

# INFORMATION

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## Telstra not cutting, just sharing

Emma Connors

**T**elstra has offloaded spare real estate in Victoria's research precinct after making hundreds of engineers and other research scientists redundant.

The carrier has outsourced much of its research and development to multinational technology suppliers. This has meant cutting back both internal activities and involvement with co-operative research centres around the country. For decades the outer Melbourne suburb of Clayton was home to the high-tech research and engineering organisation that became known as the Telstra Research Laboratories operation.

Last November, the 300-odd staff at TRL were told their jobs had been made redundant and a new group of jobs in the to be created chief technology office would be advertised.

Staff could apply for these new positions. Those who were unsuccessful in securing a position in the CTO would either have to find a job elsewhere in Telstra or would be made redundant.

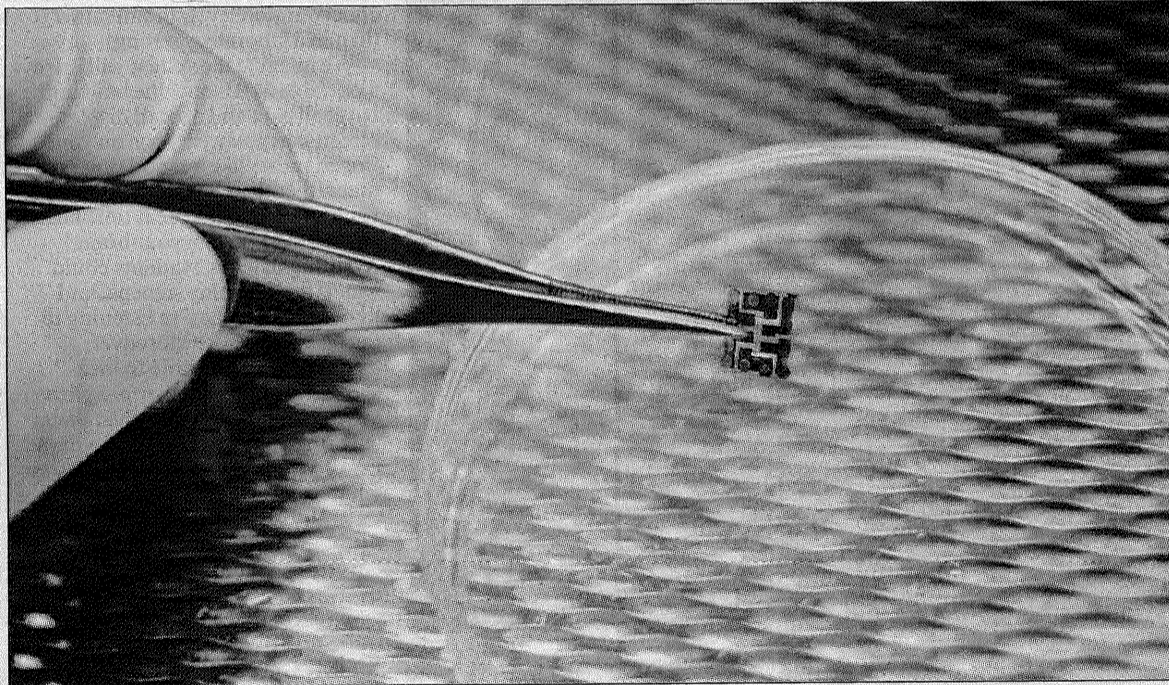
Former TRL staff believe about two-thirds of their colleagues took redundancy, mostly before the end of January. Most of the remainder have transferred to the CTO division.

Last week Telstra staff were told by internal email that the carrier had reached a new agreement to "share some Clayton facilities with Monash University".

Monash University yesterday confirmed it had leased one of the Telstra buildings in Clayton.

The Telstra email indicated the agreement was the work of the real estate and accommodation management team (REAM) whose "achievements in removing costs and complexity form part of the strategy to create the new Telstra".

"While REAM's strategy is strongly focused on consolidation, the team also seeks to unlock hidden value," the email said. "One example of how the REAM team



The carrier is increasing its dependence for research and development on multinational technology suppliers. Photo: LOUIE DOUVIS

does this is the 10-year agreement they recently forged with Monash University, which will see us share facilities with Monash University in one of our buildings in Clayton, near Melbourne."

In February, Telstra company secretary Douglas Gratton told a Senate committee the company had not closed TRL, but it had relocated some of the functions previously performed by the lab.

"We have also asked the labs to focus on research into innovation and services," Mr Gratton told the committee.

"What we have asked them not to do is to try and duplicate the sort of research that is better carried on by the Alcatels, the Nortels, Lucent, Ciscos, that are global equipment manufacturers.

"We do not see value in trying to duplicate the sort of research undertaken by those organisations."

Yesterday a Telstra spokesman said the company's research and development model now

emphasised "focused investments and strategic partnerships with vendors", which meant that some R&D had moved away from Clayton.

But he noted that the carrier was keeping its global operations centre at Clayton and the TRL outpost at Launceston, now known as the

**"Telstra will lose its position as an educated purchaser."**

Broadband e-Lab, was also still operating.

The Association of Professional Engineers, Scientists and Managers, Australia, is among those who believe that Telstra's increased reliance on suppliers will have adverse effects on both the company and its customers.

"Telstra will lose its position as an educated purchaser that can distinguish between hype and

reality," APESMA industrial officer Trevor Veenendaal said.

He said that Telstra's research staff had previously spent much of their time testing equipment sold by overseas vendors to ensure the gear was suitable for Australian conditions, particularly in remote and regional areas.

"The closure of Telstra Research Laboratories will lead to problems in rural and remote areas in particular," Mr Veenendaal said.

Internal documents prepared by Telstra staff suggest that TRL cost about \$243 million to run in the five years from 2000 but contributed approximately \$1.8 billion in savings or income.

Before the restructure, announced last November, TRL activities were based around a development laboratory, wireless network evolution, reselling infrastructure, mobile and digital convergence, research applications and IP (internet protocol) service management.

## IIA maps out broadband ambitions

Mark Jones

**I**f man can fly to the moon, then surely he can agree on a national vision for broadband. At least that's what Internet Industry Association chief executive Peter Coroneos is hoping after countless broadband enquiries, committees and government funding announcements.

The IIA on Monday will launch national broadband targets at an event in Melbourne in a move to articulate exactly what the Australian population will require by 2010, just four years away.

The association will outline specific targets such as broadband adoption per capita and requirements for ensuring an adequate mix of fixed and mobile technology.

In addition, it will address the controversial topic of backhaul, the high-speed cable that carries internet traffic to regional areas.

The event will feature Australian Competition and Consumer Commission chairman Graeme Samuel and a video presentation from Communications Minister Helen Coonan, and is expected to garner the support of other notable industry groups including the Australian Telecommunications Users Group, the Australian Interactive Multimedia Industry Association, and the Australian Information Industry Association.

"After numerous enquiries into broadband, it's incredible no one has attempted this before," Mr Coroneos said.

The association's vision — one that he admitted was "an article of faith" — will take into consideration developments like compression technology and forecast a set of broadband requirements that will serve as a common industry goal.

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