

## Telstra to consider competition tribunal's decision on landmark network sharing agreement

**21 June 2023:** Telstra today announced it would carefully consider the Australian Competition Tribunal's decision to not grant authorisation for their landmark Multi-Operator Core Network (MOCN) agreement with TPG.

Telstra CEO Vicki Brady said the outcome was disappointing, particularly given the overwhelming support the proposal had received from regional Australia.

"What we've tried to do is take an innovative approach to improve experiences for our customers and to answer calls from stakeholders, including governments, to provide better mobile connectivity, more coverage and more choice for our customers. The agreement with TPG would deliver these benefits almost immediately and for the long-term," Ms Brady said.

"As we consider this outcome, we are also calling for a rethink of policy on spectrum access in light of the ever-increasing demand for mobile data.

"Spectrum needs to be made available to those who can use it most effectively for the benefit of customers. All mobile network operators are facing the ongoing challenge of how to provide more capacity for customers to do all the innovative things they want using our mobile networks. From smart farming, mobile health care and remote education, through to the kids watching movies on family road trips.

"With mobile data demand currently growing at around 30 per cent per annum, there are essentially two ways to add capacity to meet this growing demand – get access to more spectrum or build more towers."

Ms Brady said investing in more towers to add capacity in regional Australia was not always commercially viable or an efficient use of capital or government funds, especially given there was a large amount of spectrum not being used and it wouldn't result in any material increase in coverage.

"As 5G drives increased data use and with 6G on the horizon, as a country we need to be smarter about how we use our spectrum assets and there is a role for government to look at how we do that more efficiently. At the moment we're limited in the amount of spectrum we can buy at auction and, as today's result shows, limited in the type of commercial arrangements we can put in place to improve services for our customers.

"While Telstra will continue to have Australia's largest and fastest mobile network, what today's decision means for the industry – at least for now – is less choice and valuable spectrum in regional Australia going unused.

"We'll continue to advocate for getting the best possible outcomes for regional Australia and continue to look for commercially negotiated sharing arrangements to deliver better experiences for customers," said Ms Brady.

Telstra and TPG will review Australian Competition Tribunal's decision in full before deciding on further action.

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