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MEDIA RELEASE



Resale decision welcomed by Telecom

Telecom New Zealand today welcomed the Commerce Commission's final decision to remove certain resale regulatory requirements on Telecom.

"This decision sends an important deregulatory signal to the market at a time when significant investment will be required to deliver next generation fibre access networks," said Tristan Gilbertson, Group General Counsel, Telecom.

Resale regulation was introduced in 2001, with a requirement that Telecom resell all retail level services to competitors, but has since been overtaken by multiple layers of more detailed regulation, including local loop unbundling.

"With this decision, the Commission has recognised the importance of rolling-back early interventions in the market, in light of subsequent developments and rapidly increasing competition," said Mr Gilbertson.

The current resold service price list extends to over 6000 items, despite the fact that competitors now have regulated access to individual network elements, which enable them to build their own competing services, making resale regulation in its current form unnecessary. Telecom supports the Commission's decision to roll-back resale regulation subject to ongoing protections for local access and calling services.

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