England, Tony Windsor, has urged the Commonwealth Government to realise its mistake and withdraw from the sale of Telstra.

Mr Windsor made the comments on the eve of a Cabinet debate on the future options for Telstra following the collapse of the share price and seemingly insurmountable regulatory problems with the sale.

Mr Windsor said it was time the Prime Minister and other Cabinet Members listened to the messages backbenchers were delivering that the full privatisation concept was in fact a failed initiative that should be reversed.

“It is becoming more and more obvious that a fully privatised and possibly foreign owned Telstra was not going to work in Australia”.

“The fundamental assumption that the sale of Telstra would promote competition has been shown to be a flawed argument.”

“It is obvious now that Australia’s population and land area can not support a duplicated network and that the Australian environment was really a natural monopoly in terms of network infrastructure.”

“This argument was being borne out by recent disputes between the Government and Telstra management over the charging regime to Telstra’s competitors by Telstra in relation to access to the Telstra network.”

Mr Windsor said it was also time for the Government to forget about the transfer of Telstra shares to the Future Fund.

“Transfer to the Future Fund is only being contemplated so that any eventual sale decision would be transferred from the democratically elected members of Parliament to the faceless, non-elected trustees of the Future Fund.”

This would provide the Government with the excuse that the sale was eventually initiated by the Future Fund Trustees not the Government.

“The Government needs to remember that the people of Australia own Telstra not a group of Government friendlies doing the Government’s bidding” Mr Windsor concluded.

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