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10 September 2020

Ed Seymour & Stephen Farago
The Australian Consumer and Competition Commission
By email: ed.seymour@accc.gov.au, Stephen.farago@accc.gov.au

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Aussie Broadband Pty Ltd

Gippsland Mail Centre

Dear Mr Seymour and Mr Farago

## Consultation on deemed functional separation undertaking

Aussie Broadband welcomes the opportunity to be involved in this consultation and thanks the ACCC for amending its initial draft deemed functional separation undertaking following its consideration of submissions provided by the industry. Our response to the ACCC's questions follow.

1. Would the proposed requirements for physical separation of staff within a shared office present any major difficulties or costs for your business?

Aussie Broadband considers the requirements are reasonable.

2. Would the proposed allocation of business activities between wholesale and retail business units be suitable for your business?

Aussie Broadband considers the requirements are reasonable.

3. Would the proposed allocation of personnel between wholesale and retail business units be suitable for your business?

We agree that sharing of the listed personnel is appropriate as they are not involved in commercial decisions or activities of either the retail or wholesale business units. We are concerned that there remains a level of uncertainty regarding which other personnel can be shared or must not be shared between the business units. For example, we expect that building management, catering, graphic design, public relations, secretarial, marketing and cleaning personnel would be included in the list of corporate service functions that can be shared but this is not stated in the Determination. We suggest amending subsection 7(4)(c) as follows:

allowing for the use of shared workers who carry out corporate service functions including finance, human resources management, legal, and information technology support services and other roles that are of a non-commercial nature across the corporation's wholesale and retail business units, subject to the implementation of measures to ensure those workers do not divulge information between the corporation's wholesale and retail business units; and

4. Are the proposed information sharing restrictions and training obligations reasonable?

Aussie Broadband considers the requirements are reasonable.

5. Would your business have any difficulties introducing the proposed revised incentive structure?

Aussie Broadband considers the requirements are reasonable.

6. Would the revised IT and communications systems and application separation requirements feasible for your business?

Aussie Broadband considers the requirements are reasonable.



7. Would you object to all the revised provisions being treated as fundamental provisions?

No, this is reasonable.

8. Are the information sharing provisions reasonable?

Aussie Broadband considers the requirements are reasonable.

9. Do you have any views on the timing and content of compliance plans and compliance reports to be provided pursuant to the undertaking?

Aussie Broadband considers the requirements are reasonable.

10. Are you satisfied with the ACCC's proposed class of corporations eligible for this deemed functional separation undertaking?

Aussie Broadband considers the requirements are reasonable.

11. Do you have any specific drafting comments on the draft deemed undertaking?

There is a typographical error in subsection 6(c), it should state 'given' rather than 'give'.

There is a typographical error in subsection 7(13), there is no subsection 151B(14) in the Act. We believe that the intention may be to refer to subsection 151A(14) rather than 151B(14).

12. Do you have any other comments on the draft deemed undertaking?

No.

Warm regards,

**Andrew Webster** 

Head of Risk & Compliance