



# Extending the Customer Service Guarantee instruments

Department of Infrastructure, Transport, Regional Development,  
Communications, Sport and the Arts

*March 2026*

## Recommendations

This submission recommends the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts:

1. Remake the Customer Service Guarantee (**CSG**) instruments for a period of 3 years.
2. Implement short-term improvements to the CSG scheme to uplift consumer protections, including:
  - a. Expand the criteria of a 'reasonable offer' of interim and/or alternative services to ensure the offer meets the needs, requirements and objectives of the consumer.
  - b. Review damages payable to consumers to ensure they reflect consumer costs and expectations.
  - c. Review the appropriateness of exemptions for natural disasters and adverse weather events.
3. Implement longer-term reforms of the CSG scheme to ensure it is fit-for-purpose and provides robust consumer protections, including:
  - a. Ensure long-term reform reflects the principle that consumers should receive comparable protections and standards of service regardless of technology type, location, or wholesale network provider.
  - b. Simplify regulatory arrangements by aligning the CSG scheme with the Statutory Infrastructure Provider (**SIP**) regime and NBN Benchmark Service Standards to the extent reasonably practicable and appropriate.
  - c. Implement standards, rules, and benchmarks under the SIP regime to bring them in line with NBN Benchmark Service Standards
  - d. Ensure rebates are passed through to consumers in service standard schemes.
  - e. Conduct periodic parallel reviews of the CSG scheme, SIP regime, and NBN Benchmark Service Standards.

## About this submission

The Australian Communications Consumer Action Network (**ACCAN**) is pleased to provide this submission to the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts (**the Department**) consultation on its proposal to extend the CSG instruments.

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ACCAN is the peak national consumer organisation advocating trusted, accessible, inclusive, affordable and available communications and digital services.

## 1. Introduction

ACCAN thanks the Department for the opportunity to comment on its proposed extension of the CSG instruments. ACCAN supports the Department's proposal to remake the CSG instruments for a period of three years. This submission makes recommendations for short-term improvements to the CSG scheme and outlines pathways for broader reform to ensure the CSG scheme better operates in the interests of consumers.

The CSG scheme is a key element of the universal services obligation that guarantees the provision of standard telephone services (**STS**) to consumers that meet certain service standards and benchmarks. While the prevalence of landline connections has declined in recent years, many consumers, including those in regional, rural and remote (**RRR**) areas, continue to benefit from STS, that provide additional redundancy options to maintain connectivity.

However, ACCAN understands from consumers that the CSG scheme does not appear to be operating effectively or delivering material benefits. ACCAN is aware of widespread use of CSG waivers that limit the application of the scheme and consumers often struggle to access compensation.

To ensure robust consumer protections, ACCAN encourages the Department to make a number of improvements to modernise, clarify and strengthen the CSG scheme.

## 2. Short-term improvements to the CSG scheme

ACCAN considers there are several short-term improvements the Department should consider when extending the CSG instruments for another 3 years. These improvements will provide material uplift to consumer protections while the Department considers long-term reform of the CSG scheme.

### 2.1. Strengthen protections regarding interim and alternative services

There is considerable merit in strengthening protections on interim and alternative services offered under the *Telecommunications (Customer Service Guarantee) Industry Standard 2023 (CSG Standard)*, as the protections do not currently meet the needs and expectations of consumers. For example, a consumer in a RRR area may be offered a mobile interim service despite poor mobile coverage at their address that renders the service unusable. In this case, the consumer is, under current settings, not entitled to compensation or any other form of redress.

The Telecommunications Industry Ombudsman (**TIO**) specifically notes that 'an offer of an interim service may not be reasonable if, for example, the interim service is a mobile service and mobile coverage at the consumer's premises is inadequate'.<sup>1</sup> However, this consideration is not contained in the CSG Standard and leaves many consumers without avenues to redress a subpar service. In ACCAN's view, these limitations present barriers to the effective operation of the CSG.

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<sup>1</sup> Telecommunications Industry Ombudsman, 'Faulty Services and Equipment - in Detail' (Web Page, 11 March 2016) <<https://www.tio.com.au/guidance-notes/faulty-services-and-equipment-in-detail>>.

This example demonstrates there is scope for the Department to clarify and strengthen the criteria of what constitutes a ‘reasonable offer’ in the CSG Standard. ACCAN recommends the CSG Standard require carriage service providers to enquire about a consumer’s circumstances, including the availability of mobile coverage at their residence, prior to making a reasonable offer of an interim or alternative service. ACCAN also recommends the CSG Standard explicitly specify that a ‘reasonable offer’ must reasonably meet the consumer’s needs, requirements and objectives. These amendments would substantially strengthen the protections available to consumers and help ensure consumers are entitled to compensation in recognition of poor service.

## 2.2. Review damages payable to consumers

ACCAN understands the last update to the damages payable to consumers for contraventions of CSG performance standards occurred in 2006.<sup>2</sup> Over the past nearly 20 years, connectivity has become increasingly essential for daily life and public safety, and the technological landscape has significantly changed – however many consumers covered by the CSG remain reliant on STS. To ensure the CSG damages reflect consumer costs, needs, and expectations, ACCAN recommends the Department conduct a review of the damages payable to consumers with the aim of modernising the rebate scheme prior to remaking the CSG instruments.

## 2.3. Review exemptions for natural disasters and adverse weather events

ACCAN reiterates our recommendations to the Department’s 2023 thematic review of the CSG (**the thematic review**) that the Department should examine whether exemptions for natural disasters and adverse weather events in the CSG Standard remain appropriate.<sup>3</sup>

ACCAN considers there is scope for the CSG Standard to be amended to align with requirements in the energy sector regarding force majeure events.<sup>4</sup> Amendments to minimise exemptions for natural disasters and adverse exemptions will help ensure that the effects of climate change and increasing natural disasters do not unduly reduce the scope of the CSG standard.

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<sup>2</sup> *Telecommunications (Customer Service Guarantee) Amendment Standard 2006 (No. 1)*.

<sup>3</sup> Australian Communications Consumer Action Network, *Thematic review of the Customer Service Guarantee* (Submission to Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts, March 2023) 6.

<sup>4</sup> Australian Energy Regulator, ‘Service Target Performance Incentive Scheme V6’ (17 April 2025) <<https://www.aer.gov.au/industry/registers/resources/schemes/service-target-performance-incentive-scheme-v6>>.

### **3. Long-term reform to modernise the CSG scheme**

Developments in the communications market necessitate broader reform to the CSG to ensure it is fit-for-purpose today. The thematic review noted that the provision of CSG services relies heavily on NBN Co and other SIPs, with NBN Co delivering the majority of fixed line connections.<sup>5</sup>

However, the review found a small consumer cohort still rely on Telstra networks for voice services, that account for 8% of premises in rural and remote Australia.<sup>6</sup> While the CSG may have diminishing relevance for the majority of Australians, it remains a key consumer protection for a cohort of consumers who rely on landline services, especially those living in RRR areas and/or requiring redundancy communications measures in response to emergencies and natural disasters.

Following the thematic review, the CSG instruments were remade for a period of 3 years in 2023 with a view to allow the Department time to further consider the long-term future of the CSG and how consumers can best be protected.<sup>7</sup> ACCAN notes many recommendations to the thematic review remain outstanding, and considers that the Department should prioritise medium-long term reform of the CSG scheme to ensure that it can offer appropriately robust and enforceable consumer protections in the modern communications market.

#### **3.1. CSG scheme should align with other service standard schemes**

Reform of the CSG scheme should be guided by the principle that consumers receive comparable protections and standards of service regardless of their technology type, location, or the wholesale network that provides their eligible CSG service.

Long-term reform measures should therefore seek alignment between the CSG scheme, SIP regime, and NBN Benchmark Service Standards to the extent reasonably practicable and appropriate. Where a consumer's CSG service is provided by NBN Co or SIP networks, the consumer should be protected by those respective service standard schemes. This would simplify regulatory arrangements and promote equitable access to services, accompanied by comparable protections across different technology types.

#### **3.2. The Government should consider a range of actions**

ACCAN calls for a number of measures to be put in place to ensure efficient implementation and alignment across service standard schemes.

First, the Minister for Communications should exercise the power available to her under Part 19 of the *Telecommunications Act 1997* (Cth) to implement appropriate SIP standards, rules and benchmarks.

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<sup>5</sup> Department of Infrastructure, Transport, Regional Develop, Communications, Sport and the Arts, *Thematic Review of the Customer Service Guarantee (CSG)* (Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts, 22 May 2024) 9 <<https://www.infrastructure.gov.au/have-your-say/thematic-review-customer-service-guarantee-csg>>.

<sup>6</sup> Ibid 10.

<sup>7</sup> Explanatory Statement, *Telecommunications (Customer Service Guarantee) Standard 2023*, 3.

This will ensure consumers on SIP networks receive a similar standard of service and protection to those on the NBN.

Second, to ensure NBN Benchmark Service Standards align with the CSG scheme and SIP regime, the Department should engage with the Australian Communications and Media Authority and Australian Competition and Consumer Commission to consider a service provider determination to mandate NBN Benchmark Service Standards rebates are passed through to consumers.<sup>8</sup> ACCAN notes the issue was last raised in 2020 when ACMA consulted upon a draft determination which stipulated the mandatory passthrough of rebates from retail service providers to consumers within one subsequent billing cycle.<sup>9</sup> Yet no further action was undertaken with this draft determination, with no relevant information remaining on the ACMA's website.

Despite this, ACCAN considers that the substance of the draft determination, including record keeping and publication requirements,<sup>10</sup> would be an appropriate place for the Government to resume work to ensure rebate passthrough. Mandating rebate passthrough would drive greater economic incentives for compliance and stronger consumer protections.

Third, aligning the CSG scheme, SIP regime and NBN Benchmark Service Standards would necessitate parallel review cycles of each service standard scheme. ACCAN notes the NBN Benchmark Service Standards are reviewed on a three-year basis as part of NBN Co's Regulatory Module Application process. ACCAN considers a three-year review period, undertaken by the appropriate regulator, could function as the basis for parallel reviews of service standards schemes and would help ensure service standards are regularly monitored and updated to reflect consumers' needs, expectations, and preferences.

## 4. Conclusion

The CSG scheme should be retained to support consumer cohorts who rely on fixed-line voice services, particularly Australians who reside in locations with no, poor or limited mobile coverage.

ACCAN encourages the Department to consider the short-term improvements outlined in this submission when remaking the CSG instruments to ensure the scheme is fit-for-purpose and provides more robust consumer protections. ACCAN further urges the Department to action broader reform to the CSG scheme and consider its alignment with similar service standards schemes under NBN Benchmark Service Standards and the SIP regime.

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<sup>8</sup> See s 99(1A) of *Telecommunications Act 1997* (Cth).

<sup>9</sup> Australian Communications and Media Authority, *Telecommunications Service Provider (Rebate Pass Through and Retail Service Level Commitments) Determination 2020* (Draft Determination, 2020) 6-7.

<sup>10</sup> *Ibid* 11-12.

We thank the Department for the opportunity to comment on the proposed extension of the CSG instruments. Should you wish to discuss any of the issues raised in this submission further, please do not hesitate to contact, [REDACTED].

The Australian Communications Consumer Action Network (ACCAN) is Australia's peak communication consumer organisation. The operation of ACCAN is made possible by funding provided by the Commonwealth of Australia under section 593 of the Telecommunications Act 1997. This funding is recovered from charges on telecommunications carriers. ACCAN is committed to reconciliation that acknowledges Australia's past and values the unique culture and heritage of Aboriginal and Torres Strait Islander peoples.

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