



THE HON PAUL FLETCHER MP
Minister for Communications, Cyber Safety and the Arts

MEDIA RELEASE

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Modernising consumer safeguards for telco services

The Morrison Government has today commenced consultation on modernising consumer safeguards for telecommunications services.

The *Consumer Safeguards Review Part C* consultation paper is the third and final paper of the Consumer Safeguards Review. It sets out four proposals to improve choice and fairness in the consumer-telco relationship and prepare the telecommunications industry for an operating environment with ubiquitous National Broadband Network (NBN) coverage.

Minister for Communications, Cyber Safety and the Arts, the Hon Paul Fletcher MP, said he welcomes submissions from all interested stakeholders to modernise telco rules and regulations.

“The existing telecommunications consumer safeguards were largely designed for voice services delivered over the copper telephone network. Today we have a vastly different telco landscape with the NBN available to 99 per cent of homes and businesses in Australia,” Minister Fletcher said.

“For example, 51 per cent of Australian adults were mobile-only for voice calls as at June 2019, up from 27 per cent in 2014. 79 per cent of 25 to 34 year-olds rely on mobiles for all voice calls. Australians are using technology in different ways, so we need to make sure the appropriate and necessary regulations are in place. We will also consider areas that consumer experience tells us could work better, including sales, customer service and financial hardship.”

The paper considers options to improve telco-specific rules to supplement Australian Consumer Law, and put in place appropriate incentives and enforcement options to encourage industry compliance. The paper is also seeking submissions on certain requirements relating to the copper phone network as this legacy infrastructure is progressively withdrawn from use and replaced by the NBN and Voice Over Internet Protocol (VOIP), and consumers increasingly use their mobile phones.

“The Government is committed to delivering fit-for-purpose telco regulations that meet the evolving needs of consumers and we welcome submissions to this consultation” Minister Fletcher said.

Consultation on Part C closes at 5.00pm (AEST) on Monday 24 August 2020. The *Consumer Safeguards Review – Part C – Choice and Fairness: Consultation paper*, is available at:
www.communications.gov.au/consumer-safeguards-review

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Background

The [report](#) for Part A of the Consumer Safeguards Review (complaints handling and consumer redress) was released in November 2018.

The majority of the 32 recommendations have been substantially achieved. The TIO has improved internal complaints processes and Board level governance arrangements. The TIO has also enhanced its engagement with ACMA, resulting in increased data sharing and reporting of systemic issues. This was formalised in the April 2020 [ACMA-TIO Memorandum of Understanding](#).

The Government has decided not to go ahead with several recommendations relating to the authorisation and oversight of the TIO scheme (Recs 1.10, 3.1 and 3.2). Similarly, the TIO has decided not to implement Rec 1.8 (and in turn, Rec 1.9) which would have seen it transfer ownership of TIO Limited to the Directors of the TIO Board.

Work is ongoing to implement recommendations relating to enhanced analysis, reporting and publication of complaints handling data by ACMA (Recs 4.6 and 4.7). This will build on ACMA's existing activities under the Complaint Handling Standard and Record Keeping Rules.

The [report](#) for Part B of the Review (reliability of telecommunications services) released on 17 December 2019 provides for the establishment of new forward-looking wholesale service standards and retail level commitments, while consolidating outdated regulation.

Since then, the Department of Infrastructure, Transport, Regional Development and Communications has been discussing implementation with industry, consumer groups and regulators, including interaction with the ACCC's wholesale service standards inquiry.

With the recent enactment of the legislation to establish the new [statutory infrastructure provider scheme](#) for broadband as part of the new [Universal Service Guarantee](#), a key mechanism to implement the Part B reforms, is now in place. Further consultation with stakeholders on the implementation of Part B is planned shortly.