

16 June, 2016

# ACMA Review

Department of Communications and the Arts

By email: ACMAreview@communications.gov.au

ACCAN thanks the Department for the opportunity to contribute to the consultation on the Draft ACMA Report.

ACCAN welcomes the overall approach taken in the Draft Report, particularly the proposal to retain the current institutional arrangements for consumer protection; initiatives to support speedy decision making and responses from the regulator; and arrangements that encourage a culture where the regulator can play a decisive leadership role respected by regulated entities and the community.

We have the following additional comments on the draft proposals:

## Economic regulation (Draft proposal 18)

Consumers stand to benefit from the proposal to include competition as a regulatory principle for consideration by the ACMA. We would hope broadening the issues the ACMA can consider would lead to better decision making, and allow the ACMA to address issues, such as those which have arisen in relation to calls to 13/1300/1800 from mobiles. The current self-regulatory approach agreed to by the ACMA in regard to 13/1300/1800 numbers has led to some unintended consequences which impact competition in the resale telecommunications market. When industry agreed to ‘free rate’ 1800 numbers and incorporate 13/1300 numbers within the monthly ‘included value’ of a plan, many resellers were left in a difficult position of either having to absorb these added costs or continue to charge consumers directly for these call types. ACCAN understands that some carriers have come to an arrangement with resellers to free rate or reduce costs for these call types, while others have not. This has resulted in an unsatisfactory outcome, particularly for consumers of reseller services, with call rates to 13/1300/1800 numbers remaining variable and confusing. ACCAN understands because of the voluntary nature of this scheme many of these resale businesses have either felt powerless to renegotiate the terms with their carriers or have been unwilling. We would hope that a regulator with a greater competition focus would be more ‘alive’ to the competition and consumer impact of these types of measures.

## Governance (draft proposals 13, 14, 15)

As indicated in our submission to the Department’s Issues Paper consultation[[1]](#footnote-1), good governance practice is to have interests represented on boards and at executive level that are reflective of the constituency an organisation needs to engage with in order to be effective. The regulator has a significant role to play in relation to advising the Minister on issues affecting consumers, developing public educational programs and information, and providing advice to the public about the telecommunications industry. The effectiveness of the regulator would be enhanced if the skill set of a background in consumer work and understanding of consumer issues was represented on a full time basis at commission level. This would also ensure that the regulator was well respected by the consumer constituency, and build trust between the community and regulator. The existing model for such an arrangement is the ACCC constitution, which requires that at least one member of the commission has knowledge or experience of consumer protection.[[2]](#footnote-2) There is a strong argument for the same to apply to any regulator dealing with telecommunications, because of the large number of individual consumer transactions and contacts affected by the industry.

## Reform of the communications regulatory framework

Any future reform of the communications regulatory framework and development of overarching policy objectives must continue to take into account citizens’ reasonable and equitable access to communications infrastructure and services as a fundamental priority. Effective application of policy objectives must be informed by ongoing consumer consultation, such as consumer engagement through improved formal processes such as the Consumer Consultative Forum. Consideration should be given to focused ongoing consultation for vulnerable consumer groups, such as people with disability. A useful international model is that adopted in the United States by the Federal Communications Commission (FCC), which established its Disability Advisory Committee in 2015 to provide advice and recommendations to the FCC on a wide array of disability matters within its jurisdiction. This includes telecommunications relay services; closed captioning; video description; access to communications services equipment, and emergency services. [[3]](#footnote-3)

Should you wish to discuss any aspect of these additional comments further, please do not hesitate to contact ACCAN on 02 9288 4000.

Sincerely,



Una Lawrence

Director of Policy

1. [http://accan.org.au/our-work/submissions/acma-review](http://accan.org.au/our-work/submissions/1099-acma-review?highlight=WyJhY21hIiwiYWNtYSdzIiwicmV2aWV3IiwicmV2aWV3J3MiLCJhY21hIHJldmlldyJd%20) [↑](#footnote-ref-1)
2. S.7 (4) *Competition and Consumer Act* 2010. [↑](#footnote-ref-2)
3. <https://www.fcc.gov/general/disability-advisory-committee> [↑](#footnote-ref-3)