



PARLIAMENT OF AUSTRALIA
HOUSE OF REPRESENTATIVES

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Telstra – tender or get off the potty Conroy should call Telstra’s bluff

The Minister for Broadband, Communications and the Digital Economy, Stephen Conroy has been encouraged by the Independent Member for New England Tony Windsor, to maintain his stance against Telstra’s demands that he assure them that they will not be subject to structural separation of its network and retail arms in the future.

Mr Windsor believes that Senator Conroy should call Telstra’s bluff and not be bullied by them.

“Telstra has repeatedly stated it will not tender to provide a national broadband network unless Minister Conroy agrees to their demands.

Senator Conroy is correct not to fall for Telstra’s bullying tactics.

He is there to represent the interests of ALL Australians – not the board of Telstra.

If taxpayers are going to bankroll up to a third of the cost of the national network, there should be structural separation of the network provider and retail businesses so that all telcos can get access to the network.

To suggest otherwise would give the network provider monopoly powers in relations to any competitors and that is not what is needed or wanted by Australians,” Mr Windsor said.

Mr Windsor said that he found it ironical that the same people who argued strongly for privatisation of Telstra are now claiming they want some form of government protection for their proposed monopoly.

“Given Telstra’s belligerent bullying tactics are likely to fail, they will have to accept structural separation if the company lodges a tender for the network.

If Telstra won’t accept those terms, it should do Australia a favour and not even bother to tender at all.

I say to Telstra, you have the opportunity to tender as do others and you have the opportunity to write the operating terms under which you are prepared to deliver the network.

If you don’t like it, get off the potty,” Mr Windsor said.

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Mr Windsor believes the national broadband network could be a real boon for country people in particular if rolled out as a truly national network with open access to all telco service providers.

“Country people could be the biggest winners or biggest losers depending on the outcome of the tender.

If the outcome is based strictly on commercial return as has occurred with the mobile phone network, country people will be the biggest losers.

If there is a focus on providing a service to people where there has been a failing in the market, then country people will be winners and city people will also benefit through better access to country markets too.

It’s a win-win situation and if Telstra realised that instead of trying to muscle the Government and other telcos they would get better support for their involvement,” Mr Windsor said.