Telco industry like a dysfunctional family

When One.Tel (remember them) were deploying a mobile network in 2000, they were using the full limit of the “low impact facilities” powers of carriers – and making an absolute mess of it. Senator Ian Campbell was at the time Parliamentary Secretary to Richard Alston and was given the task of sorting the mess out.

Senator Campbell summoned the CEOs of all the carriers building or owning mobile networks to a meeting in Sydney. They all sent along regulatory types, of course, but they got the message, fix the processes or lose the low impact facilities powers. And within weeks the Mobile Carriers Forum was formed, and it transformed the way carriers co-operated on the use of mobile infrastructure.

Fast forward to 2006 and 2007. While the Minister and from the perception that what was at issue here was a choice between two network models, came the Expert Taskforce, “to ensure an open and transparent process for assessment of bids to build a fibre-to-the-node network,” according to the minister.

“Expert Taskforce” is a new de rigueur term in Government – in reality it is simply an inter-departmental committee with a couple of extras thrown in. And these extras are mostly “expert” in policy, not technology or commerce.

But this is not surprising – because the “bids” being considered are not commercial bids in a normal tender. These are bids for policy settings, what is being “tendered” is the regulatory framework. The process considered is two stage, with the first stage being the preparation of guidelines (on which there is a three week consultation period) followed on by the actual submission of proposals against the guidelines.

Tell G9 and Telstra: “Sort it out”

The Expert Taskforce has now released its draft guidelines. In the paper they have also provided a timeline that would take 34 weeks from the release of the final guidelines. So from today we are looking at 37 weeks plus however long it takes to issue final guidelines after receipt of comments on the draft. Plus the taskforce warns that caretaker conventions will apply during the election period.

How much easier would it have been for the Government to use the same technique as Senator Campbell? Call Telstra and the G9 companies into a room and tell them to sort it out or all the carrier planning exemptions would be removed and everyone would have to visit local council planning departments every time they wanted to install a fibre.

The telco industry is like a dysfunctional family in which the father is a degenerate alcoholic – do you fix it by telling the father and kids to shout at each other louder, or do you think of some other kind of intervention. Getting dad off the grog is usually a good start – getting them to talk civilly to each other is the next step.