

KALDER Communications Group Pty Ltd

Trading as: yes OPTUS Hobart,
 yes OPTUS Rosny Park,
 yes OPTUS Launceston,
 yes OPTUS Devonport
 yes OPTUS Business

25th June 2022

Attention: ACCC Merger Authorisations

Email: mergerauthorisations@acc.gov.au

Re: KALDER Communications Group Pty Ltd: MA1000021 - Telstra TPG Spectrum Transaction -
Submission

My name is Robert Elliott and I am the Director of KALDER Communications Group Pty Ltd which has the Franchise rights to own and operate yes Optus retail stores in Tasmania.

KALDER Communications Group Pty Ltd has operated in Tasmania since 2010 when Optus committed to invest in the state of Tasmania to build out a competitive mobile network bringing choice to Tasmanians as part of its Regional Australia network investment strategy. I now own and operate 4 Optus retail stores across the state, two stores located in Hobart, one in Launceston and one in Devonport. In addition to this I provide Tasmanian businesses with dedicated local account management and B2B telecommunications solutions. Over the 12 years of operation in the state I have provided local jobs and career progression to over 100 Tasmanians.

I am writing to express my concerns and share the threats that exist to Tasmanians, and all Regional Australians, should a Telstra/TPG merger be approved to proceed. Broadly, this merger will disadvantage Regional Australians through the removal of choice and competition in the telecommunications market.

Unfortunately, the proposed Telstra/TPG merger will see competition significantly diminish. The comparable network that Optus customers now connect with will be marginalised, which will result in higher prices for Tasmanian households and businesses. All this happening at a time when, in a post pandemic world, with rising inflation, we need competition more than ever before.

There are many flow-on effects of constrained competition in the Australian marketplace, which in terms of the telecommunications market, should the Telstra/TPG merger be approved to proceed, will mean that with less competition there will be no incentive for Telstra to seek to maintain or improve service coverage and quality in the regions. In turn the proposed merger will result in there being no commercial viability for Optus to maintain its significant planned future investment. Regional areas will be marginalised, and the country / city divide will widen.

As new technologies come into play, which today is 5G, if Telstra gains control over a significant proportion of the national spectrum assets through the merger, then we will see one market player

has the ability to offer a level of service and data speeds that no other Mobile Network Operator could ever hope to compete with.

Competition drives market value and jobs. The Telstra/TPG merger will inevitably have a negative impact on regional jobs. Optus has and continues to invest in the deployment of a 5G network across the country. The approval of the merger would mean it is not commercially viable to continue doing so, which we understand could have a cumulative impact over the coming decade of \$130 billion and 205,000 net new jobs created.

At times of natural disaster and adversity the people of Australia need network alternatives. As a country we are witnessing the devastating impacts of natural disaster on our regional communities today more than ever before. Reducing the communications infrastructure across the country via the approval of the Telstra / TPG merger will inevitably impact our rural communities at times when they need support and network alternatives to connect with emergency services, family and community support.

The competitive options afforded to the people of Tasmania today after 12 years of investment in the Tasmanian telecommunications market could be significantly eroded overnight should the Telstra/TPG merger be approved. Tasmania and all Regional Australia deserve to have a choice.

I am extremely proud of the business that I and my team have built in Tasmania, and we are proud to be able to connect hard working Tasmanians across the state to the Optus mobile network. A network which has transformed telecommunications competition in Tasmania. When I arrived in the state to establish the Optus branded retail distribution 12 years ago I shared with the people of Tasmania the optimism of having a truly competitive telecommunications operator in the state. I have a team that is just as passionate, they deliver exceptional customer service, they listen, they help, and together we connect Tasmanians every day.

I know that our customers, both consumers and businesses, appreciate choice. Competition provides greater value and investment, especially in Australian regional markets. Without fair & unconstrained competition and further investment in telecommunications services across Tasmania and Regional Australia, consumers and businesses will be significantly disadvantaged.

For all the above reasons we urge the ACCC to see the proposal put forward by Telstra & TPG to be one which will destroy telecommunications competition in Regional Australia. Winding back the clock to 1998 is not an option. Australians deserve better. Please reject the proposal and uphold the rights of Tasmanians and all those in Regional Australia.

Yours sincerely,



Robert Elliott
Director

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