

Closure of TRL

A senior telecommunications analyst writes:

In November, Telstra senior management informed staff at Telstra Research Laboratories that all their 320 staff positions would be abolished, and that all would be eligible to apply for 80 new jobs at TRL. Under the new IR legislation, the effect of the restructure will probably mean very slim termination payments for the 240 staff who miss out on being reappointed.

Then on Thursday 1 December, TRL sent out letters to most of its CRC (Co-operative Research Centre) partners, giving notice that it is pulling out of these CRCs, for each of which it has typically committed more than \$250,000 per annum. The CRCs have been an important source of independent expertise to TRL on longer-term technology trends, given its inability with current resources to look much beyond a three-year technology horizon.

TRL was founded as the PMG Research Laboratories in 1922 - one year before the more famous Bell Labs - and since then has been the prime source of technical expertise to, successively, the PostMaster General's Department, Telecom Australia, the Australian and Overseas Telecommunications Corporation, and finally Telstra.

It provided vital technical support in the introduction of multichannel telephony in the 1930s, military communications during WWII, submarine cables and radio networks in the 1950s, the community telephony plan in the 1960s, coaxial cable trunk routes in the 1960s, computer-controlled telephone exchanges in the 1970s and 1980s, ISDN and microwave telephony in the 1980s, digital mobile telegraphy in the 1990s, ADSL and the move to IP-based networks in the 2000s.

Perhaps TRL's greatest service to Telecom was the solution provided by its chemists to allow the extension of the working life of the Sydney-Melbourne coaxial cable by a further ten years, up to the 1980s, prior to the laying of optical fibre cables.

Whereas Optus and AAPT have made some bad technology investment decisions since their entry into the Australian market (remember Optus's initial cable modems, and AAPT's LMDS broadband solutions?), Telecom/Telstra have so far avoided those mistakes - largely due to its source of independent, in-depth expertise at TRL.

Those days are now over. Staff members at TRL fear that their immediate reduction in numbers from 320 to 80 staff will be followed next year by a reduction from 80 to a mere rump of a Chief Technology Officer and a handful of assistants, leaving Telstra vulnerable to near total reliance on external technical advice from its hardly disinterested suppliers.