



MEDIA RELEASE

DIGITAL TASMANIA WELCOMES FIBRE OPTIC ANNOUNCEMENT

(FOR IMMEDIATE RELEASE)

Hobart, TAS, 10 November 2008 – Digital Tasmania welcomes today’s announcement of an agreement between Aurora and Basslink, allowing for the commercial activation of the Basslink fibre optic cable over 3 years since it was installed.

Despite this being a "catch up agreement" with no firm availability date, Tasmanian businesses and consumers will benefit from better value for money and a wider range of services on offer.

Spokesperson Andrew Connor said “This announcement is important for economic growth in Tasmania; it allows many millions of dollars in pending business developments to go ahead and allows consumers to get better value for money”.

Because backhaul prices are set to be slashed, it is now economical for ISPs (Internet Service Providers) to rollout their own equipment to service their Tasmanian customers. This equipment which could have been installed some years ago if the cost of connecting to the mainland (backhaul) had been more competitive, enables faster downloads and more innovative services to be made available at lower prices. Consumers stand to save up to \$15/month across the board. Several ISPs are expected to install such equipment.

Digital Tasmania is also supportive of the concept that both Basslink and Aurora will compete with each other on the same cable system. Having three backhaul access providers to Tasmania will foster true competition in this sector which has flow on effects to many other sectors of Tasmanian business. “We hope that each new operator is able to respond to movements in the market in a reasonable timeframe.” added Mr Connor

Mr Connor said “We call on the State Government to set a timeframe for activation, and continue efforts to construct a second independent connection across Bass Strait to provide RELIABLE competitive access to the information super highway. It is this reliability that is essential for Tasmania to attract large scale IT centric businesses such as call centres and data centres”.

Digital Tasmania is a consumer action group, created to give a voice to the views and needs of Tasmanian consumers in the digital age. More information can be found on the group's website, www.digitaltasmania.org

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For further comment, contact Digital Tasmania on 0432 870 881, or email media@digitaltasmania.org