

Huawei ban blamed as new Australian mobile network axed

29 January 2019

An Australian telecommunications company on Tuesday cancelled plans to create the country's fourth mobile phone network, blaming a recent security-driven ban on China's Huawei.

TPG claimed having its "principal equipment vendor" barred from 5G networks meant the project was no longer viable.

The company said had already spent Aus\$100 million (US\$71 million) on building a new network, a potential boon for consumers.

But the [decision](#) could smooth the way for government approval of a merger between TPG and Vodafone worth an estimated Aus\$15 billion.

Watchdogs had expressed concern about Vodafone and TPG merging because of their mobile businesses.

Market incumbent Telstra saw their stocks rise around five percent on the news, which will also be welcomed by competitors Singtel-owned Optus and Vodafone.

Under the proposed merger, Vodafone Australia—privately-owned by Hong Kong-based CK Hutchison and Britain's Vodafone Group—will hold the majority stake at 50.1 percent in TPG.

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