



Australian Government



Australian  
**Small Business and  
Family Enterprise**  
Ombudsman

24 January 2019

Australian Competition & Consumer Commission  
23 Marcus Clarke Street  
Canberra ACT 2601

By email: [fixedline@acc.gov.au](mailto:fixedline@acc.gov.au)

Dear Sir/Madam

**Fixed line and wholesale ADSL services – final access determinations (FAD) inquiry 2018**

We welcome the review into the pricing structure for fixed line services and we support a reduction in pricing if it follows the reduction trend of the previous final access determination (FAD). In determining the structure it will be critical to ensure that small businesses located in remote areas, dependent on fixed line services, do not suffer increases in rates to offset the decline of usage in metropolitan areas. Furthermore, in rural and remote areas mobile service is intermittent so small businesses are reliant on fixed line services and must not be disadvantaged by prohibitive cost increases.

Accordingly, fixing the FAD to mobile substitution cannot be the only metric to determine pricing structure. While mobile substitution will reflect the decline in demand for fixed line services it does not reflect the impact of location on the dependencies on different services.

Our submission into the Consumer Safeguard Review – Reliability of Service also recommended that fixed line services be provided as part of a back-up system where faults were unable to be rectified within standard timeframes. It is critical for the survival of small businesses to ensure continuity of service if primary telecommunications malfunction. FAD pricing should factor in such a consideration with a view to maintaining uninterrupted levels of service while only recovering the efficient costs of supplying the service.

Finally, we ask that consideration be given to a longer transition period away from fixed line services. While the NBN migration period is drawing to a close, longer transition periods are required to prove its ability to operate consistently and effectively across the entire network.

Thank you for the opportunity to comment. If you would like to discuss this matter further, please contact Jill Lawrence on 02 6121 5312 or at [jill.lawrence@asbfeo.gov.au](mailto:jill.lawrence@asbfeo.gov.au).

Yours sincerely

**Kate Carnell AO**  
Australian Small Business and Family Enterprise Ombudsman