



MEDIA RELEASE

SENATOR THE HON NICK MINCHIN Shadow Minister for Broadband, Communications and the Digital Economy

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MINCHIN – AUSTRALIA'S BROADBAND MARKET SHOULD BE SUBJECTED TO PRODUCTIVITY COMMISSION INQUIRY

The Australian broadband market should be subjected to a thorough Productivity Commission inquiry before Labor risks billions of taxpayer dollars on its National Broadband Network Shadow Minister for Broadband, Communications and the Digital Economy Nick Minchin said today.

Senator Minchin told the Australian Telecommunications Users Group (ATUG) regional conference that the inquiry was necessitated by the Government's refusal to subject its \$43 billion proposal to any due diligence.

"I think it's time the Productivity Commission thoroughly examined the broadband market in Australia; identified any evidence of market failure, and considered all options to address any market failure and recommended the most cost-effective solutions," Senator Minchin said.

"The Government should therefore set aside its latest proposal and move to a full Productivity Commission inquiry to avoid the risk of wasting billions of taxpayers' dollars on an unviable project at a time when we can least afford it.

"This Government loves inquiries, so it should have no objection to the Productivity Commission thoroughly examining this area. The Government claims it is responding to market failure, so why not put those claims to the test?"

"Good telecommunications is important to the Australian economy, but so is rigour, thoroughness and discipline in the appropriation of precious taxpayers' dollars.

"If there is a single project which fully demonstrates the economic recklessness and incompetence of the Rudd Government the NBN would have to be it," Senator Minchin said.

Senator Minchin also told ATUG that the merit of establishing an affordable and universal domestic roaming system for mobile communications should be seriously re-examined.

"There is nothing more frustrating when travelling than not being able to make a call, send a text message or check an email because your carrier does not provide coverage in an area, yet an alternative carrier does.

"This issue was looked at by the ACCC way back in 2003-04 and while the introduction of a mandated system is something the Glasson Review has recommended for consideration, I think it would be preferable if the industry acted of its own volition to put the needs of consumers first," Senator Minchin said.

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