

**Submission**

**By: Malcolm Nicolson, Chief Executive Officer, Northland Regional Council**

**On: Consultation on deregulation of national roaming service**

Attn: Commerce Commission of New Zealand

1. Thank you for the opportunity to comment on the consultation by the Commerce Commission on the need to commence an investigation into whether to remove the National Roaming service from the list of specified services in Schedule 1 of the Telecommunications Act by 20 September 2018.
2. The preliminary view of the Commerce Commission that there are **not** reasonable grounds to start an investigation is appropriate.
3. In Northland, the Rural Broadband Initiative (RBI) 2 rollout is yet to commence and it is estimated that it will be well over a year before full deployment occurs. This rollout will focus on the use of 4G cellular based wireless technology.
4. Furthermore, even after the full deployment of RBI2 and the Ultra-Fast Broadband programme it is estimated 5% of households in the region will still have broadband access with an internet download speed of less than 20mbp per second. This does not include the various mobile blackspots on the roading network in the region, unable to access wireless broadband or cellular services. The remaining 5% gap will likely need to be addressed through innovative solutions post RBI2, including community based initiatives or further cellular based (4G) wireless coverage.
5. Generally speaking, the roll-out of mobile based broadband in Northland has been slower than desirable. This is generally felt to be due to a lack of competition leading to poor service delivery and high prices. Given the increasing reliance on cellular based services to deliver broadband as well as mobile services, particularly in regions with higher rates of deprivation such as Northland, it is important to continue the regulation of roaming services to ensure competition and lower prices.
6. The likelihood of future upgrades to the mobile phone network to the 5G spectrum also supports the logic of the Commerce Commission retaining its regulatory function over this matter.
7. If you require any further information please do not hesitate to contact me on 09 470 1257.



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27 July, 2018