



ABN: 83 027 193 523



24th November 2016.

ACCC
GPO Box 3131,
CANBERRA. ACT. 2601.

Dear Sir/Madam,

RE: ACCC Mobile roaming inquiry

By way of introduction I have held a number of senior executive and management positions in the South Australian and Australian horticulture sector for over 40 years.

I have extensive experience in leading horticulture industry organisations through change by working in areas as diverse as research and development, general administration, agri-politics, advocacy, corporate governance, market access, natural resources and environment, training, communications and public relations.

I operate an independent consultancy business and currently service the following industry organisations

- Pistachio Growers Association Inc: Part time Executive Officer
- Hazelnut Growers of Australia Inc: Part time Communications Officer,
- Chestnuts Australia Inc: Part time Industry Development Officer,
- Australian Walnut Industry Association Inc: Part time Industry Development Officer.

Through my roles I travel quite extensively throughout rural and regional areas of Australia and I communicate with growers in many ways in those regions. In some areas the lack of and or poor communication services creates problems in being able to supply business and industry services through phone and internet.

More and more growers are looking to use or are using new, innovative and technically complex systems to assist them in improving production and profitability.

Mobile networks are becoming a totally essential requirement for ALL Australian horticulturalists. Having a mobile network that covers every part of Australia is essential if our producers are going to remain internationally competitive.

Notwithstanding this I am far from convinced that a regulated or declared mobile network is the way to achieve an all encompassing network.

In reviewing the discussion paper titled “Domestic mobile roaming declaration inquiry” the following important points have been raised:-

- a) “The ACCC has found in recent years that that competition for retail mobile services is effective, with mobile service providers competing on a number of different factors. These factors include price and non-price features of retail mobile offers, the quality of service available and network coverage.”
- b) “During the ten year period between 2004–5 and 2014–15, priced based competition between operators has seen the average price of mobile services fall by over 25 per cent in real terms.”
- c) “Over the past five years each of the MNOs have made investments to deploy 4G mobile networks, which offer superior network performance compared to 3G networks in terms of speed and latency. The MNOs’ 4G networks now cover the majority of the Australian population.”
- d) “The level of investment from MNOs in extending their network coverage, and in upgrading their network technology, is significant. For example, Telstra reports that in the three years to June 2017 it will have invested over \$5 billion in its mobile network. In 2015, Optus announced that it would increase its expenditure in both its mobile and fixed line networks to around \$1.7 billion over the next 12 months. Similarly, in the three years to July 2015, VHA has invested around \$3 billion in its mobile network.”

I would contend that these points alone highlighted that the mobile network and mobile roaming in its current format has been successful in driving investment, improving the networks and maintaining and expanding competition.

The discussion paper highlights that “the consequence of limited infrastructure competition and a lack of wholesale access to mobile networks in regional areas is that there is less choice available to consumers who live in, or who value coverage, in regional Australia in terms of service providers and offerings”.

While this currently may be the case I see no evidence to suggest that declaring or regulating mobile roaming is going to change this situation.

The use of and further expanding the current incentives like the Mobile Black Spot Programme would seem to be the most equitable and effective method to further fill the gaps.

In summary I would make the following points:-

- a) Coverage is the most important issue for regional mobile customers, and where coverage exists it’s important that mobile companies invest in the latest mobile technology.

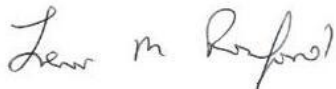
- b) The best way to deliver greater choice is to encourage mobile companies to invest in their own network infrastructure in regional areas.
- c) Regulated roaming could increase retail mobile prices overall as Vodafone and Optus seek to recoup the additional costs of providing services over Telstra's regional network.
- d) Regional customers already benefit from intense competition between mobile network operators highlighted by the fact that nationally prices are falling and data inclusions are rising.
- e) I know how important the latest technology is to rural communities. It is therefore vital that the current strong competitive incentives to continue investing are preserved.

Overall I believe that regulated roaming would destroy incentives for companies like Telstra, Optus and Vodafone to keep investing in their networks and jeopardise future upgrades in coverage or technology without delivering additional coverage.

If you require any additional information or expansion of the above points please do not hesitate to contact me.

Your due consideration of this submission would be appreciated.

Yours faithfully,



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Trading as Trevor Ranford Pty Ltd and South Australian Horticultural Services