A. SHARING NEW INFRASTRUCTURE BENEFITS

Back in the infancy of 3G networks, Telstra signed a network sharing agreement with Hutchinson Telecommunications because they were making significant financial contribution to funding the establishment of new 3G mobile network infrastructure in Australia.

Hence there was a reinforcing mutual beneficial value to interconnecting their networks to allow greater service area without incurring additional expense in spectrum and equipment purchases for their respective customer bases.

The overriding goal of a mobile roaming change is to increase capacity in underserved rural and remote areas without compromising the quality to existing single carrier customers.

The biggest danger of declaring mobile roaming is the free rider problem of virtual carriers degrading the quality of existing customers without a compensatory growth in network capacity to improve the overall quality and availability to all mobile users.

HTA management has completely changed from the company willing to make large investments infrastructure to one seeking to limit it's spend to the absolute minimum as evidenced by their past history of failure to adequately plan to build infrastructure to offer a quality service to their customer.

Setting a high enough tariff to Virtual carriers may be to hard to encourage actual investment in physical capacity and the lags between setting tariffs and response to the incentives/discentives would result in the disruptions where all mobile roaming customers suffer until the capacity is built in response to the complaints.

This will be extremely disruptive to existing single carrier customers who are paying a premium so they have consistent and assured access to telecommunications in areas where the lack of this service would put them at physical risk to to remote and isolated nature of their travels.

B. FAILURE TO EXPAND CAPACITY IN ADVANCE OF DEMAND

The nightmare scenario is what I experienced as a customer of Vodaphone during the "Vodafail" debacle.

I was a Vodafone customer in Australia when the parent company decided exit Australia by selling their customers and branding rights to Hutchinson Telecommunications Australia (ASX Listed HTA).

Despite being aware of the increased customer base, HTA made no attempt to invest in additional infrastructure to account for the doubling of their customer base over night.

The result was an explosion of complaints to both the TIO and the media over the degradation of the network service as basic mobile calls failed and mobile data slowed to trickle if you could connect at all.

The Australian Mobile users and especially Vodafone customers are still dealing with the fall out years later as lost productivity and costly duplicated contracts were needed until reliability improved as HTA finally invested in increased mobile network capacity to salvage their market credibility.

This is especially of great concern given the emergency services piggy back off the mobile footprint of the commercial carriers.

This disruption happened to primarily urban customers who had an alternative to switch over to another carrier.

If this happened to a customer of single carrier with no other carrier networks in place, the outcome would not be just inconvenient but life threatening.

C. MOBILE ROAMING SHOULD BE CONDITIONAL ON LOCAL CAPACITY EXPANSION

Any change in loading new customers onto a finite amount of existing infrastructure MUST BE PRECEDED by a expansion of physical capacity in the same area or underserved areas to prevent a public relations disaster and potential risks of call failures in regional and remote areas.

So careful consideration must be made in the expansion of mobile roaming to avoid loss of life leading from congestion due to poor Mobile Roaming policy.

Conclusion

I believe the best policy is to limit mobile roaming only to carriers who are expanding the physical mobile network foot print through investment in equipment and spectrum to ensure adequate capacity in advance of traffic.

A careful phased migration to mobile roaming by service area to avoid a "big bang" switch which could create a "Vodafail" like debacle being created with the most vulnerable users (rural and remote/emergency services personnel) put at risk through network congestion and call failure.

Regards

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