
[REDACTED]
Sent: Tuesday, June 28, 2022 6:48:51 AM (UTC+00:00) Monrovia, Reykjavik

To: Merger Authorisations <MergerAuthorisations@accc.gov.au>

Subject: Submission - Proposed Telstra / TPG Merger

TO WHOM IT MAY CONCERN

We are a regional Yes Optus store [REDACTED] and we have been employing local people servicing our local area [REDACTED] and the surrounding districts for many [REDACTED] years. During this time, we have provided essential Optus telecommunication services to local residential customers, businesses, large farming enterprises and very importantly the elderly.

We believe the proposed Telstra / TPG network merger will cause telecommunications in regional Australia to be negatively impacted by further strengthening Telstra's dominant market position and allowing them to gain access to spectrum licences that they were previously prohibited from bidding on due to the uncompetitive nature of the arrangement. Under the proposed merger, Telstra will financially benefit with significant market share against the competition and will gain unparalleled access over our limited national spectrum assets.

The proposed merger will increasingly advantage Telstra and risks creating a regional monopoly that will undermine the competition and viability of Optus in regional Australia. Competition is important to maintaining a well balanced and sustainable economy. The proposed merger will greatly lessen competition and lead to an increase in prices contributing to higher inflation, downgraded services and a reduction in telecommunication infrastructure investments across the country.

Optus has brought **outstanding regional competition and a viable alternative** to our region by investing billions of dollars in network infrastructure projects across Australia providing customers with a real choice to that of Telstra. This has created greater competition and has reduced Telstra's ability to dominate the Telecommunications Industry by increasing prices to the disadvantage of Australian consumers.

If approved, the proposed merger **would lead to a less competitive telecommunications environment in Australia with a foreseeable increase in costs to businesses and household consumers.** A Network sharing arrangement with Telstra, TPG and Vodafone would create a conglomerate that will monopolise the market, considerably reduce competition and the ability for Optus to compete on the same level in regional Australia.

Competition will be reduced if this merger is approved and there will be no incentive for Telstra to continue to improve regional service coverage and quality. **As a result, there will be no commercial sustainability for Optus to continue and maintain its significant planned investments in regional Australia.** The continued maintenance

programs and on-going investments in network infrastructure by Optus also assist in reducing blackspots and help create opportunities for businesses whose success in regional Australia promotes a vibrant regional economy. Vibrant regional economies employ tens of thousands of people contributing the viability of these regions and if this merger is approved it is anticipated that there will be a reduction in more than 700 telecommunications towers in major regional centres further promoting Telstra's dominance in regional Australia.

Natural disasters can have an overwhelming impact on regional communities with shattering and degrading effects on network infrastructure such as little or no telecommunications and as such, **vital network alternatives such as Optus are paramount when urgently relied upon.** For example, Optus have deployed mobile tower base stations in instances where all network communications have been lost. Furthermore, during Telstra Network outages Optus has provided Telstra customers communication products such as mobile broadband devices and access to the Optus network for essential data communications to keep major businesses operating whilst sustaining employment during these periods.

If this merger is approved, Optus will be forced to substantially decrease regional investments both in maintaining and increasing telecommunications infrastructure in regional Australia as the conglomerate of a combined Telstra/TPG/Vodafone networking sharing operation will further increase and strengthen Telstra's dominance in regional Australia. The resultant investment reduction in regional Australia will also force a decline in Gross Domestic Product in a period of economic uncertainty as these significant investments in regional communities are fundamental to their survival.

Telstra will have an overwhelming advantage in regional Australia if this merger is approved as they will control an unparalleled proportion of the national spectrum assets. **Competition will be significantly eroded as Optus cannot compete against a Telstra/TPG/Vodafone conglomerate that has attained a significant amount of additional spectrum licensing enabling Telstra to operate unabated by any other Network provider.**

A national deployment of 5G which is currently equally competitive in nature is estimated to beneficially contribute to the Australian economy to value of \$130 billion worth of infrastructure improvements and 205,000 new jobs created over the next ten years. **If this merger is approved, this considerably puts at risk the ability for Optus to continue investing in this deployment both now and into the future.**

In summary, approval of this merger will create a monopolisation of the telecommunications market by Telstra in regional Australia and will lessen competition and will subsequently increase prices in the telecommunications industry. Optus will be unable to compete and will have no alternative but to substantially reduce vital regional Network investment causing loss of jobs including local regional Optus stores becoming unviable and forced to close.

Regional Optus stores are owned by local people who we employ local people to provide choice for essential telecommunication products and services in regional Australia, all of which will be decimated by the approval of this merger.

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