

**COMMUNICATIONS  
ALLIANCE LTD**



**SUBMISSION TO:  
NATIONAL BROADBAND NETWORK:  
REGULATORY REFORM FOR 21<sup>ST</sup> CENTURY  
BROADBAND**

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## 1. EXECUTIVE SUMMARY

Communications Alliance's submission to the Discussion Paper National Broadband Network: Regulatory Reform for 21<sup>st</sup> Century Broadband responds to the matters raised in *Chapter 4: Telecommunications consumer safeguard framework*.

The response approaches the issue of the relevance and structure of industry-specific consumer safeguards, in both the transitional and the future contexts, from a high-level policy perspective. The response then applies the principles to some of the specific consumer safeguards dealt with in Chapter 4.

Communications Alliance submits that it is not possible, at this stage, to arrive at a concluded view on either the relevance or the structure of the industry-specific consumer safeguards in the future NBN environment. Through the auspices of Communications Alliance industry has begun work on defining the NBN services environment and the development of the NBN Reference Model. It is submitted that through this industry discussion and debate the industry-specific consumer protection regime will naturally arise and will inform the review which has been flagged for 2011.

Communications Alliance also submits that there is a need for evidence-based research regarding the appropriateness of legislated consumer protections to address the consumer interest in the broadband environment. Recent reports from the OECD and the UK Better Regulation Executive and National Consumer Council argue that demand-side analysis and research of the needs and motivations of consumer behaviour in the competitive broadband environment is needed to inform regulatory approaches.

Communications Alliance submits that obtaining objective research on consumer behaviour and providing a robust evidence base for consumer policy responses is consistent with the Government policy direction, as evidenced in the

Issues Paper released by the Treasury in May 2009: *Consumer voices: Sustaining advocacy and research in Australia's new consumer policy framework*'.

In the context of transitional arrangements, Communications Alliance submits that the historical policy reasons for introducing the industry-specific consumer protection framework in 1997 may not be relevant or applicable to the NBN environment. There should be no change to 'broaden' or 'strengthen' the safeguards unless and until the policy justification for industry-specific safeguards in the NBN environment are clear.

The consideration of any changes to existing industry-specific consumer safeguards should be guided by the future direction and stated intention in Chapter 5 of the Discussion Paper: that is, the future direction of a convergence framework and a regulatory review in 2011 which includes the scope for winding back industry-specific regulation.

The policy directions emanating from the work of the Productivity Commission on the consumer policy framework, and regulatory red tape, should also guide consideration of any changes. That is, the policy direction away from industry-specific consumer protection legislation to generic legislation, and the recommendations relating to good regulatory process and the role of Regulation Impact Statements. There should be no recommendation of changes to broaden or strengthen existing industry-specific regulations with the potential increased cost for business without a Regulation Impact Statement.

Communications Alliance observes that a number of recent and ongoing Government reviews have considered issues impact the consumer safeguards raised in Chapter 4. No change should be implemented to those safeguards without the submissions to those reviews being taken into account.

In applying the principles set out above to specific consumer safeguards dealt with in Chapter 4, Communications Alliance submits that the appropriate scope of the Universal Service Obligation and any proposal to replace it such as the

Communications Service Standard must be determined on the basis of a full evaluation of the merits and costs of the range of policy options available to meet the Government's universal access goals. Communications Alliance does not support extension of the USO to broadband or mobiles.

Communications Alliance submits that there should be a review of the Customer Service Guarantee to explore changes in customer use of communications devices in current converged environment as the basis for a change in policy drivers of the CSG – in particular, how marketplace behaviours and customer acceptance of those arrangements can give rise to a policy outcome that contemplates a stage reduction of the CSG in an NBN environment.

Opportunities for regulatory red tape removal are also highlighted in the response.

Although not raised in the Discussion Paper, Communications Alliance raises the technical regulatory framework as a matter relevant for consideration in the 2011 regulatory review.

## **2. INTRODUCTION**

Communications Alliance welcomes the opportunity to provide a submission on the Discussion Paper 'National Broadband Network: Regulatory Reform for 21<sup>st</sup> Century Broadband'.

Communications Alliance is the peak industry body for the Australian communications sector. Its mission is to create a co-operative stakeholder environment that allows the industry to take the lead on initiatives which grow the Australian communications industry and foster the highest standards of business behaviour.

This submission deals only with matters identified in *Chapter 4: Telecommunications consumer safeguard framework*, with a view to the content of *Chapter 5: The bigger picture*.

For the avoidance of doubt, nothing in this submission is to be interpreted as relating to any aspect of Chapter 3 of the Discussion Paper.

Members of Communications Alliance will be making individual submissions and this submission is made additional to and complements any other submission you receive from the telecommunications sector.

### **3. TELECOMMUNICATIONS CONSUMER SAFEGUARD FRAMEWORK**

Communications Alliance approaches the issue of industry-specific consumer safeguards, in both the transitional and the future context, from a high-level policy principle perspective and then applies those principles to some of the consumer safeguards dealt with in Chapter 4.

#### **3.1 The objective of Chapter 4**

Communications Alliance notes the opening comments of Chapter 4 Discussion Paper's that:

- i) the Government is committed to '*ensuring that appropriate consumer safeguards are in place, including during the transition to the National Broadband Network and beyond*'; and
- ii) the safeguards examined in Chapter 4 are those within the current regulatory framework; and
- iii) the focus of the chapter is a consideration of what '*changes can be implemented immediately to make the existing regime more effective during the transition to the National Broadband Network environment*'.

The specific questions addressed to the consumer protections use the terminology of 'broadening' and strengthening' the specific protections.

Whilst the introduction to Chapter 4 is directed to regulatory reforms during the transition to the NBN environment, the specific questions posed also go to '*the future, including the National Broadband Network*'.

### **3.2 Principles to determine the relevance and structure of industry-specific consumer protection in the future NBN environment:**

#### **3.2.1 *Need for definition of the environment and development of the NBN Reference Model***

Communications Alliance submits that it is not possible, at this stage, to arrive at a concluded view on either the relevance or the structure of the industry-specific consumer safeguards in the future NBN environment.

Whilst comment on the subject-matter of Chapter 2 of the Discussion Paper – the regulatory environment for the NBN and the rollout of fibre – is not sought, it is highly relevant to note that there are many matters pertaining to the future NBN environment which are as yet unknown. For example, what will be the role of NBN Co and what are the services it will be offering?

Communications Alliance members have begun work on defining the NBN Reference Model. Following a series of industry forums during May 2009, a Discussion Paper has been developed which identifies the issues which need to be worked through to define the environment: see Attachment 1.

The industry forums identified the roles and responsibilities of the yet-to-be-formed NBN Co and definition of the wholesale services which that company would be providing as priority areas. At a minimum, until these areas are clarified – and it is understood what the status of voice services will be in the new environment – it is not possible to be definitive about the relevance and structure of the USO, the CSG, the NRF and the other matters identified in Chapter 4 in the future NBN environment.

#### **3.2.2 *Need for evidence-based research***

The Government has released an Issues Paper '*Consumer voices: sustaining advocacy and research in Australia's new consumer policy*

*framework*' seeking views on on sustainable approaches to support consumer advocacy and consumer policy-focused research.

The Issues Paper states: *'Effective consumer policy reflects a solid information base. Just as governments benefit from effective consumer advocacy, they acknowledge the important role of objective research in making informed, empirically based decisions in developing consumer policy.'*<sup>1</sup>

The importance of research on consumer behaviour in developing policy responses in telecommunications has been highlighted in other jurisdictions. In our 2008 submission on regulatory issues associated with the National Broadband Network, Communications Alliance referred to 2 significant pieces of work which provide international support for re-assessing whether legislated consumer protections such as the USO and the CSG are appropriate responses to service the consumer interest in the broadband environment.

Because of the fundamental need to 'get it right' for the NBN environment, Communications Alliance repeats the substance of that submission. The Reports referred to were:

- OECD: *Enhancing Competition in Telecommunications: Protection and Empowering Consumers* <sup>2</sup>.
- Report by the UK Better Regulation Executive and National Consumer Council <sup>3</sup>.

The OECD Report makes a number of recommendations, including that

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<sup>1</sup> Communications Alliance supports the importance of objective research for consumer policy. In 2008, Communications Alliance commissioned the research project 'Preparing for the Broadband World: Fostering Consumer Confidence through Collaboration and Partnerships'. A follow-up research project has also been commissioned.

<sup>2</sup> *Enhancing Competition in Telecommunications: Protecting and Empowering consumers*, OECD, Committee on Consumer Policy, 2007

<sup>3</sup> *Warning: Too much information can harm*, A report by the Better Regulation Executive and National Consumer Council, November 2007



“Policy makers and regulators should develop a better and fuller understanding of the needs and motivations underlying consumer behaviour in telecommunications markets, especially those of vulnerable consumers (such as those in rural areas, the elderly, minors, disabled, those on low incomes, the unemployed)”<sup>4</sup>.

The Report makes the point that regulation of the telecommunications sector has traditionally focussed on the supply side of the market. Even regulation of universal service has to a large extent emphasised the supply side through such requirements as the need to build-out networks making access available at a reasonable price and determining technical requirements to facilitate consumer use (eg. sound quality, access for the hearing impaired).

The Report notes that emphasis on the supply side was appropriate when the task was to facilitate the development of effective competition in former monopoly telecommunication markets. As competition has developed and the number of new entrants in fixed and mobile telecommunications markets has grown, there has been increased attention by some telecommunications regulators on the consumer demand side.

Attention on the consumer demand side is said to be timely now because informed consumers who are prepared to exert an ability to choose between competing suppliers are necessary to stimulate firms to innovate, improve quality and compete in terms of price. In making well-informed choices between suppliers, consumers not only benefit from competition, but they initiate and sustain it. For consumers to engage effectively in the market and use their ability to vote with their wallet, they need to be able

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<sup>4</sup> Enhancing Competition in Telecommunications: Protecting and Empowering consumers, OECD, Committee on Consumer Policy, 2007, p5

to move quickly and with the minimum constraint between service providers.

The Report also notes that Government policy has been concerned with minimising detriment to the consumer interest result from a lack of consumer information, or misleading information, or mis-selling, or the 'bounded rationality' of consumer decision-making. However, in the view of the Report's author, demand-side analysis is indicating improved insights into actual consumer behaviour that may exhibit systematic departures from the 'rational' behaviour assumed by conventional (neoclassical) economics. That is, even when presented with full information, consumers may not always be in a position to understand and/or use that information to their advantage.

The Report argues that this demand-side analysis raises questions about whether, and if so, what, different policy or regulatory intervention may be necessary to help consumers adopt decisions in their best interests.

"Policy makers and regulators should be mindful that the widely expressed purpose of pro-competition is to enhance consumer welfare. Some regulators have made an important and commendable start on work to provide evidence upon which measures to enhance consumer protection and empowerment can be based. As other regulators also begin to focus more attention on demand side analysis, the evidence will improve and deepen. This will help support further developments in competition that will serve the consumer interest."<sup>5</sup>

The Report by the Better Regulation Executive and National Consumer Council is not telecommunications industry-specific. However, in similar vein to the OECD Report, it is concerned with 'regulated consumer

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<sup>5</sup> Enhancing Competition in Telecommunications: Protecting and Empowering consumers, OECD, Committee on Consumer Policy, 2007, p5

information – that is, information which Government requires third parties – such as business – to provide to individuals making a purchase, or using a product or service, in a personal capacity'<sup>6</sup>.

The Report notes that recent empirical research in behavioural economics has shown that the factors that influence the way that individuals interpret and act upon information are more diverse and sophisticated than once thought.

The question posed by the Report is whether government regulation requiring the provision of information to consumers genuinely helps the effective working of markets?

The Report recommended that there be a reassessment of regulated information to assess:

- Whether these requirements are helping consumers, achieving desired outcomes and whether the impact on business is proportionate; and
- If there are approaches to the use of information requirements that could be adapted by Government and other stakeholders to improve their value add.

It is the submission of Communications Alliance that it is timely to:

- Consider the application of demand-side analysis to the question of appropriate consumer safeguards in the competitive broadband environment.
- Engage research to better inform the needs and motivations of consumer behaviour in telecommunications in the competitive broadband environment.

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<sup>6</sup> Warning: Too much information can harm, A report by the Better Regulation Executive and National Consumer Council, November 2007, p4

- Reassess the approach to regulation of particular consumer safeguards, in particular the USO and the CSG, by asking the question whether this regulation would actually help the consumer interest in the competitive broadband environment?

Communications Alliance submits that this approach is consistent with the Government direction for consumer policy responses to be founded on 'informed, empirically based decisions'.

### ***3.2.3 Policy justification in the NBN environment***

As noted above, Chapter 4 of the Discussion Paper uses terms of 'broadening' and 'strengthening' some of the industry-specific consumer safeguards during the transition to the NBN environment.

Communications Alliance submits that it would not be sound regulatory policy to make recommendations for change for 'broadening' or 'strengthening' the industry-specific consumer protections for a transitional period without a full consideration of the policy reasons for their existence and the continuation of those policy reasons into the NBN environment.

The industry-specific consumer protections which are the subject of Chapter 4 were a response in time to the introduction of open competition in the telecommunications industry in 1997. Twelve years on, and in the context of a multi-provider multi-network environment, it is relevant to question whether the policy drivers for the creation of the industry-specific regime still exist and support extension of the regime to the NBN environment.

The *Telecommunications Act 1997* was the legislative instrument by which open competition in telecommunications was introduced. To facilitate the industry evolving from the monopolistic provision of phone services to the competitive provision and to provide confidence to consumers, the

Government introduced industry-specific regulation in respect of both competition regulation and consumer protection regulation, including:

- The *Telecommunications (Consumer Protection and Service Standards) Act 1997* brought in legislated consumer protections including the Universal Service regime, the Customer Service Guarantee, retail price control arrangements for Telstra, provision of emergency call services and the Telecommunications Industry Ombudsman scheme;
- Part 6 of the *Telco Act* created the framework for the development of industry codes of practice relating to consumer-related issues;
- Section 6 of the *Australian Communications Authority Act 1997* ('ACA Act') included in the telecommunications functions of the ACA the role of reporting to and advising the Minister '*in relation to matters affecting consumers, or proposed consumers, of carriage services, as well as other functions relating to the provision of information to consumers*';
- Section 52 of the *ACA Act* required the ACA to establish an advisory committee – the Consumer Consultative Forum – to assist it 'in performing its functions in relation to matters affecting consumers''
- Part XIB of the *TPA* brought in the provisions for anti-competitive conduct and record-keeping rules in the telecommunications industry;
- Part XIC of the *TPA* created the telecommunications-specific access regime.

The telecommunications industry was not exempted from the operation of Part V of the *TPA* because of the introduction of an industry-specific consumer protection framework. Consumer transactions in

telecommunications were, and continue to be, regulated under both regimes.<sup>7</sup>

Communications Alliance submits that it should not be assumed that the historical reasons for inclusion of industry-specific consumer protections in the regulatory framework for telecommunications will be applicable to the NBN environment. There should be no change unless and until the policy justification for the industry-specific safeguards is clear.

### ***3.2.4 The present needs to be guided by the future direction***

Communications Alliance submits that the consideration of any changes to existing industry-specific consumer safeguards should be guided by the future direction and stated intention in Chapter 5 of the Discussion Paper. That is:

- i) that the future direction of the regulatory arrangements for a broadband-enabled environment is towards a convergence framework; and
- ii) the intention for the Government to review its overall approach to regulation in a convergent environment in 2011: *'A key theme in these considerations will be the scope for **winding back industry-specific regulation** once the National Broadband Network is firmly established as an open access, wholesale-only, national network. This could include the ongoing roles for Part XIB and XIC **and wider consumer protection arrangements.**'* (emphasis added)

In this context, it is also relevant that the Productivity Commission's report on the consumer policy framework in Australia, and its reflection in the

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<sup>7</sup> Communications Alliance made a submission to the Standing Committee of Officials of Consumer Affairs' paper 'An Australian Consumer Law: Fair Markets – Confident Consumers' in February 2009 that the telecommunications industry should obtain the full benefits of the rationalization and harmonization of consumer protection laws under the auspices of the Australian Consumer Law – that the industry should not continue to be regulated under an industry-specific consumer protection framework, in addition to generic consumer protection laws.

proposed amendments to the *Trade Practices Act 1974* to introduce the Australian Consumer Law, support a policy direction away from industry-specific regulation to generic consumer protection legislation.<sup>8</sup>

Communications Alliance submits that this policy direction should guide the consideration of whether there should be any changes to existing industry-specific consumer protection provisions. The presumption should be in favour of 'no fundamental change' until at least the 2011 review of industry-specific regulation.

As noted above, the Discussion Paper uses terms of 'broadening' and 'strengthening' some of the industry-specific consumer safeguards. In this context, it is relevant to note the recommendations of the Productivity Commission in its 2006 paper *'Rethinking Regulation: Report of the Taskforce on Reducing Regulatory Burdens on Business'*.

The Taskforce made a number of recommendations to address the underlying causes of over-regulation and endorsed six principles of good regulatory process.<sup>9</sup> The Taskforce also considered the role of Regulation Impact Statements (RISs) which are mandatory for significant regulations that have the potential to affect business. It was the view of the Taskforce that:

- i) RISs 'should be required to explain why existing regulations would not suffice to deal with the problem being addressed;
- ii) For regulations deemed likely to have material impacts on business, appropriate cost-benefit analysis (including risk assessment) of all options should be undertaken and compliance costs quantified; and
- iii) Where a RIS is required, a draft version should be made available for comment, with sufficient detail to enable meaningful feedback.

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<sup>8</sup> Communications Alliance submission to the Australian Consumer Law paper in February 2009 submitted that the telecommunications industry should obtain the full benefit of the proposed rationalization and harmonization by the removal of the duplication of consumer protection laws for the industry under the *Telecommunications Act 1997* and the *Trade Practices Act 1974*.

<sup>9</sup> Chapter 7.

Communications Alliance submits that there should be no recommendation of changes to broaden or strengthen existing regulations with potential increased cost for business without a Regulation Impact Statement.

### ***3.2.5 Relevance of submissions to recent and ongoing Government review***

Communications Alliance also notes that there are a number of recent and not-yet-concluded Government reviews to which a large number of submissions have been made which are relevant to the industry-specific consumer protection framework. It is submitted that changes should not be implemented to the industry-specific consumer safeguards without these reviews and the wider comments being taken into account.

We make specific reference to the following Reviews:

2008	National Broadband Network: Regulatory Submission
2007	Telecommunications Universal Service Obligation (USO) Review
2009	Annual Review of Regulatory Burdens on business: Social and Economic Infrastructure Services
2009	Digital Economy Future Directions Consultation Paper

## **3.3 Application of principles to specific consumer safeguards dealt with in Chapter 4**

### ***3.3.1 Universal access and Communications Service Standard***

Communications Alliance agrees with the policy objective that underpins the Universal Service Obligation - that all people in Australia, wherever they reside or carry on business, have reasonable access, on an equitable basis, to the standard telephone service and payphones. However, as we submitted to the review of the USO commenced by the Department of



Communications, Information Technology and the Arts (now the Department of Broadband, Communications and the Digital Economy) on 27 June 2007 the current approach to the USO is no longer relevant, will not be relevant in the NBN environment and there are fundamental issues need to be resolved.

The central question to be addressed is how best to achieve that policy objective in an environment of competing networks and technologies and in the context of existing Government-funded programmes to provide universal telephony services as well as access to broadband infrastructure and services.

On the basis of current information presented in the Glasson Report and this Discussion Paper, Communications Alliance does not support the introduction of a proposed Communications Service Standard to replace the current USO, CSG and possibly the Network Reliability Framework.

The appropriate scope of the USO – in particular any proposals to broaden its current scope and other issues pertaining to funding - must be determined on the basis of a full evaluation of the merits and costs of the range of policy options available to meet the Government's universal access goals.

When defining the scope of the universal service goal, policymakers need to have regard to the cost of meeting the objective and the value to users of expanding the universal service features.

Communications Alliance does not support the extension of the USO beyond voice. The fundamental policy objective in the NBN environment should be the provision of consumer access to a 'voice safety net.'

A universal service obligation covering broadband, as is suggested in the proposed Communications Service Standard, is likely to be costly and distort competition. Measures and targeted programs such as the

Australian Broadband Guarantee (and the Government commitment to \$270.07 million over the next four years to fund it) and the Satellite Phone Subsidy Scheme (extended with Government funding of \$11.4) to support broadband networks in rural areas are likely to increase the availability of service to rural users and are likely to be significantly less distorting than expanding the USO to include broadband.

Communications Alliance does not support an extension of a universal service obligation to mobile services as suggested in the proposed Communications Service Standard. The mobile market in Australia is characterized in most areas by multiple infrastructure operators competing on all facets of price and quality. CA considers that the USO should not be used to subsidise the supply of services, such as mobile network services, that would be delivered without subsidy. It is notable that in 2005 the European Commission concluded that *'the evidence demonstrates that the competitive provision of mobile communications has resulted in consumers already having widespread affordable access to mobile communications. The conditions for including mobile communications within the scope of universal service (as set out in the Directive) are therefore not fulfilled.'* (European Commission, On the Review of the Scope of Universal Service in accordance with Article 15 of Directive 2002/22/EC.)

As Communications Alliance has previously submitted to the Departmental review of the USO, the issue of who should provide the service needs to take into account a potential range of alternative models, including contestability models.

The funding mechanism for delivery of the USO is currently by industry fund. On the basis that the cost, governance and transparency of the universal service is reviewed and appropriately defined there is majority support from Communications Alliance members that the delivery of the policy objective of the provision of reasonable access to

telecommunications services should be funded by Government. The submissions of individual members provide detail on this aspect.

### ***3.3.2 Customer Service Guarantee***

ACMA describes the CSG as a 'standard designed to encourage service improvement and guard against poor service. Phone companies must meet minimum performance requirements for specified services and compensate customers when these are not met.'

Given changes in customer use of communications devices since the legislation of the CSG, and in light of the information in the two international reports cited earlier in this submission, Communications Alliance submits that it is timely for the Government to initiate a review of the CSG as was previously done for the USO. The review should consider whether mandating the making of performance standards to be complied with the carrier service providers in relation to customer service is necessary or desirable in an environment of competitive networks, multi-provider, competitive services.

The review should seek to explore changes in customer use of communications devices in current converged environment as basis for change in policy drivers of the CSG. The review could also examine how marketplace behaviours and customer acceptance of those arrangements can give rise to a policy outcome that contemplates a staged reduction of the CSG in a National Broadband Network environment.

Fundamentally, the review should not consider an expansion of the CSG.

We submit that the review should consider a number of issues including:

- What is the purpose of the CSG?

- If it is to minimise consumer detriment, what is the evidence that it has achieved that objective?
- Is the CSG meeting the objectives of s 3 of the Telecommunications Act 1997, ie is it still an 'appropriate community safeguard'?
- Is it actually hampering consumer responses which might otherwise respond by switching to another provider, thus enhancing competition?

### ***3.3.3 Opportunities for red tape removal – CSG Reporting***

Communications Alliance supports regulatory reporting insofar as the information gathered provides meaningful contribution to regulatory and stakeholder decision making. However, we also support the removal of regulatory reporting requirements which impose excessive cost and time burdens on industry without clear evidence that the information is used for decision-making.

Communications Alliance has previously made submissions to the Productivity Commission's Review of Regulatory Burdens on Business initiatives and supports the recommendations made in its January 2006 Rethinking Regulation: Report of the Taskforce on Reducing Regulatory Burdens on business, particularly recommendations 4.44, 4.45 and 4.46.

The roll out of the National Broadband Network presents the government with an opportunity to work with industry to review and revise unnecessary and outdated regulation.

Communications Alliance submits that some areas of regulatory impost and red tape where possible savings could be made include:

- Excessive reporting requirements under section 105.
- Unduly high cost of compliance with interception capability requirements.

The ACMA has the authority to decide which carriers or carriage service providers have to adhere to the CSG report requirements. The CSG compliance reports are based on individual case and transaction reporting on a quarterly basis. They involve the collection, collation and report of substantial amounts of data.

The current approach assumes non-compliance and requires reporting that clearly demonstrates compliance and if there has in fact been compliance.

Communications Alliance submits that alternative approaches would be to reduce the frequency of reporting from the quarterly requirement, and to adopt an approach of using information collected to date to target audit activity to areas of known or likely non-performance.

#### **4. TECHNICAL REGULATION**

Although it is not raised for discussion in the Regulatory Reforms Discussion Paper, Communications Alliance takes the opportunity to raise technical regulation as an additional area for review and reform.

The issue has arisen for discussion at Communications Alliance in the context of the development of technical standards for customer equipment and cabling for the purposes of the *Telecommunications Act 1997*.

Additionally, the Technical Advisory Group (TAG) of the ACMA is engaged in consideration of standardisation and technical regulation particularly as it is impacted by convergence, globalisation and changing industry conditions.

Communications Alliance submits that the technical regulatory environment should be part of the 'bigger picture' and be considered in the review in 2011 of the Government's 'overall approach to regulation in a convergent environment'

## **5. CONCLUSION**

Taking all these matters into account, it is submitted that the transition to the NBN environment should be seen as a 'glidepath'. Not all matters can and should be dealt with here and now – the transition needs to be guided by where we are headed and in response to greater understanding as it evolves of what the environment will look like.

As the industry works through the definitional issues for the NBN environment through Communications Alliance, it is submitted that the industry-specific consumer protection regime will naturally arise for consideration and debate. The discussion and debate should continue and will inform the review which has been flagged for 2011.



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