

To: Australian Competition & Consumer Commission (ACCC)

Re: Domestic Mobile Roaming Declaration Inquiry 2016 Submission: Shared Roaming Services

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Chief Executive Officer

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[REDACTED]

Letter of Support – No further regulations on sharing mobile roaming

TASICT is the Tasmanian Industry Peak Body representing the Information, Communication and Technology sectors to government, educational institutions, the media and a variety of other industry sectors. We do this by developing policy, running important industry programs, providing support to our industry and events which support and promote the sector.

TasICT represents 85 organisations in the State of Tasmania. They include telecommunications, internet providers, developers, technologists, hardware specialists and organisations which utilise technology that may be outside the innovation and technology industries.

We have examined the subject in question in great depth and would like to put forward this submission on the behalf of the industry. TASICT believes that Tasmania has a real opportunity to lead the nation when it comes to regional investment by providing creative, affordable environments for ICT businesses to run and grow. But to do this, investment and infrastructure must thrive.

Global research shows that over regulation stunts investment and equitable competition. This has been proved time and time again in other parts of the world. Our industry's perspective on this important issue is that these kinds of regulations are not effective and ultimately doesn’t produce the desired effect (further investment, better pricing and more services). In fact often regulations without serious industry engagement (or consideration of disruption pathways) often doesn't ‘future proof’ the rapidly changing and growing technology/telecommunication industries. Companies should be encouraged to build their own networks to service their client base. Companies already share infrastructure, but if a competitor has the edge in a regional area, then a company who wishes to compete should appropriately *invest* to compete with them. This helps grow jobs and encourages companies investing in the future (while providing ongoing upgrades for many regional areas).

The areas which seem to be the most important in mobile services are coverage, value, service, reliability, updates to new advancements and open competition. Open competition helps to achieve a fair balance of many of the above areas. The companies who have invested in regional areas have the best overall coverage. That's worth rewarding and encouraging. But that isn't the sole influencing factor. Yes, the competition for business creates great opportunities for increased services (which have expanded services while lowered pricing in recent years). But we have seen firsthand how critical the latest technology is to rural communities. It remains imperative to create incentives for foster investing and expansion in regional Australia which will raise the digital literacy of all Australians. We believe that regulated roaming across companies could destroy many of these incentives which keep companies investing and improving the overall network and could jeopardise future upgrades in coverage or technology without delivering additional benefits.

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Australia needs more investment in bringing technology to all areas (regional and urban). Globally, Australia is still behind in coverage and still lacks some of the most current advancements in technology investment. Tasmania has recently been ranked last in digital inclusion nationally. This presents greater problems across the wider community. It is not caused by a lack of competition, but a slower pace than necessary to connect our population. Providers should be encouraged to invest in their own networks and expansion of their infrastructure. This not only creates jobs but truly keeps competition growing in a positive and productive direction.

Shard roaming would most likely decrease investment in further infrastructure and will most likely see increases in prices. We have not seen evidence where regulated shared roaming has been successful elsewhere in the world. In fact, countries who have enacted similar regulations are now trying to reverse these regulations.

Requiring mobile network operators to provide roaming to each other only allows organisations with little interest in investment in a country, area or region to piggyback on the expenditure and hardware of companies who have made the area a viable business investment. This would send a clear message to providers that infrastructure investment is a contest of who can invest the least with the most benefits.

This rewards the wrong behaviour which stifles real competition and investment. We find it interesting that Telstra and Optus (both who have invested much in Australia's growing mobile network) are against this regulation, yet Vodafone is in favour of it. Yet, Vodafone is strongly against the provision of shared roaming in other parts of the world where they have invested the most capital in towers and infrastructure. The kind of regulation to discuss should focus on fostering infrastructure expansion which helps our population connect with the rest of the world and provides the latest technologies to compete and revisiting back-haul costs which prohibit regional growth. If you require any additional information from TasICT, please don’t hesitate to contact us.

Yours sincerely



Will Kestin

**Chief Executive Officer**

**TasICT**

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