



Aphorisms for the new order

Bob Hansford, CEO, Spectrum Network Systems, soothsays about the new telecommunications order

The Crossing the boundaries - reflections on Australia's new telecommunications order seminar was held on 30 June, the eve of open competition in telecommunications, at the Sydney Town Hall. The seminar was organised by the Australian Telecommunications Users Group, the Centre and the International Institute of Communications. At the seminar, **Bob Hansford** offered the following:

- the effects of telecommunications deregulation which have been most beneficial to society generally have been largely unforeseen
- competition is the proven manner to increase diversity of choice, stimulate innovation and lower cost and has its best effects when it is most intense
- in all competitive struggles there are winners and losers
- the greatest and most beneficial innovations in telecommunications are not technological but applications based
- in the beginning of our industry, all the telecommunications applications knowledge resided within the industry; now most applications are created and driven by the customer
- the single largest benefit to deregulation is the change in the minds of consumers from telecommunications being a utility cost to be controlled to a productivity and competition tool to be employed
- radical technological advances are by their nature unpredictable
- no fairly conducted contest can have its outcome accurately predicted
- regulators and government must recognise that the only reasonable goal of deregulation is to stimulate competitive response to meeting customers' needs and wants, including assured access to basic services
- the most effective role of the regulator is to formulate the rules of the game and enforce adherence, not determine specific outcomes
- undue reliance upon industry cooperation to resolve disputes ignores the fundamentally adversarial nature of all competitive struggles
- North American dominance in telecommunications stems from many factors but not so much from advanced technology as the superior ability to perceive market (customer) developments and the willingness and ability to fund local entrepreneurs. Such funding does not exist today
- the greatest change in telecommunications from the industry's perspective is that the investment decisions are now largely driven by user needs and not internal cost saving