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National's broadband plan a wolf in sheep's clothing

David Cunliffe

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Communications and Information Technology Minister David Cunliffe says that John Key is trying to pull the wool over the public's eyes with his latest release on National's broadband plan.

"The fact remains that the only company at present that is capable of implementing National's capital-based fibre plan is Telecom. National's plan involves a Crown capital subsidy against which they would negotiate investment from the incumbent, resulting in a renewed dominant position for Telecom over this essential fibre network asset.

"John Key may state that his plan will involve a number of private players but reality will rule. His open access assurances will become meaningless in the face of a single telco monopoly.

"While we welcome National's recent conversion to the broadband vision in the government's Digital Strategy, the lack of detail and over reliance on a single fibre network indicates National's plan hasn't been well thought through.

"The government is already working with a wide range of sector players on solutions to deliver faster, cheaper broadband to New Zealanders. We have taken historic steps through the Telecommunications Amendment Act, the operational separation of Telecom and unbundling the local loop," said Mr Cunliffe.

"National's latest flip flop only makes more obvious the deep division within the National Party; between Mr Key's drive for election at any cost and those of his sidelined colleagues Maurice Williamson and Bill English who believe the market should rule.

"Neither Telecom's competitors or the wider public will trust a divided National Party to hold firm in the face of a resurgent Telecom monopoly. That lack of confidence will in turn chill investment and force Mr Key to waste precious taxpayers' funds, or issue unnecessary debt for our kids to pay back."

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