

ATTACHMENT 3

THE LOW HANGING DEREGULATORY FRUIT

Telstra's Licence Conditions

Telstra's carrier licence is filled with obsolete and now redundant obligations. The fact these obligations remain in Telstra's carrier licence is a source of confusion for both Telstra and its regulators in determining the status of compliance with its carrier licence. Every corporation in Australia should have certainty with respect to the obligations that apply to it and Telstra should be no different. In that regard, licence conditions well past their "use by date" should be immediately removed from the licence. In addition, there are a number of obligations in Telstra's carrier licence that have not moved with the times and do not recognise a changed environment vis a vis technology and consumer expectations.

Clause No.	Title	Description	Reason for revocation
5	Industry Development Plan	Requires Telstra to submit an industry development plan and comply with certain clauses under Schedule 1 of the Act as if the plan was a plan under Part 2 of Schedule 1 of the Telecommunications Act.	The Telecommunications Legislation Amendment (Competition and Consumer Issues) Act 2005 repealed Part 2 of Schedule 1 of the Telecommunications Act 1997. As the operative provisions on which the licence condition depends have been removed, the licence condition can have no practicable operation and should be immediately repealed.
9	Alphabetical public number directory	Requires Telstra to produce and distribute copies of the white pages as it did in 1997 – that is, provide each household with a hard copy annually.	In the internet era, placing an obligation on Telstra to physically deliver the White Pages to every home – as it did in 1997 – is well past its use by date. Telstra suggests that the physical delivery requirement be scrapped or at the very least changed to a bi-annual obligation.
11	Differential charging condition	Requires Telstra to differentiate between the charges for handsets and line rental.	With the competitive supply of both line rental and handsets in today's environment, such a constraint on Telstra is no longer relevant.
13	Local Number Portability	Requires Telstra to roll out local number portability.	See licence condition 14.
14	Cessation of clause 13	Requires that clause 13 ceases to have effect when the terms for LNP are determined under section 462 of the Telecommunications	LNP is now governed by an ACMA registered industry code and these licence conditions are now redundant.

Clause No.	Title	Description	Reason for revocation
		Act.	
17	Provision of information to CUSPs and aspirant CUSPs	This licence condition would apply in the event that another person applied to be a competing universal service provider for a contestable area.	There has not been and Telstra does not expect that there will ever be contestability in the universal service areas. Therefore, these obligations on Telstra are now redundant. Revocation of Schedules 2 and 3 of Telstra's carrier licence would also follow.
19	Priority Assistance arrangements	The prescriptive nature of the record keeping and reporting regime associated with Priority Assistance are burdensome and unduly bureaucratic.	Remove sub-clauses 19(8) (a) to (j) but maintain the general obligation to provide reporting in sub-clause 19(8). Telstra/ACMA are discussing reducing the frequency/scope of the existing reporting regime. The licence condition inhibits the parties from making substantive progress.
21	Exemptions from the Customer Service Guarantee	This licence condition cross references the CSG Standard.	This licence condition should be removed and any specific obligations should be included in the CSG standard. This would consolidate and standardise the obligation instead of having two separate sources for the obligations in respect of Telstra.
24	Network Reliability Framework	The NRF requires Telstra to provide numerous levels of overlapping reporting at both a Field Service Area level and national level.	Remove obligation to produce data at the FSA level such that Telstra is only obliged to report at the national level. FSA level is an artificial construct that does not reflect Telstra's operational structures. Data at FSA level does not drive company behaviour/investment decisions nor deliver direct customer benefits. Customer protections via network rehabilitation and for individual customers would remain. National performance will still provide basic regulatory data for ACMA.
31	Internet assistance program for dial-up	Requires Telstra to provide a technical assistance web site to enable customers	With the Government's commitment to provide broadband access to all Australians, this 19.2kpbs

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	internet access	achieve 19.2kbps internet services.	narrowband obligation is well past its use by date.
32	Local Presence Plan	Telstra is required to maintain local presence in rural and regional Australia.	The detailed reporting obligations contained in Appendix B to the Local Presence Plan should be removed. This amendment will not change the underlying obligation but will remove some of the bureaucratic burden associated with it.

Section 105 Reporting

Section 105 of the Telecommunications Act directs ACMA to report to the Minister on the performance of carriers and carriage service providers. This section has spawned numerous red tape reporting requirements which should be pared back to the minimum required.

Title	Description	Reason for revocation
Telstra quarterly payphones reporting	Telstra is required to provide very detailed reporting on payphones.	Metrics that are not key to ACMA's monitoring focus should be removed, namely serviceability, availability, trouble reports, average hours to repair. Key reports such as time to clear faults as provided by Telstra's USO marketing plan would remain.
Consumer benefits study	Since 1997 ACMA has attempted to capture consumer benefits arising from the regulatory regime by tracking industry price movements.	This obligation overlaps with the ACCC's Division 12 report obligations and should be removed.

CSG Standard

The CSG standard itself requires review in the context of a high-speed broadband network, but in the meantime redundant reporting obligations should be removed, as set out below.

Title	Description	Reason for revocation / change
Enhanced Calling Features	Remove the requirement relating to enhanced calling features from the Standard.	This would not impose any consumer detriment as the majority of these are "bestowed" upon service activation. ACMA has provided the Government with a recommendation on this issue. To make this change, the Minister needs to provide a

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		direction to ACMA.
Mass Service Disruptions	The CSG standard should be amended such that mass service disruptions are able to be posted to a common website.	This would ensure that the information is made available to customers in a timely and accessible manner rather than through the clunky mechanism of newspaper advertisements.
Payment terms for CSG liabilities	Each quarter, ACMA requests data on the percentage of CSG liabilities identified and paid within 14 days - every quarter Telstra responds 100%, as this is the appropriate answer.	10 years is enough to show that Telstra's processes in this regard are robust. Further continuation of this superfluous requirement reflects poorly from a red tape review perspective.
Offer of interim and alternative service	Both the CSG Standard (together with Telstra's USO Marketing Plan) requires Telstra to separately offer an interim service and an alternative service. This concurrent offer leads to confusion for customers and consequent difficulties for front of house personnel.	This requirement which has been in place since 1998 has not kept pace with technology and customer preferences and should be streamlined to enable Telstra to offer the most cost effective and convenient solutions for customers.
Overlap between CSG Standard and USO marketing plan	To the extent that obligations are contained in the CSG standard, they should be removed from Telstra's marketing plan.	The overlap between the two documents should be removed to remove overlap and confusion as to the source of Telstra's obligations.
Credit Standing of Customers in CSG Standard	The Communications Alliance Credit Management Code is the primary regulation regarding credit management.	This is therefore redundant in the light of the broader industry based obligation. This would require the Minister to issue a Direction to ACMA to amend the CSG standard.

Industry Cabling Report

ACMA requires monitoring and reporting as a consequence of clause 50, Schedule 3 of the *Telecommunications Act*. The substantive obligation to place all new cable underground except where terrain makes this impracticable remains; additional reporting to accompany the obligation should not be required.