

The exemptions Telstra has from the Telco Act Parts 7 and 8 means it does not have to operate a layer 2 bitstream service on a wholesale-only basis. Instead, Telstra has a weird PSTN emulation type setup on its Velocity networks, meaning unlike the nbn providers can't offer additional services like IPTV over the network. It also means it's more work for providers to integrate into their systems etc, so the end result is very little competition on the Velocity networks (I only have Telstra and Exetel as possible providers, and Exetel is even pricier than Telstra and do not market the RSP relation as one would think).

If Telstra continues to get this exemption, we can expect to see the same thing as the past ~8 years since it started: no changes or upgrades to the network as Telstra continues to have no incentive to improve speeds or pricing. Meanwhile, the nbn has no commercial or political will to overbuild or acquire the network. In all my dealings with the nbn they have made it clear that they have no forward plans to deal with this issue.

The government's position in 2018 on the matter was this:

The Government is disappointed by continued weak competition in South Brisbane and comparatively poor outcomes for end-users to those in NBN-serviced areas. Maintenance of the status quo is not a long-term viable option. The Government continues to view the exemptions as temporary. Over the long-term, the South Brisbane network, if owned and operated by a carrier other than NBN Co, should be operated in compliance with Part 8 of the Act.

The Government would prefer to see NBN, or NBN-equivalent, services delivered to South Brisbane and a marked improvement in competition and subsequent end-user outcomes.

If services are not able to be provided by Telstra in South Brisbane in compliance with the Act, or Telstra is unable to sell the network to a provider that can, the Government would expect NBN Co to overbuild or acquire existing networks. Considering protracted unsuccessful negotiations between NBN Co and Telstra for the sale of the South Brisbane Network to NBN Co, overbuild in the area is a real possibility.

Source:

<https://www.communications.gov.au/policy/policy-listing/telecommunications-act-parts-7-and-8-requirements-and-exemptions>

[https://www.communications.gov.au/file/38051/download?token=seeEdZ\\_V](https://www.communications.gov.au/file/38051/download?token=seeEdZ_V) (PDF)

When the government was recently contacted about Velocity networks, they suggested the following:

- Why not consider mobile broadband?
- Since July 2018, Telstra has aligned its pricing in Velocity with its nbn pricing. Therefore, all is good!

I encourage you to make a formal submission to the consultation. You can include things like:

- Link and quote the ACCAN research on the matter – <https://accan.org.au/our-work/1575-telstra-s-south-brisbane-velocity-network-time-for-change>
- Link and quote the government's own position last time the extension was granted
- Impress upon the government that Telstra has made no effort to comply with the law before the end of the extension
- Express that with layer 2 bitstream services we can expect greater competition and better outcomes for end users
- Make it clear that since the nbn is not in any rush to buy or overbuild the network, extending the exemptions only means more financial cost and inferior tech for Velocity customers.
- Meanwhile a couple of suburbs over, providers are offering 1000/50 Mbps plans on nbn FTTP and HFC, and plans as low as \$30/month for low income households. The minimum in Velocity is \$75/month (in South Brisbane, at least).

And now this...

<https://www.itnews.com.au/news/telstra-ceo-wants-nbn-upgrade-paths-reflected-in-govt-policy-548506>

**“That would likely include codifying upgrade paths for the NBN access technologies. These have been hotly debated over the years, though there is no real roadmap for what the NBN will look like once it moves from ‘build’ to ‘operate’.**

**“What is the technology upgrade path for the NBN now the great milestone of its rollout is within grasp?” Penn said.**

He must not know they kicked the can of Velocity fix how many times now?!

And then...

<https://www.afr.com/technology/door-opens-for-telstra-as-nbn-proves-itself-in-lockdown-20200524-p54vuv>

**“Mr Fletcher has previously downplayed the possibility of Telstra acquiring the NBN, due to legislation forbidding the owner of the wholesale network from also being a retailer. Despite Telstra creating a separate division called InfraCo, which many view as a potential home for a privatised NBN, Mr Fletcher has previously said he was "unable to see any scenario," where it could be allowed to become the owner of the wholesale network.”**

Come on.... and when this all happens and consumers turn around and look at the global broadband speed index and AU is low low low we will scream for Elon and Skylink. And bye bye trillions of dollars to where ever Elon is offshoring his monies tax free...5G is a bad word LOL don't even hahahahaha