

Submission from the Wainuiomata Rural Community Association

Thank you for the opportunity to comment on the proposed Telecommunications Act Review: Post 2020.

The Wainuiomata Rural Community Association makes the following comments, based on the current availability (or lack of) of telecommunications services in our area. We have some 120 members most of whom are on the copper network. In addition:

- Most of our members also do not get cell phone coverage
- We get an estimated 100,000 visitors per annum to the Rimutaka Forest Park
- Given these numbers, and the lack of cell phone coverage, it is vital that we have continued access to the copper services currently provided, at a reasonable cost so that we can provide for visitors in an emergency.

Our key concern is that as the copper network becomes increasingly uncompetitive, there will be less incentive for service providers to continue providing the copper service.

We would welcome the chance to address the Select Committee when it considers the submissions.

1. What are your views on the proposal to deregulate copper services in areas where UFB or other fibre services are available? What do you see as the benefits and risks?

2. What are your views on the proposal to continue regulation of copper services outside areas where UFB or other fibre services are available?

We believe it is essential that copper services continue to be provided in rural areas at a price that reflects the often less than adequate services received. There appears to be reluctance on the part of telecommunications companies to invest in upgrading rural areas (unless there are financial incentives such as the RBI and Mobile Black Spot initiatives). Therefore, access to a reliable service to those areas with no alternative choices is vital.

3. What risks do you see in these proposals? Please comment on any ways you think these risks could be mitigated.

Rural areas may wait many years to receive a similar service to their urban counterparts due to reluctance on the part of telecommunications companies to invest in 'difficult' or 'unprofitable' areas. This leaves rural communities with very limited options for improved services.

It is essential that the full cost of maintaining an ageing, outdated copper service is not passed on to rural communities. There is a risk that, knowing the price for copper services will be capped at 2019 prices, Chorus will substantially increase their prices between now and then to an extent way beyond what is considered reasonable, so that they can gain maximum profit before the price cap. Given the lack of choice that most of our members have (ie no cell phone coverage), this could leave rural communities particularly vulnerable.

4. Please comment on the proposal to remove the TSO obligations on Chorus and Spark New Zealand inside areas with UFB or other fibre available.

Many rural areas throughout the country are unable to access a mobile service and rely on their landlines as a sole means of voice communication. As mentioned above, it may be many years before mobile services are available, so it is essential that the landline service continue to be provided, maintained and priced at a reasonable level. This is especially important given the distances between rural areas and access to emergency assistance.

We also feel that there should be a service requirement built into any new regulations that require areas that are only able to receive a landline service to have any faults that may occur treated as urgent and rectified in a prompt and timely way - ie: 24 hours not the 2 -3 days or more that our members have had to sometimes wait. We acknowledge that there is no indication in the current proposal being considered of such a requirement, but we would be concerned that our members are not able to quickly contact emergency services should such a requirement be added in at a future date.

5. What risks do you see in this proposal? Please comment on any ways you think these risks could be mitigated.

The proposal would appear to assume that all sectors of society have an equal ability to adapt to new technology. This is not the case, either because of location or because people may not understand how to use new technology or be able to afford to constantly upgrade their equipment.

We believe that the ability to communicate with others via the telecommunications network is a right that needs to be protected and not left up to the 'market' to ensure this happens. Regardless of whether there is access to UFB/other fibre or not, rural or urban locations, the right to be able to communicate, even on a basic level, must not be removed. Furthermore, we consider that it the role of Government to ensure that this basic level of communication is maintained for all communities.

We are unsure how this might be achieved but would be very happy to discuss this further.

6. Please comment on the proposed consumer protection requirements, including your views on how each requirement should be framed (for example, how much notice should Chorus provide before withdrawing copper service?)

We agree that there should be consumer protection requirements built into any regulatory changes. However we note that the protection requirements mentioned relate only to Chorus. In the event that Chorus (for whatever reason) were to cease business or change ownership, we would want to see that protection carried over to any new owner or supplier.

7. Does the ability for end-users to switch to fibre services offer sufficient protection for consumers, in areas where copper is deregulated?

We reiterate on our earlier comments that we feel there should be a maximum form of protection for consumers in all areas, but especially where copper is deregulated and therefore it should be included in any new legislation. Leaving control of the country's telecommunications network in the hands of the private sector is of concern. The concept of 'market competition' equating to better service and reduced prices has not always proved to

be the case (e.g. deregulation of the electricity industry) – particularly when the ‘market’ is owned by overseas companies who are concerned with maximising profit and less so in ensuring a fair deal for all New Zealanders. Access to a reliable, fairly-priced telecommunications service is a right that should be available to everyone, at a reasonable cost, regardless of where they live.

Thank you.

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