



Telstra and TPG proposed spectrum sharing

ATA submission to the ACCC

14 June 2022

1. About the Australian Trucking Association

The Australian Trucking Association and its member associations collectively represent 50,000 businesses and 200,000 people in the Australian trucking industry. Together we are committed to safety, professionalism and viability.

2. ATA recommendation

The ATA **supports** the proposed spectrum sharing between Telstra and TPG.

3. Importance of mobile phone connectivity for the road transport industry

Mobile service coverage and connectivity are critical to the safety of Australia's trucking industry. Road crashes can occur on any part of the road network and a crash at a location with no mobile service coverage effectively cuts off access to emergency services.

Truck drivers can often be the first responder to the scene of a road crash. Lack of mobile coverage on transport routes can be life threatening, through preventing calls to emergency services and preventing truck drivers from accessing health and emergency guidance whilst awaiting the arrival of emergency services.

Connectivity is also vital during an emergency, including bushfires and floods. It can provide access to emergency services, better inform road users of unfolding emergency conditions on relevant transport corridors and ultimately contribute to saving lives.

Mobile service coverage is also important for productivity. Modern trucks are data intensive, with telematics and other technologies providing data to both the truck driver and back to the operator. This enables real-time monitoring of fleets, maximising the potential for efficient and resilient management of Australia's supply chains.

Additionally, a number of government reforms will rely upon mobile connectivity on transport routes. These potentially include heavy vehicle charging, compliance monitoring and network monitoring.

The impacts of COVID-19 have illustrated that trucking is critical to the national economy. Supply chain issues can impact supply for supermarket shelves, essential medical supplies, construction material, agricultural products and the ability of Australian businesses to compete in a global market.

Improving mobile service coverage on transport routes will improve the resilience, safety and productivity of the trucking industry in its essential service of keeping supply chains moving across Australia.

4. Spectrum sharing proposal and delivering improved connectivity and competition for regional mobile coverage

As specified on the [ACCC merger authorisation register](#), the spectrum sharing proposal from Telstra and TPG would broadly include—

- TPG authorising Telstra to use spectrum which it currently owns
- Telstra providing TPG with network services by way of active mobile network infrastructure sharing in the regional coverage zone (approximately 17% of the Australian population)
- TPG to use the services provided by Telstra to provide 4G and 5G retail and wholesale services in the regional coverage zone
- TPG to transfer up to 169 of its existing mobile sites in the regional coverage zone to Telstra
- TPG and Telstra to continue to operate their own networks in metropolitan areas (81.4% of the Australian population)
- An initial term of 10 years, with TPG having two options to extend the agreement by 5 years.

Benefits for regional and rural road transport

The ATA considers the proposed spectrum sharing would **improve the quality of regional mobile connectivity** as well as **increasing competition and choice for regional mobile phone customers**. As a result, there would be strong benefits for road transport in the regional coverage zone.

Specifically—

- Providing access for Telstra to TPG owned spectrum will improve service quality, both within the regional coverage zone and in areas beyond the zone where Telstra may be the only provider. Increasing demand for data services can affect service quality, which can result in patchy service or slow speeds. **Modern trucks are data intensive** and service quality is important to the road transport industry.
- By providing TPG access to the Telstra network in the regional coverage zone, there will be improved mobile phone competition for the 17 per cent of the Australian population in this region. Broadly speaking, choice will increase from Telstra and Optus in these regions to now include Telstra, Optus or TPG. Regional areas provide critical industries serviced by road transport (such as agriculture) and key freight routes cross regional areas.
- For road transport, these benefits extend beyond businesses based in the regional coverage zone to also include those travelling through it.

- The ATA considers that consumers should not have to pay for the construction of a third mobile phone network in the regional coverage zone when a cost-effective alternative exists to better utilise existing equipment and spectrum.

5. ATA contact

The ATA contact for this submission is Samuel Marks, Senior Adviser, Infrastructure and Sustainability on 02 6253 6900 or at samuel.marks@truck.net.au