

Telecommunications Legislation Amendment (Universal Outdoor Mobile Obligation) Bill 2025

Explanatory information

September 2025

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Introduction

This paper provides additional information to assist stakeholders to understand the planned operation of the Universal Outdoor Mobile Obligation (UOMO), which is proposed to be created through the Telecommunications Legislation Amendment (Universal Outdoor Mobile Obligation) Bill 2025.

Background

The Universal Service Obligation (USO) is a long-standing consumer protection that supports access to phone services and payphones. Telstra is responsible for delivering the USO, and must provide standard telephone services (landline phones) on request to premises in Australia within reasonable timeframes, and make payphones reasonably available nationally. This is both a legislative and contractual obligation.

In 2023 the Australian Government undertook consultation on the <u>Better delivery of Universal Services</u> which highlighted the importance of mobile services to the community and concerns that the current universal services framework does not cover this critical form of connectivity, particularly given its significance in times of emergency.

On 25 February 2025, the Government announced it would establish a UOMO as a first step towards modernising the universal services framework. The Government is consulting on a draft Bill to establish the UOMO. This paper provides additional information and context for the draft legislation, an overview of the Bill and how it relates to existing telecommunications legislation.

What is the UOMO?

The UOMO will apply to Australia's three national mobile carriers, Optus, Telstra and TPG (identified in the Bill as Primary Universal Outdoor Mobile Providers (PUOMPs)). They will be required to ensure that baseline mobile coverage, which includes – short message service (SMS) and voice - is reasonably available outdoors to all people in Australia on an equitable basis.

The draft Bill is technology-neutral, which means that it does not specify a particular technology that must be used. This will allow flexibility for PUOMPs in the delivery of the obligation, to accommodate changes in technology over time. It is expected that, Mobile Network Operators (MNOs) would meet the obligation using their existing terrestrial networks where they currently have coverage. Where they don't currently have coverage, MNOs are expected to use emerging direct to device (D2D) technology, provided over Low Earth Orbit Satellites (LEOSats). For these reasons the UOMO has significant public safety benefits enabling people outside of terrestrial mobile coverage to SMS or call for help if lost or injured.

The draft Bill provides a default commencement date of 1 December 2028 with capacity to introduce the requirement sooner subject to market developments. Currently, <u>Telstra</u> is offering a D2D SMS service following a commercial arrangement with SpaceX.

The Bill frames the UOMO as a requirement to provide a baseline service that will enable an end user to send and receive SMS and voice calls. This reflects the differing capabilities of D2D and terrestrial coverage. While data services may become available over LEOSats overtime, the timeframe for when this will be widely available is still to be determined. The Bill deals with this issue by providing a power for the Minister for Communications, by legislative instrument, to add services to the UOMO when the technical capability is available.

Overview of the Universal Services Framework

The UOMO will exist within the existing universal services framework, complementing existing provisions for reasonable and equitable access to standard telephone services and pay phones. The fundamental USO requirements are set out in the *Telecommunications* (*Consumer Protection and Service Standards*) *Act 1999*. The USO aims to and ensure equitable provision of voice services upon request, particularly in regional and remote areas where industry may choose not to provide these services commercially.

Access to fixed broadband is supported by the Statutory Infrastructure Provider (SIP) regime set out in the *Telecommunications Act 1997* (Tel Act). This is a wholesale obligation to provide connectivity. NBN Co is the default SIP nationally and provides broadband infrastructure to premises across Australia using a combination of fixed line, fixed wireless and satellite technology. Other carriers become SIPs generally when they are contracted to service an area such as a new development, or through Ministerial designation. All SIPs have obligations to connect premises to their networks and supply wholesale services that allow retail providers to provide end-users with broadband services with peak download and upload speeds of at least 25/5 Mbps.

How the UOMO fits into the existing universal services legislative framework

The UOMO will form a part of the existing universal service framework. This means that it will be framed in a similar way, with similar powers for the Minister for Communications to adjust the scope and timing of obligations, and for the Australian Communications and Media Authority (ACMA) to enforce the obligation. This framework legislation includes flexibility to specify when it is not reasonable to provide a service. This is important given technology is still being deployed and it is expected that technology will evolve rapidly over time. This also recognises that there are times when a service cannot physically be provided. The concepts 'Mobile telecommunications services' and 'reasonably available' are discussed below under *Key concepts*.

The UOMO will be technology neutral, meaning that the Bill does not specify a particular technology that must be used. MNOs will need to select the appropriate technology to deliver the obligation. The Bill establishes an obligation on MNOs to provide access to baseline voice and SMS services regardless of the technology they are using. Additional services available through terrestrial networks, such as data, will still be provided by mobile providers, but initially this will not be part of the UOMO.

Consistent with the USO and SIP frameworks, the Bill does not set detailed standards or technical requirements at the outset. Instead it creates a framework of powers for the Minister to make standards, rules and benchmarks that could do this, or for the ACMA to make standards, rules and benchmarks if the Minister's powers are delegated to it. This would enable any emerging issues to be addressed if needed and provides flexibility in future as technology evolves.

Key concepts

Outdoors

Terrestrial mobile coverage can generally be made available in a range of outdoor scenarios. While the UOMO will rely on terrestrial coverage in most inhabited areas, the UOMO will also rely on D2D, for coverage across a significant proportion of Australia. However, D2D technology requires an unobstructed line of sight to the sky to enable mobile handsets to connect to a satellite.

Given this, the Bill specifies that outdoors excludes a number of scenarios. The obligation will not apply inside a building, vehicle, aircraft or vessel, or underground or underwater. This means, for example, that the UOMO does not require an MNO to provide outdoor coverage when a consumer is driving down a road (although in time, this may be possible). In an area with terrestrial coverage in-vehicle coverage will be available most of the time, consistent with capabilities of terrestrial mobile technology.

Outdoor mobile coverage

The Bill defines outdoor mobile coverage in two ways. First, in relation to the geographic area in which the UOMO will apply. As set out below, this is nearly all of Australia. Secondly, it is defined in terms of the services that are supplied. As set out below, these are SMS and voice services. The UOMO, as a result, is an obligation to supply SMS and voice such that those services are reasonably available outdoors throughout Australia.

The Bill then further specifies that mobile coverage is available outdoors at a location to the extent to which SMS and voice services are available outdoors at that location. A service is available outdoors if the service is supplied such that a consumer who is outdoors at that location can use the service.

These definitions of outdoor mobile coverage, and availability, are subject to the overarching obligation to make the mobile coverage *reasonably* available. This recognises there will be some circumstances where a service cannot be provided by an MNO.

Mobile telecommunications service

The Bill creates two different concepts – 'mobile telecommunications service' and 'designated mobile telecommunications service'. A mobile telecommunications service is essentially any mobile service that may be delivered. A *designated mobile telecommunications service* then defines the specific mobile services that will be subject to the UOMO initially.

Given the public safety objective of UOMO, it is initially intended that a designated mobile telecommunications service includes voice and SMS services. However, there is provision for the Minister to add services to the obligation in the future. This power could be used if the D2D technology is improved and able to provide broadband data services. The Minister would effectively designate a 'mobile telecommunications service', which underlines why the two definitions are required.

Reasonably available

No telecommunications service can be supplied everywhere at all times. There may be circumstances where either there are limitations on a MNOs ability to supply the service, or where a consumer has not taken the required steps to obtain access to the service. For example, there could be technical limitations (such as, a person is trying to receive a service in a heavily forested area, or the network is being repaired) or a customer has not purchased a compatible device or plan that allows them to access D2D services.

As is also the case with the USO and SIP laws, the Bill would create a power for the Minister to determine circumstances when it would not be reasonable to make mobile coverage available, or matters to which regard must, or must not, be had in determining whether mobile coverage is reasonably available outdoors. The Government's intention is to develop such an instrument after the passage of the Bill and before the UOMO takes effect.

How Australia is defined

The UOMO will apply Australia wide. The Bill relies on the definition of Australia in the Tel Act, which means that it includes the 'eligible' territories of Christmas Island and the Cocos (Keeling) Islands. Other external territories are not included, but could be prescribed by the Minister if required.

Under the Bill, MNOs will be required to ensure mobile coverage is reasonably available throughout the *general Australian outdoor mobile coverage area*, which is defined as Australia, except for any areas that have been excluded.

The Bill excludes the Australian Radio Quiet Zone from the UOMO, consistent with current arrangements which prohibit terrestrial mobile services from being supplied there.

Standards Rules and Benchmarks

The existing universal services framework includes powers for the Minister to make regulatory standards, rules and benchmarks for the USO and the SIP obligations. The Bill proposes similar powers here, including examples of the sorts of things that may be covered. These include the terms and conditions of supply, the reliability of services, the quality of voice calls, the performance of SMS, fault rectification, network congestion and information for end-users. Standards, rules or benchmarks would be legislative instruments and so subject to consultation, sunsetting and disallowance.

The Government would consider whether such instruments are necessary based on market circumstances, noting that where D2D services are used, the technology is evolving and future changes, including to spectrum and technical standards, are proposed by industry.

Ministerial determinations

As publicly announced, the Bill establishes a framework, with some flexibility for the Minister to be able to adjust precise aspects of the UOMO according to capacity of the market. This will provide MNOs, consumers and stakeholders with clarity on how the UOMO will apply and can be adjusted over time as the D2D market develops. These powers relate to:

- the date the UOMO will take effect, where it differs from the default date
- the outdoor mobile coverage area subject to the obligation
- the outdoor mobile coverage obligation for each designated mobile telecommunications service
- what must be supplied or done to fulfil the obligation for each designated mobile telecommunications service
- standards, rules and benchmarks relating to primary UOMO provider/s.

Any decision to make a legislative instrument will follow a consultation period and is consistent with the approach to the USO.

Associated Legislation

Spectrum

The Universal Outdoor Mobile Obligation does not make specific reference to the provision of spectrum for aspects of the UOMO. This is because spectrum licensing is already regulated under the *Radiocommunications Act 1992*, and the ACMA has powers to determine the allocation of spectrum under that Act. The Minister has asked the ACMA to consider the delivery of the UOMO when it uses these powers.

Triple Zero

The Universal Outdoor Mobile Obligation Bill does not refer to the provision of Triple Zero services. This is because obligations on MNOs to support access to Triple Zero services are established by the <u>Emergency Call Service Determination 2019</u>.