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9 June 2022

Australian Competition & Consumer Commission GPO Box 3131 Canberra ACT 2601

Email: mergerauthorisations@accc.gov.au

MA1000021 - Telstra TPG Spectrum Transaction - Submission

Coonamble Shire Council has been offered an opportunity to make a submission regarding an application to the Commission for merger authorisation from Telstra and TPG.

In viewing the information provided by Telstra, Council believes the likely public benefit from the proposed acquisition far outweighs any likely detriment. To sustain this view, Council strongly supports the public benefits outlined by the Applicants as stated below:

- improved connectivity and service quality in regional and rural areas resulting in delivery of significant economic, social, health and education benefits for regional and rural communities;
- enhanced innovation, competition and expanded choice for mobile and fixed network customers in regional and rural areas;
- reduced network costs and more efficient utilisation of infrastructure in regional and rural areas;
- increased impact of government funding for infrastructure deployment in regional and rural areas; and
- environmental benefits from reduced need for physical infrastructure deployment and lower energy requirements.

At the present time in so many areas of regional and rural Australia service delivery is not adequate and in some areas non-existent. It must be remembered that these customers rely on the network in times of emergencies and it is paramount that they have reliable communications services. They are, in many cases, significant distances from any other means of communication and/or assistance – it's their only connection to the outside world.

Council acknowledges that there have been improvements in coverage as both Telstra and Optus continue to expand mobile networks, but with expansion comes challenges in delivering the increasing demand for services. It is a well-known fact, as it has been widely reported, that customers in many areas face long delays due to congestion, patchy service and slow speeds. Certainly not acceptable for people living in rural and remote communities or business owners trying to make ends meet! Customers deserve to be provided with the services for which they pay!

It would seem the merger proposal is a good solution – with Telstra already having existing infrastructure which could use the TPG spectrum for existing and future customers – combining the two would seem like a common sense decision, so that both parties can utilize and share their existing assets, thus improving the quality of TPG's network.

From information provided by Telstra it is noted that under the proposed Telstra-TPG MOCN, TPG can build its own 4G and 5G products and independently offer pricing and support to its own customers which may lead to many customers having a choice of three networks.

It is noted that the proposal does not alter Optus' ability to compete and enhances TPG's ability to utilise unused spectrum, reducing congestion in Telstra's network for customers and the proposed merger will enhance competition and customer choice.

Coonamble Shire Council supports the application by Telstra and TPG and urges the ACCC to approve the proposed transaction. It is our view that benefits to regional, rural and remote communities will be significant and Council looks forward to a positive outcome.

