



PARLIAMENT OF AUSTRALIA
HOUSE OF REPRESENTATIVES

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Telstra needs a “Terria” nipping at its heels Broadband “Bush first” proposal welcome change

A proposal to rollout broadband to country areas first by one of the bidders for the Federal Government’s National Broadband Network program worth \$4.7Billion is a welcome change according to the Independent Member for New England, Tony Windsor.

Mr Windsor said reports that Terria, a consortium of telcos, led by Optus bidding for the National Broadband Network contract says the network should be rolled into the capital cities from the bush, not the other way around.

“I agree with Terria Chair, Michael Egan’s comment that ‘The areas that are in greatest need are obviously those that don’t have services such as their capital city cousins have’ and further that ‘As a matter of equity .. that’s where government and parliament should be insisting the rollout should start.’

“For too long now, the country has lagged behind the city in telecommunication services as evidenced further in the Glasson Regional Telecommunications Review just released and despite Telstra’s and previous Government guarantees of equity of access for country people to telecommunication services supposedly ‘enshrined’ in legislation, country people have had to accept second best.

“I would encourage the Terria consortium to continue their commitment to deliver to those in need and work their way back towards the city.

“The city network will not suffer as it is commercially viable due to its critical mass but to deliver state of the art broadband to the country would help stimulate regional economies enormously.

“The city doesn’t need government subsidy to make it happen – the profits available there will drive its development,” Mr Windsor said.

Mr Windsor criticised Telstra’s attitude expressed by their Group Managing Director, Public Policy and Communications, David Quilty, (the former Chief of Staff to Howard Government Communications Minister Richard Alston) who is quoted as saying “For over 100 years, Telstra has been connecting Australians, going to places where no other company is willing to go.”

“Mr Quilty seems to forget that 100 years ago, Telstra was then 100% Government owned – taxpayer owned as part of the old PMG and there was a directive given by the Government of the day to deliver telecommunication services that were available at that time.

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“Now with Telstra being fully privatised, Telstra wants small communities to virtually pay Telstra to bring a service to them because they do not meet Telstra’s ‘return on investment’ criteria to meet shareholders needs – two completely different masters.

“Telstra has inherited a network paid for by Australian taxpayers and then sold off by a Government to bolster its coffers and in so doing abrogate its responsibility to provide a telecommunication service to all Australians whether they live in a capital city or a small country town.

“Perhaps Mr Quilty would like to go to Wellingrove in my electorate and speak with the many people who I’m sure would turn out for another public meeting about THEIR telecommunication service.

“If Telstra had the ‘service above self’ attitude it would have us believe it does, then why didn’t it apply for any of the \$8m available from the Government through the Mobile Connect Program for 2008-09 to extend terrestrial mobile phone coverage in rural and regional Australia?” Mr Windsor asked.

Mr Windsor was also critical of Telstra’s downsizing of regional staffing levels and loss of experience.

“It is disappointing that staffing levels and particularly staff with long standing experience and knowledge of the needs of country people have been ‘allowed’ to leave Telstra.

“I know of one person in the New England North West whose contribution and commitment to delivering the best telecommunication service he could within the Telstra organisation is no longer in the employ of Telstra and I hear of another person in the Central West of similar long standing and ideals is also on the move.

“These are on top of downsizing staffing levels that have occurred in the lead up to the full sale and since then to meet the corporate need rather than the customer need.

“Bring on the competition to Telstra – bring on Terria – they’ll nip at Telstra’s heels,” Mr Windsor said.