



Position Statement

Telecommunications Legislation Amendment (Competition and consumer Safeguards) Bill 2010

The Bill's structural separation, network access and competition provisions are welcome and set the scene for healthier competition and a much improved industry structure for consumers.

There are also some changes to the consumer protection part of the Bill which address to some degree, two issues specifically pinpointed by ACCAN in its advocacy a year ago.

These are expanding the ACMA's record keeping powers to allow it to obtain regular reports about carriers' and service providers' compliance with their obligations; and enabling the Minister to direct the ACMA to determine an industry standard.

Regarding consumer protection measures, ACCAN thinks the Bill falls short of the best possible outcome for consumers because of the lack of mandatory provisions. The Bill does provide significant new powers to the Minister and the ACMA to get better industry performance and enforcement by the making of industry standards and performance benchmarks for the CSG. But these are all phrased in terms of discretions rather than obligations.

Nevertheless, the Bill, if passed, would allow for a changed atmosphere in the industry led by the ACMA. The spirit of this legislation demands more action from the regulator by giving it such wide powers.

ACCAN welcomes the explanatory memorandum to the Bill which is very clear that the Government sees the industry as having failed to regulate itself and perform as expected, and that this is the reason for the new powers. The same hands-off approach that has prevailed in the past cannot credibly prevail if this Bill is passed.

Therefore, ACCAN believes this Bill sets the scene for improvements for consumers, although it does not go as far as we had hoped. It places enormous responsibility on the Minister and the regulator to use their significant new powers in the interests of consumers. We look forward to encouraging these new powers to be used vigorously.

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