



COMMERCE COMMISSION

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Consultation on Commission's Telecommunications Sector Monitoring

In response to requirements in the Telecommunications Act to undertake telecommunications sector monitoring and information dissemination, the Commission has been producing various sector monitoring reports on a regular basis for nearly two years. In particular, the Commission has produced six telecommunications key statistics quarterly reports and has produced one annual telecommunications market monitoring report. These can be accessed on the Commission's website at:

www.comcom.govt.nz/IndustryRegulation/Telecommunications/MonitoringandReporting

In addition, two quarterly reports on broadband quality have been produced by Epiteiro and IDC for the Commission. The broadband reports are evolving as more information becomes available, so the Commission is not seeking feedback on the broadband reports at this stage.

The Commission would like feedback on the usefulness of its quarterly and annual monitoring reports and how they could be improved.

The Commission has stated in its section 9A guidelines that in discharging its monitoring function, its principal roles are to:

- assess the impact of regulation in segments of the telecommunication markets that are regulated;
- monitor for indications of competition problems in unregulated segments of telecommunication markets;
- generally track whether telecommunication markets in New Zealand are functioning efficiently, and identify any obstacles to efficient markets; and
- report on progress over time in developing more efficient markets.

To assist respondents and to test some initial feedback the Commission has already received, the Commission is posing some questions about its monitoring reports. In answering the questions please bear in mind that to report more information, the Commission generally has to collect more data from the industry, which can impose extra costs all parties involved. Furthermore, whilst the Commission can collect any relevant information, commercial sensitivities may mean not all information can be made public.

However, the Commission will use all information available to draw conclusions about the competitiveness of telecommunications markets in New Zealand.

Questions about monitoring reports

1. Are the Commission's key statistics quarterly monitoring reports useful?
 - a. Is the OECD benchmarking information useful?
 - b. Is the reporting of Telecom data useful?
 - c. Should the Commission try to get quarterly industry data from parties in addition to Telecom?
 - d. Would it be better to report more comprehensive industry data (if possible) but on a less frequent basis?
 - e. What information in the quarterly reports would you like to see presented differently and why?
 - f. What other information would you like to see included in the quarterly reports and why?
 - g. What information do you think should be removed from the quarterly reports and why?

2. Was the Commission's 2007 telecommunications market monitoring report useful?
 - a. What information in the annual report would you like to see presented differently and why?
 - b. What additional information would you like to see included in future annual reports and why?
 - c. What information do you think should be removed from future annual reports and why?

3. Do you support the Commission using an annual industry survey (which is generally supported by the TCF) to collect much of the aggregate industry data not already disclosed by Telecom?
 - a. Once respondents have systems set up to extract the required data, would it be relatively easy and cheap for respondents to provide the data more often than annually?
 - b. Would it be better to have Statistics NZ collect industry statistics if this was able to be organised?
 - c. Are there other ways of collecting industry information that the Commission should consider, and what are they?

4. It has been proposed that the Commission construct consumption baskets for New Zealand usage of fixed and mobile phone services, and use these to compare New Zealand prices to those in other countries. This would be in addition to rather than in

place of OECD benchmarking. Do you support such a proposal, and what suggestions do you have for progressing it?

Please provide your answers and any other feedback via email to telco@comcom.govt.nz by 21 November 2008.