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10 March 2017

Australian Competition & Consumer Commission
GPO Box 3131
Canberra ACT 2601

To: ACCC mobileroaminginquiry@acc.gov.au

Dear Sir / Madam,

Re: ACCC mobile roaming inquiry

We are writing to you on behalf of Telefonaktiebolaget LM Ericsson (publ) and Ericsson Australia Pty Ltd in relation to the ACCC's inquiry into mobile domestic roaming.

Advanced economies, such as the Australian economy, are heavily investing in Information and Communications Technology (ICT) to enable high productivity and maintain their competitive edge through an era of digital transformation. By comparison to the industrial revolutions of the past, these economies are going through their most radical transformation¹.

In our experience, the basis for an advanced and competitive digital economy is reliant on three key complementing success factors. These are: policy leadership, including high level of institutional capability; enabling regulatory policy framework; and adequate ICT infrastructure. These key factors, in combination, should incentivise, as well as empower, private and public organisations and individuals to invest and benefit from digital transformation.

In the context of this inquiry, all three success factors are under consideration.

In terms of policy leadership, benchmarking peer economies' comparable policy options under like conditions is a very good start. Secondly, in terms of enabling regulatory framework, policy choices that promote sustained long term innovation and investment both on supply and demand side are critical to stimulating the private sector to make the necessary commitment to radical and transformative change i.e. creating new avenues for economic growth. Since economic benefits from incremental changes are not only short lived but, also preserving (i.e. keeping an economy on an established path of development (doing more of the same)), there is an end to such benefits. Lastly, since in advanced economies, investments in digital economy and hence

¹ For instance see WEF Fourth Industrial Revolution: <https://www.weforum.org/agenda/2016/01/the-fourth-industrial-revolution-what-it-means-and-how-to-respond/>



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transformation are predominantly driven by the private sector, policy options that dis-incentivise private ICT investment can challenge Australia's long term ability to benefit from a suitable ICT infrastructure necessary for an advanced economy.

Consequently, we believe that the ACCC should carefully consider the current regulatory settings in peer economies and avoid those policy options that focus on promoting short term incremental improvements which come at the cost of making long term investments.

We urge the ACCC to avoid making a policy choice that will have a chilling effect on investments in a digital economy, putting digital transformation in Australia at risk of moving into the slow lane compared to that of its peers.

Yours sincerely

Emilio Romeo
CEO & Managing Director
Ericsson Australia Pty Ltd

Dated:

8. MAR. 17

Ulf Pehrsson
Vice President Government and Industry Relations
Telefonaktiebolaget LM Ericsson (publ)

Dated:

19. MAR. 17

ABOUT

Ericsson is a world leader in communications technology and services with headquarters in Stockholm, Sweden. Our organization consists of more than 111,000 experts who provide customers in 180 countries with innovative solutions and services. Together we are building a more connected future where anyone and any industry is empowered to reach their full potential. Net sales in 2016 were SEK 222.6 billion (USD 24.5 billion). The Ericsson stock is listed on Nasdaq Stockholm and on NASDAQ in New York. Read more on www.ericsson.com.