

Minister for Communications

Dear Sir

Re:Telstra South Brisbane Velocity Fibre Network

Telstra has enjoyed special exemptions from the Telecommunications Act 1997 since 2012 that allow it to operate the network at higher wholesale prices and without the need to convert to modern “layer 2 bitstream services” on a wholesale – basis, like other non-nbn networks in Australia. The network’s current design (in the backend) makes it unattractive for other service providers to offer services and compete, and the small market size (11,000 premises) doesn’t help. If Telstra receives a further extension until 2023 it means another 3 years of no improvement in the speeds (especially uploads) and prices.

The ACCC has said of South Brisbane that the “retail plans....prices are higher than those offered on nbn and other regulated networks”. The federal government said in 2018 that they are”.... disappointed by continued weak competition in South Brisbane and comparatively poor outcomes for end-users...maintenance of the status quo is not a long-term viable option.” In 2019 ACCAN found that consumers within South Brisbane paid an extra \$900 to \$1200 in the five years prior.

Telstra has made no progress during its exemptions. These exemptions must end.

Yours sincerely

Joan Welsh

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