David Fagan Independent Analyst - Telecommunications Views sought on legislative framework for National Broadband NetworkDiscussion Paper

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This document is an independent view of the Australian Federal Governments request for submissions on legislative framework for National Broadband Company.

- (1) The regulatory framework should be <u>NO</u> different and non detrimental to the telecommunications incumbent 'Telstra' during the honeymoon period. We cannot have a heavy handed approach on Telstra and then lighten up on the regulations due to the fact that the Federal Government will own 51% of the new NBN entity. This would be morally WRONG!!!
- (2) The new NBN Company needs to be wholesale only and not be able to offer retail services for a considerable period, 10 years plus at a minimum, legislated accordingly.
- (3) All wholesale access seekers should be reasonable market wholesale prices and be expected to pay for their share of all associated costs.
- (4) The new NBN Company needs to be a profit making company in its own right. Especially in the future when the Government is expecting the public to take ownership of this entity. If it is not profitable then the Government will need to continuously pay for support and maintenance of its networks to the detriment of the Australian taxpayer and voter.
- (5) Any services which can be offered on a wholesale telecommunications infrastructure should be offered to the retail community, including telecommunications, media, content and any other service which is feasible on re this technology.
- (6) The Federal Government should not keep wireless frequency access at a zero cost for its own benefit. A tender process should be followed and maintained as per past allocations of wireless spectrum.
- (7) The ACCC should not be able to limit the capability for the NBN Company to make a profit. The ACCC should also have no additional powers to that in other industries, i.e. fuel, banking, manufacturing, supermarket etc. The ACCC should not be running this company but limited to stakeholder capability.
- (8) Ownership should be similar to that imposed on Telstra when floated.
- (9) The Government stake to be sold in a public market float similar to the sale of Telstra.
- (10) The NBN Company should not have any additional benefits or rights to that of any other Australian company within the company's codes and current legislation.
- (11) The new NBN Company must be able to sell services to retail entities at margins in excess of building, supporting and maintaining the network. The ACCC needs to be shackled in this regard and let the consumer decide the ultimate price.
- (12) The new NBN Company should not have its own specific Act that will be detrimental to future owners when the Government decides to sell. Similar to all other Australian companies.