

Department of Infrastructure, Transport,  
Regional Development, Communications,  
Sport and the Arts  
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## **Submission in response to Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts: Extending the Customer Service Guarantee instruments**

Optus welcomes the opportunity to provide its views on the future of the Customer Service Guarantee (CSG) Standard and associated instruments ahead of their scheduled sunset in August 2026.

Optus supports a 12-month extension of the CSG instruments. That extension should be used to assess whether any targeted retail consumer protection framework is needed in a market that has fundamentally changed since the CSG was introduced, and if so, to develop a framework that is fit for purpose. At the end of that 12-month period, the instruments should sunset.

### **THE CSG IS NO LONGER FIT FOR PURPOSE**

The CSG was designed in 1997 to protect consumers who relied on the Standard Telephone Service as their primary, and often only, means of communication. That world no longer exists. The percentage of Australians who used a landline phone<sup>1</sup> in the six months to June 2025 has declined to 12%, down from 23% in 2022 when the Department last considered this question<sup>2</sup>.

Research from the Australian Communications and Media Authority (ACMA) in 2022 estimated that only 1.6% of households relied solely on a landline as their means of communication<sup>3</sup>, and it is reasonable to assume that figure has continued to fall. Of those remaining households, a significant proportion will be connected via the nbn and may have already waived their CSG rights under a voice-only plan.<sup>4</sup> The population genuinely protected by the CSG today is small and shrinking.

### **A 12-MONTH EXTENSION CREATES THE URGENCY NEEDED TO RESOLVE THE RETAIL REGULATION QUESTION**

Whether dedicated retail service standard regulation is necessary, and if so how it should be designed, remains an open question. A 12-month extension creates a defined and appropriate window of time to answer this question and to develop more

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<sup>1</sup> Including both CSG and non CSG eligible services

<sup>2</sup> ACMA, Trends and developments in telecommunications 2024-25, p7

<sup>3</sup> <https://www.acma.gov.au/publications/2022-10/report/how-australians-make-voice-calls-home>

<sup>4</sup> Part 5 of the CSG Standard provides that, in some circumstances, a customer can agree to waive their rights under the CSG Standard.

fit-for-purpose regulation without the ongoing overhang of an instrument that is no longer serving its original purpose. The industry and the Department should treat the 12-month extension as a working deadline, not a holding pattern, and a fixed sunset at the end of the period ensures the extension does not become an excuse for inaction.

If a retail framework is warranted, it must be developed with a clear purpose in mind, be targeted and enforceable and be aligned with how consumers actually access telecommunications services today. Consistent with best-practice regulation, any successor framework should impose minimum, outcome-focused obligations on retail service providers (**RSPs**) only for matters within their direct control, with clear accountability and without making compliance contingent on wholesale network availability or performance.

## **WHOLESALE REGULATION MAY ALREADY DELIVER THE CONSUMER OUTCOMES SOUGHT BY THE CSG STANDARD**

The 12-month period should also be used to assess what existing wholesale frameworks already deliver, because dedicated retail regulation may not be necessary given existing wholesale frameworks.

The consumer experience for the overwhelming majority of Australian households is now shaped by high-speed broadband services delivered over the nbn or non-nbn superfast networks, not the legacy landline services on which the CSG was originally based. These services are generally provided by RSPs reselling services from nbn or smaller Statutory Infrastructure Providers (**SIPs**) in select areas, with performance expectations set through a combination of:

- the Benchmark Service Standards (**BSS**) under nbn's Special Access Undertaking (**SAU**), improvements to which are currently being consulted on by the ACCC as part of the SAU Replacement Module process;
- the Superfast Broadband Access Service declaration and access determinations managed by the Australian Competition and Consumer Commission; and
- the SIP legislation which includes reserve powers for the Minister to set wholesale service standards if needed.

These frameworks provide several existing wholesale safety nets (covering many of the same performance categories as the CSG) for the retail supply of voice and broadband services that are more closely aligned with the telecommunications market of today than the CSG, and that are subject to ongoing review through various industry consultation processes. Critically, they address service outcomes within the control of wholesale providers and do not impose obligations on RSPs for matters beyond their operational remit.

Any assessment of whether retail regulation is needed must be conducted against the backdrop of what these wholesale frameworks already deliver.



We look forward to engaging constructively with the Department and other industry stakeholders in the coming months.

If you have any questions regarding this submission, please contact [REDACTED]  
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Yours sincerely

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