

Fact sheet

June 2011

Background: Australian telecommunications industry & regulation

Q: How is the telecommunications industry currently regulated?

A: The industry is currently self-regulated under a voluntary code called the Telecommunications Consumer Protection (TCP) Code, which is administered by the Communications Alliance, an industry body funded by the telecommunications industry.

Q: What current powers does the Australian Communications & Media Authority (ACMA) have in enforcing the current TCP Code?

A: The ACMA's current powers to enforce the TCP Code are very limited. Because it is a voluntary Code, the most the ACMA can currently do is direct a telco who has breached the Code to comply with the Code.

Q: What role does the Australian Competition and Consumer Commission (ACCC) play?

A: The ACCC's role in telco regulation is mostly to do with competition and advertising practices. In recent years, the ACCC has pursued companies such as Optus over its use of the word "unlimited" in its advertising.

Q: What is a "Standard"?

Where the ACMA finds that the industry (the market) has failed to regulate itself then the ACMA can mandate an industry Standard. A Standard sets out enforceable rules which the industry must follow or face enforcement action, which may include fines or other sanctions. There are currently no industry Standards in effect.

Q: What is a "Determination"?

A: A Determination is otherwise known as a service provider rule, which is similar to a Standard. There are some Determinations in effect currently, such as the Mobile Premium Services Barring Determination.

Q: Who is the Telecommunications Industry Ombudsman (TIO) and what role do they play in this?

A: The TIO is an independent external dispute resolution scheme for small business and residential consumers in Australia who have complaints about their telephone or internet services that they are unable to resolve with their provider. Telco providers must pay the TIO a fee for every complaint it receives on that telco's behalf.

The TIO currently has a dual structure with a Board, made up primarily of industry representatives, and a Council, which includes some consumer representatives. This structure is currently undergoing a review by the Department of Broadband, Communications and the Digital Economy (DBCDE) and the ACMA has indicated today that it thinks the structure must change.

About ACCAN

ACCAN (Australian Communications Consumer Action Network) is Australia's peak communications consumer organisation. ACCAN's goal is available, accessible and affordable communications that enhances the lives of consumers. The operation of ACCAN is made possible by funding provided by the Australian government.