

24 November, 2016

Australian Competition and Consumer Commission  
Domestic Mobile Roaming Service Declaration Inquiry  
By email: [mobileroaminginquiry@accc.gov.au](mailto:mobileroaminginquiry@accc.gov.au)

### **Domestic Mobile Roaming Service Declaration Inquiry**

The Committee for Gippsland appreciates the opportunity to provide a submission to the Australian Competition and Consumer Commission's inquiry into domestic mobile roaming service declaration.

The Committee for Gippsland was established in 2011, and is a not for profit, independent organisation that aims to be a positive and informed voice for Gippsland. Sector neutral, the Committee for Gippsland comprises nearly 90 member organisations, including community groups, small businesses, and listed companies, power stations, university and TAFE. Industries the Committee for Gippsland's membership cover include agribusiness, transport, energy and resources, small business, manufacturing, tourism, ICT and telecommunications, professional services, higher education and many more.

The Committee for Gippsland supports a strong and competitive telecommunications market that drives future investment in infrastructure, new technology and extending network coverage. Any regulatory changes that deter mobile service providers from investing in infrastructure that would extend their network coverage is particularly detrimental to regions like Gippsland.

The Committee for Gippsland acknowledges the explanatory notes relating to the inquiry, particularly the potential consequences of a mobile roaming service declaration:

*If a mobile roaming service is declared, a mobile network operator (the host network) would be required to provide mobile roaming to another mobile network operator (the roaming network) on request. This may promote competition by leading to an increase in the choice of mobile service provider and retail plans available to consumers in some areas, particularly consumers in regional, rural and remote areas of Australia.*

*On the other hand, if a domestic mobile roaming service is declared, mobile network operators may lose a selling feature by being required to share their network with their competitors. This may reduce incentives for the host network to make further investments in maintaining, upgrading and extending their mobile networks. It may also reduce incentives for the roaming network to invest in their own network, as they may seek to rely on the ability to roam onto another network to provide services, rather than extending their own network.*

*For these reasons, it is unclear at this stage whether declaration of a mobile roaming service would promote the long-term interests of consumers and businesses.<sup>1</sup>*

The Committee for Gippsland would be concerned if a domestic mobile roaming service was declared which reduced any incentive for a host network to make further investments into maintaining, upgrading and extending their mobile networks. Further, the Committee for Gippsland would be concerned about regulatory changes that reduced any incentive for the roaming network to make further investments into maintaining, upgrading and extending their mobile networks.

A number of members of the Committee for Gippsland from several industry sectors provided valuable input into the preparation of this submission. Given the geography of Gippsland, mobile coverage is very important, especially having regard for the remote locations in which member organisations operate. Around 40 per cent of the Gippsland region comprises towns under 1000 people, many in remote locations.

A number of Committee for Gippsland members expressed concern that the potential for mobile roaming to hinder future investment from telecommunication companies. The Committee for Gippsland is concerned that telecommunications companies who already having invested significantly in infrastructure may not continue to do so if roaming is introduced and acts as a disincentive to further investment.

Gippsland is a regional area and for many regional customers coverage is a core priority affecting their use of and access to technology that many metropolitan consumers may take for granted. For this reason it is important that improving network coverage is paramount and companies are encouraged to invest in the latest technology which in turn improves communication outcomes.

Regulated roaming has the potential to destroy incentives for mobile service providers to continue to invest in their own network, jeopardising future upgrades in coverage and technology without delivering additional coverage within Gippsland.

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<sup>1</sup> *What you need to know: How the ACC's domestic mobile roaming inquiry affect you*, October 2016, ACCC:  
[https://www.accc.gov.au/system/files/1139\\_Domestic%20Mobile%20roaming%20declaration%20inquiry\\_D01.pdf](https://www.accc.gov.au/system/files/1139_Domestic%20Mobile%20roaming%20declaration%20inquiry_D01.pdf)

In order to provide greater choice to regional Victorians it is important to ensure that telecommunication companies are investing in their own infrastructure, and in turn enhancing their own competitive advantage. Feedback from a number of Committee for Gippsland members has suggested that reliable and accessible technology is even more important than access to the 4G network.

If regulated roaming were to be introduced there are concerns that this may cause overall retail prices to increase as mobile network providers seek to recoup the additional costs of providing services over Telstra's regional network. While a number of Committee for Gippsland members have said that they are willing to pay more for a premium service, there needs to be improvements to service coverage in order to justify additional costs.

Investment in coverage is vitally important for regions, particularly in Gippsland. Any amendments to mobile roaming regulations that may result in limiting investment or acting as a disincentive towards investing in new and expanded services would be detrimental to Gippsland and many other regional areas.

Once again, the Committee for Gippsland appreciates the opportunity to provide a submission to the Australian Competition and Consumer Commission.

If you would like further information on any of the points addressed in this submission, please contact me on (03) 5623 3219.

Sincerely



Mary Aldred  
Chief Executive Officer