

### 1.2.2 (cont'd)

Most of OTC's traffic either originates or terminates via Telecom's networks, although there are direct connections to OTC for some specialised services, such as Interplex, an international private telegraph message switching service. In addition, most international leased circuit tails are provided by Telecom.

In recent years, OTC has become involved in the provision of international value added services, such as the Dialcom electronic mail service. With this service in particular, OTC was perceived by Telecom to be in breach of its charter, in that it was providing electronic mail services for communications between Australian users.

Ultimately this was resolved by a joint venture between OTC and Telecom for the provision of electronic mail services. On the other hand OTC has firmly opposed the provision of certain kinds of international value added services over its leased circuits, by private companies, such as offered by GEISCO and IP Sharp.

### 1.2.3 AUSSAT

AUSSAT Pty Ltd is a company incorporated on 6 November 1981, under the law of the Australian Capital Territory. From the outset, all shares in AUSSAT were held by the Commonwealth Government. Subsequently, Telecom Australia purchased 25% of Aussat's equity from the Commonwealth.

AUSSAT was established to provide and operate Australia's national telecommunications satellite system. The services provided by AUSSAT have been regulated by the Satellite Communications Act 1984.

The Act defined AUSSAT's primary object as being the business of providing a telecommunications system for Australia by the use of space satellites, and space satellite facilities for use in telecommunications systems for neighbouring regions. The Act further specified that Telecom and AUSSAT together "will provide the national telecommunications network for Australia."

The Act specifically prohibited AUSSAT from providing public switched telephone and data services. The Act also prohibited:

- \* the resale of the right to transmit signals to an AUSSAT satellite;