

I note your comment that:- *"The price-quality path is intended to create incentives for Chorus to act in ways that are consistent with the long-term benefit of end users, such as creating incentives to invest in its network, to innovate and improve efficiency, and to deliver services at a level that meet end-user demands."*

"Long-term benefit of end-users"? "End-user demands"? Who are the end-users and what should they be expecting? Although I can't see this stated explicitly, I suspect the "end-users" to whom you refer are only those who have access to optical fibre? This is unfortunate.

Chorus' "end-users" include many thousands of New Zealanders living in rural areas who do not have any access to optical fibre. And many are having to live with very slow ADSL download speeds. In addition, some of us have no mobile coverage, so we're living in the telecommunications dark ages.

Chorus tells us there's no prospect of any improvement for many of us reliant on the copper network as it's "too economically challenging". Similarly, the Rural Connectivity Group appears more interested in ensuring there's good mobile coverage on State Highways rather than providing 21st century connectivity for rural dwellings. Governments of all persuasions talk a lot about eliminating the "digital divide" and refer to their Rural Broadband Initiatives, but some of us have seen no benefit at all, and enquiries reveal no prospect of any change in the future. And I understand the amount of the Telecommunications Development Levy, part of which is intended to be directed towards improving rural connectivity, is being reduced. In the absence of upgrade plans from any other organisation I'd like to see Chorus encouraged to do much more for rural parts of the country, especially for those of us without mobile coverage and who rely on the fixed line network.

So, my submission is as follows:-

Any regulatory framework should incorporate strong incentives for the companies involved to improve the extremely poor service that they are providing for those living in rural areas. Investment should not be directed solely towards better and faster optical fibre services in urban areas. It's important that any legislation put in place should aim to improve the whole country's infrastructure rather than just making sure the price-quality balance is appropriate for the fortunate people with fibre.