

8 July 2024

The Manager
Numbering Policy and Regulation Section
Australian Communications and Media Authority

By email: numberingplanreview@acma.gov.au

To the Manager,

Review of the Numbering Plan and other instruments

We refer to the ACMA's discussion paper dated 3 June 2024 for the review of:

- the *Telecommunications Numbering Plan 2015* (**Numbering Plan**), and
- other similarly-sunsetting instruments – namely, the *Telecommunications (Provision of Pre-selection) Determination 2015* (**Pre-selection Determination**) and *Telecommunications (Section of the Telecommunications Industry – Portability Service Suppliers) Determination 2015* (**Portability Service Suppliers Determination**).

Vocus thanks the ACMA the opportunity to provide submissions in response to questions raised in that discussion paper, and its grant of an extension for Vocus' submissions on 1 July 2024.

As a general position, we submit that the review should achieve an outcome which both allows for products and services that are fit-for-purpose to end customers' expectations and needs, as well as maintaining and ensuring appropriate market competition to support innovation of those products and services.

We have addressed certain questions we consider are particularly relevant to us below.

Telecommunications Numbering Plan 2015

Principles-based

1. Do you support a principles-based Numbering Plan where associated operational procedures and requirements are developed and managed by industry through codes and guidelines? Why or why not?

Vocus supports a principles-based Numbering Plan where associated operational procedures and requirements are developed and managed by industry through specific codes and guidelines.

In remaking the Numbering Plan, Vocus submits that the ACMA should not only consider the interests of network operators and carriage service providers but give particular attention to how changes to an established regulatory framework may adversely impact the rights of a telephone number's end customer.

Calls over non-mobile networks

15. Do you agree or disagree that mobile numbers should only be used to originate calls from mobile networks? Why or why not?

Vocus disagrees that mobile numbers should only be used to originate calls from mobile networks. We submit that the imposition of such a limitation would stifle:

- innovation in mobile products and services, despite customers' increasing demand for combined fixed-line and mobile offerings, and
- effectively reduce market competition between mobile network operators.

Whilst we note the importance of reducing scam calls, and usefulness of location and routing data for certain types of services, both involving mobile numbers originating from fixed-line networks, the adverse impact of the proposed limitation on customers would be disproportionate to the intended benefits.

There are valid call flows which transport mobile numbers as A-Party CLI to a C-party. These include call diversion and Inbound services (such as 13/1300/1800 numbers), where calls are forwarded by a subscriber for legitimate purposes such as operating customer service and omni-channel call centres that use mobile numbers for telephony calls and SMSs.

This proposed limitation would negatively impact or functionally break core PSTN and mobile network capability today, including mobile roaming and a carrier's ability to route around interconnect failures to ensure network resiliency.

We submit that commercial arrangements with a third-party mobile network operator should be sufficient to address the prevention of scam calls and location and routing data provision through network-focused technical and operational controls that would not be adequately addressed through a regulatorily-imposed limitation.

Further, such a limitation would practically grant mobile network operators the exclusive ability to distribute services to an end customer and adversely impact market competition. In doing so, it

would limit the options for multi-carrier resiliency of enterprise customers particularly for business continuity purposes.

- | |
|---|
| 16. <i>Are there specific rules or updates that should apply to mobile numbers, including to support changes in technology and in the use of mobile numbers? If so, please provide details and reasons.</i> |
|---|

Vocus considers that if mobile numbers are allowed to be used on non-mobile networks, there should be rules against mobile network operators inappropriately restricting the flow of mobile numbers from fixed-line network operators.

We submit that such regulatory provisions would encourage innovation and consumer choice around combined fixed-line and mobile offerings for which there has been increased customer demand.

Traffic origination from outside Australia

- | |
|---|
| 24. <i>Should there be rules about the use of Australian numbers to originate calls from locations outside Australia? Why or why not?</i> |
| 25. <i>Noting stakeholders have cited scam calls originating offshore using Australian numbers as the reason for this suggestion, should any such rules be in the Numbering Plan or another instrument? Please explain your answer.</i> |
| 26. <i>What would be the effect of such rules on businesses and consumers?</i> |

Vocus refers to existing rules around managing scam calls using Australian numbers originating internationally under clause 4 of the Industry Code C661:2022 'Reducing Scam Call and Scam SMS' (the **Scam Code**). We submit that the substantive content of the existing regulatory framework is appropriate although there may be opportunities to improve monitoring and enforcement of compliance.

A prohibition on the use of Australian numbers offshore would unnecessarily impact customers' legitimate purposes of maintaining offshore operations and international roaming. We further note that the prevalence of scam traffic presenting as local calls is not inherent to Australian numbers as VoIP services may also be misused from locations outside Australia, which would not be addressed through such a prohibition.

Instead of a prohibition, we submit that the ACMA should consider rules allowing carriers to stop and block specific numbers used for illegitimate purposes, as well as restrictions on the use of Australian numbers for Australian residents and businesses with Australian operations only.

Cancellation of enhanced rights of use for numbers used for scam and fraud purposes

40. *Do you support these initiatives? Why or why not?*

Vocus supports the legitimate enforcement of regulatory initiatives aimed at the prevention of scam and fraud purposes. This includes the ACMA's proposal to expand the grounds for cancellation of EROU to include scam activity on the number and imposing a 12-month "lockout" period for smartnumbers withdrawn on the grounds of scam activity.

Multiple services to a number

43. *Do you support the use of numbers by multiple CSPs? Why or why not?*

44. *Can you provide some evidence/data of the benefits or harms of this practice? Please provide details and indicate if this information is provided in confidence?*

Vocus supports the use of numbers by multiple CSPs (the **multiple-service practice**) and opposes the prohibition of the practice as it would:

- make associated products and services unavailable to carriers and CSPs to ensure its own network resiliency through call termination service (CTS) products, as well as to customers (including both customer CSPs and end-users) who have legitimate business needs for their use, and
- effectively reduce market competition between CSPs, who would be limited in their ability to meet customer demand (including adjusting customer CSPs' set-up to meet their own business requirements such as sending traffic through carriers with lower call prices for certain call types and destinations) and maintain network quality.

We cannot support the characterisation of the practice as undermining scam mitigation initiatives and safeguards. We submit that any such risks can be appropriately managed through fit-for-purpose commercial arrangements, as well as technical and operational controls, being put in place between relevant CSPs.

A prohibition would see significant ongoing compliance and administrative costs incurred not only by CSPs but end-users who currently rely on associated products and services.

45. *Which of the 3 potential options do you consider to be most viable in the circumstances and why? Please provide details.*

46. *What are the potential benefits and costs to industry and end-users of each option?*

Vocus considers that option 2 of introducing rules to manage the multiple-service practice (with some modifications to the ACMA's stated proposal) is the most viable in the circumstances having regard to the practice's usefulness within the industry and potential for rules to better support industry codes to manage prevention of scam and fraudulent calls.

This said, we do not support the implementation of a rule creating a regulated compensation framework where CSP B (being a CSP that provides a service to a number it does not hold) to CSP A (the holder of that number). We submit that such a rule would cause adverse impacts contrary to the intended purpose of ensuring proper cost recovery and fair allocation of associated regulatory costs incurred in managing the multiple-service practice. Such a rule will cause significant financial burden across the industry in imposing an additional cost above and beyond commercial arrangements already in place between relevant CSPs which cover the multiple-service practice. Further, it will limit market competition and consumer choice by inducing some CSPs, who are already well-placed to absorb additional costs at the scale of the current multiple-service practice, to pass down those costs as higher prices for end-users.

Vocus further considers that:

- option 1 of no change / status quo to the regulatory treatment of multiple-service practice is the least disruptive across CSPs' and end customers' current operations, although we see merit in the introduction of rules to better support industry codes managing the prevention of scam and fraudulent calls, and
- option 3 of prohibiting multiple-service practice would ensure better number confidence but create significant disruption and adverse impacts on carriers, CSPs and end-users in a way not previously experienced in the industry. Whilst such a prohibition will likely disrupt scam and fraudulent call traffic, it will also disrupt the significant remainder of PSTN traffic used for legitimate purposes.

47. *If option 2 were preferred, what should the rules be and how would these best be achieved/implemented? Are different solutions required for voice and SMS or fixed and mobile services?*

Vocus is open to further discussions on the substantive content of rules implementing option 2, whilst noting that we consider:

- different solutions should be required for voice and SMS products, and
- there should not be a rule creating a regulated compensation framework between CSP B to CSP A (as discussed above in relation to questions 45 and 46).

Our preference for option 2 is also subject to having a clearer understanding of implementation timeframes. This would ensure that steps can be taken to minimise operational disruption to our customers and other CSPs.

48. *Are there other solutions or measures that could be implemented to address the concerns to date?*
49. *Is legitimate use of the multiple-service practice a problem? Please explain and provide specific details.*

Vocus does not consider that legitimate use of the multiple-service practice to be a problem.

In addition to the supporting arguments outlined by the ACMA for option 3, we note that lawful intercept is often cited as an issue with multi-homed services. However, we submit that this has never been a problem in practice as carriers have readily cooperated with relevant law enforcement agencies in determining where traffic is being originated.

We further submit that the stronger monitoring and enforcement of the Scam Code and traceback to remove CSPs which commonly generate scam and fraudulent call traffic should address stakeholders' concerns regarding the practice. Such steps would negate the need for a blanket prohibition on multiple-service practice.

Specific questions for stakeholders that use or are affected by multi-service practice

[REDACTED]

50. *If you are a CSP that uses the multiple-service practice to originate calls/SMS using numbers issued to your customers by another CSP:*
- a) *How many customers and how many numbers in total do you apply this practice to? What number types are used?* [REDACTED]
- b) *What specific services do you provide to customers using these numbers? What is the total volume of calls and/or SMS sent?* [REDACTED]
- c) *What is the total revenue received from services provided to customers using this practice?* [REDACTED]
- e) *Would a customer be able to port their number to you and receive an equivalent service to that supplied by their current CSP? If not, why not?* [REDACTED]
- f) *Do you have (or have you attempted to put) any agreements in place with the CSPs that hold the numbers of customers to whom you provide services? If not, do you notify the CSPs of your use of their numbers? If not, why not?* [REDACTED]

51. If you are a CSP that holds numbers being used by other CSPs to originate calls on another network (on behalf of a customer who has rights of use of the number) using this practice:
- a) *How many of your customer numbers, that you estimate or are aware of, are being used by other CSPs for this practice? How did you become aware of this use?*
 - b) *If you are aware of another CSP using numbers you hold, have you taken any steps regarding that arrangement (for example, putting an agreement in place, contacting the customer, putting the customers' number on an 'allow' list etc)? If yes, please outline them; if not, why not?*
 - c) *Do you provide similar services to those your customers are seeking to obtain from other CSPs? If so, are you aware of why your customers aren't obtaining these services from you?*
 - d) *What effect does this practice have on your business? What specific costs (if any) do you incur as a result of your numbers being used for this practice? Have there been any harms or detriments to your business or your customers because of this practice? Please provide specific details.*

Provisions of Pre-selection Determination

- 52. *Is the Pre-selection Determination still fit for purpose? Please provide reasons?*
- 53. *Is the Pre-selection Determination still required to support the competitive delivery of long distance, international and fixed-to-mobile calls? What is the demand for pre-selection? Please provide details.*
- 54. *Should the ACMA remake the Determination? If so, are there any changes that should be made to the Determination?*
- 55. *What would be the likely effect of allowing the Determination to sunset on end-users, and/or to any other arrangements, including on the operation of the FAOS?*
- 56. *Are there any other factors the ACMA should consider when reviewing the Determination?*

Vocus notes the prior review undertaken by the ACMA in 2020 on the Pre-selection Determination.

Our views in relation to the Determination remain consistent with our submissions to that prior review; we consider that the Determination has outlived its usefulness. Pre-selection allows consumers with a standard fixed line to choose one provider for their line rental and local phone

Level 10, 452 Flinders Street,
Melbourne, VIC 3000

1300 88 99 88
info@vocus.com.au

vocus.com.au

calls and another provider for long-distance calls, international calls and calls to mobile phones. The Determination amended Part 17 of the Telecommunications Act to limit pre-selection obligations to services delivered over the legacy copper network.

The Determination is no longer relevant as a competition measure given the far more competitive market than the early 1990s, changes in industry practice, popularity of bundling, the ease for consumers to switch providers, and migration of voice services to the NBN.

Vocus submits that there has been negligible demand for pre-selection services since the 2020 review of this Determination. Pre-selection has not been promoted by providers for over a decade and is largely forgotten as a service by consumers.

We submit that the Determination is no longer required to support the competitive delivery of long-distance, international and fixed-to-mobile calls. When pre-selection was first introduced in the early 1990s, it allowed consumers access to a range of service providers other than Telstra. In the more competitive environment today, it no longer retains any meaningful importance as a competition measure.

To this end, Vocus submits that the ACMA should not remake the Determination. In allowing the Determination to sunset on end-users, we consider that there would not be an adverse impact on consumers.

Portability Service Suppliers Determination

57. *Is the Determination still fit for purpose? Please provide reasons?*
58. *Should the ACMA remake the Determination?*
59. *Are there any other factors the ACMA should consider when reviewing the Determination.*

Vocus submits that the Portability Service Suppliers Determination is still fit for purpose in ensuring that portability service suppliers may continue to formally participate in the drafting and consultation of number portability codes and be subject to relevant compliance action.

As such, we submit that the ACMA should remake the Determination on an as-is basis.

If the ACMA would like to discuss any of these matters or our submissions above in further detail, please do not hesitate to contact Justin Martin at [REDACTED].

Yours sincerely,

Vocus Group

Level 10, 452 Flinders Street,
Melbourne, VIC 3000

1300 88 99 88
info@vocus.com.au

vocus.com.au