

AUSTRALIAN COMPETITION AND
CONSUMER COMMISSION

G.P.O. BOX 3131

CANBERRA

ACT 2601

M^r LESTER WEARNE

P.O. BOX 48

EASTWOOD

N.S.W. 2122

27TH JANUARY 2010

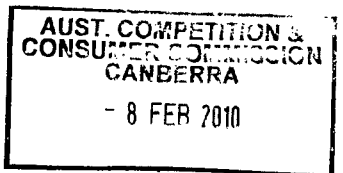
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ATTENTION - M^r LEO EXARHOS

ACTING DIRECTOR INFOCENTRE

Dear Leo,

SUBMISSION ON WHOLESALE
PRICING BY TELSTRA



I wish to thank you for sending to me the documents for submission of comment on the 2010 REVIEW OF TELSTRA'S PRICE CONTROL ARRANGEMENTS.

For your information, I enclose a copy of my letter to the HON MAXINE MCKEWH MP Federal Member for Bennelong dated the 19th June 2009 & her letter of reply dated the 8th July 2009.

My letter to Maxine McKew expressed my concerns as an Australian & Telstra share holder on the effect being made by the Federal Government to stifle the commercial operations of Telstra with the possible end result of its eventual destruction.

Unfortunately Telstra's major competitors are foreign owned & operated offshore so the costs for labour are only a fraction of the cost of labour for Telstra with new legislation only made recently to raise even further Australia working conditions - to possibly the best in the world, so it makes it near impossible to compete with a south east asian company.

Also Telstra needs to make a high profit for an acceptable level of dividends to share holders & retain or improve its share price which does not apply to Telstra's competitors.

Telstra no longer has the monopoly it used to have when the Federal Government unpacked it on to the uncompetitive Australian

people as it did with the float, + my wife + I are victims to this fraud.

I am 81 years of age + a retired Consulting Engineer + witnessed the shutting down of most Australian manufacturers which could NOT compete with northern labour costs with the result that the manufacturing establishments have moved offshore.

In those early days, Australia industry made just about everything, that is why we survived the 2nd World War,

All the household appliances, were made in Australia, we even manufactured aeroplanes + all types of machinery etc.

Today we hardly make anything with Australian companies either shutting down or moving offshore for cheap labour.

There are very few companies left with Australia relying on its mineral exports + being a no renewable resource, in 20 years that will be all gone, the what, absolute catastrophe.

Telstra also has the threat of new technology where the cable system is not required + can be operated by its competitors with Telstra still having to maintain that system with reducing revenue, + as it ages, requires more expensive maintenance on its network throughout Australia.

In other words the future for Telstra does NOT look good + to survive, needs the total support from the Federal Government + its agencies, otherwise in not the too distant future, Australia's telecommunication industry will be in foreign hands.

In conclusion, all I can say seeing it all happened in my lifetime, would the last Australia company leaving Australia. Please turn off the lights.

Yours faithfully
Peter Wilson

Maxine McKew MP

MEMBER FOR BENNELONG

Parliamentary Secretary for Infrastructure, Transport,
Regional Development and Local Government



Mr Lester Wearne
19 Oakes Avenue
EASTWOOD NSW 2122

- 8 JUL 2009

REF: WearneLR-tel090707-1510.Doc

Dear Mr Wearne,

Thank you for your letter dated 19 June 2009 regarding National Broadband Network.

On your behalf, I have written to Senator the Hon Stephen Conroy, Minister for Broadband, Communications and the Digital Economy, outlining the matters you have raised. I have included a copy of your letter for Senator Conroy's information.

Once I have received a response, I shall contact you.

Yours sincerely,

MAXINE McKEW MP
Member for Bennelong

HON MAXINE MCKEWN MP
FEDERAL MEMBER FOR BENNELONG
P.O BOX 336
GLADESVILLE
N.S.W 1675

LESLIE WEARNE
P.O BOX 48
EASTWOOD
N.S.W 2122
19 JUNE 2009

Dear Maxine,

NATIONAL BROADBAND NETWORK

I am in receipt of the June 2009 edition of your Bennelong Bulletin & reading the list quoted, of the program for infrastructure building, we were disturbed to read that 4.7 billion is being allocated to build a National Broadband Network, which would be in competition to Telstra.

My wife & I purchased shares in Telstra, when the company was first floated on the Stock Exchange with the Commonwealth Government being the seller.

The prospectus did NOT indicate that the Commonwealth Government had intended in the future to set up a competitive organisation to compete against Telstra & if it had NO one would have bought the shares.

For the Commonwealth Government, to do this is corporate fraud & the present Government must align itself with other corporate crooks that have extorted the life savings from unsuspecting investors like ourselves.

Telstra has a large share holding structure with shares being held in most superannuation funds & private investors including elderly investors like my wife & I who stand to lose thousands of dollars of our life savings through the Commonwealth Government now establishing a competitive organisation to Telstra & under the circumstances like others have done will be forced to sell their shares very soon to reduce their loss in share value & dividends.

An analogy, is a person buying a grocery shop from Woolworths & then Woolworths setting up & establishing a similar shop next door after the sale. To do so would be immoral & fraudulent yet the Commonwealth Government is doing the same thing to Telstra.

Unfortunately we have NOT got the ACCC to protect us in this scenario owing to it being a Commonwealth Government organisation which appears to have a set agenda to destroy Telstra to the detriment of share holders.

Since the initial sale both the past & present Commonwealth Governments have attempted through the ACCC to encourage competition to Telstra oblivious to the fact that there was no indication to investors at the original sale that such action would be taken resulting in a massive drop in the share price which will now occur into the future.

This is an Australian Company which are becoming fewer by the day & it should be protected by the Commonwealth Government, NOT destroyed, particularly in preference to a foreign company.

A copy of this letter is being sent to the Chairman of Telstra with the suggestion that a CLASS ACTION be taken against the present Commonwealth Government of compensation to be made to the original investors still holding Telstra shares.

Would you please pass this letter on to the Prime Minister who I am sure would understand the implications & financial loss to the Australian share holders in Telstra, like ourselves who feel that we have been swindled.

Your comments would be appreciated.

Yours faithfully



cc - The Chairman of Telstra Corporation Limited.