

Draft Annual Carrier Licence Charge 2024–25

Consultation paper

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Executive summary

The ACMA is Australia's regulator for broadcasting, radiocommunications, telecommunications and some online content. As an Australian Government agency, we are required to define and implement, where feasible, charges for recovering the costs of our products and services, in accordance with the [Australian Government Charging Policy \(the charging policy\)](#).

The charging policy provides the overarching framework for government entities to plan, implement and review their charging activities. As part of the policy, agencies that undertake cost-recovery activities are required to periodically review the charges they impose.

The *Telecommunications (Carrier Licence Charges) Act 1997* (the Act) imposes an Annual Carrier Licence Charge (ACLC) on each carrier licence that is in force at the beginning of a financial year. The ACLC is calculated annually, in accordance with a written determination made by the ACMA, to recover certain telecommunications costs incurred by the ACMA, the Australian Competition and Consumer Commission (ACCC) and the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts (DITRDCA) from carriers.

We are required to prepare a Cost Recovery Implementation Statement (CRIS) in accordance with the [Australian Government Cost Recovery Policy \(the cost recovery policy\)](#) for the implementation of the proposed ACLC each year. As required by the cost recovery policy, the ACMA must consult with industry stakeholders on the proposed CRIS before any potential changes are made.

A draft CRIS for the ACMA's ACLC is available on our website alongside this paper. The draft CRIS:

- incorporates the relevant details of the proposed charges
- describes the methodology used for the calculation of the proposed ACLC
- provides explanations for variances from the previous financial year.

The draft CRIS includes a separate document, *Cost Recovery Implementation Statement* (at Attachment B), which explains the approach the ACMA proposes to implement cost-recovery arrangements for the Measuring Broadband Australia (MBA) program on behalf of the ACCC. The MBA program monitors National Broadband Network (NBN) fixed-line services provided by carriers and carriage service providers with significant market presence. The ACCC is responsible for administering the program, which commenced on 1 July 2017.

From the 2019–20 financial year onwards, the ACMA has been required by the government to recover the costs associated with our Consumer Safeguards Part A program, as part of the ACLC under paragraph 15(1)(a) of the Act. The costs incurred for the Consumer Safeguards Part A program for the 2023–24 financial year have been incorporated in the draft CRIS (see Table 9).

The program involves communicating systemic issues to carriage service providers and analysing and reporting complaints-handling data. This includes managing the collection, validation, analysis and verification of telecommunications complaints-handling data under the [Telecommunications \(Consumer Complaints\) Record-Keeping Rules 2018](#). Further details about these activities are provided in the draft CRIS.

To give effect to the proposed ACLC, several written determinations have been, or are proposed to be, made by the ACMA, the ACCC and the minister under sections 14 and 15 of the Act. These determinations are discussed in this consultation paper and in the draft CRIS.

From the 2024–25 Budget, the ACMA received government funding for the Fighting Scams measure to combat scams through the introduction of mandatory rules to be established under a new Scams Prevention Framework. Costs are not proposed to be recovered as part of this CRIS – that is the 2024–25 ACLC. It is anticipated that the cost of delivering this program will form part of the ACLC from the 2025–26 financial year that will be ongoing and determined under paragraph 15(1)(a) of the Act.

Further details on these activities are provided in sections 2.1 and 3.6 of the draft CRIS.

Issues for comment

This consultation paper does not pose specific questions. However, we welcome comment from interested stakeholders on:

- the proposed ACLC
- the draft CRIS for the ACLC (which includes the Consumer Safeguards Part A program cost-recovery arrangements)
- the CRIS for the MBA program
- the proposed upcoming Fighting Scams measure cost recovery arrangements
- any other issues relevant to the proposed charges.

This paper initiates the consultation process, which will be open for 4 weeks commencing 15 August 2025 and ending 12 September 2025.

You can find details on how to make a submission in the [invitation to comment](#) section at the end of this paper.

Annual Carrier Licence Charge

Subsection 14(1) of the Act requires the ACMA to make a written determination setting out how the ACLC imposed on a carrier licence for the 2024–25 financial year is to be worked out.

The total of the charges that are imposed on carrier licences in force at the beginning of a financial year must not exceed the sum of the following 5 cost components determined under paragraphs 15(1)(a) to (d) of the Act. We propose to make a determination under paragraphs 15(1)(a), (c) and (ca) of the Act, to determine the cost components under those paragraphs. The ACCC intends to make a determination under paragraph 15(1)(b) of the Act setting out the costs attributable to its telecommunications functions and powers, and the previous Minister for Communications (the minister) has made a [written determination](#) under paragraph 15(1)(d) of the Act setting out the estimated total amount of grants likely to be made during the 2024–25 financial year under section 593 of the *Telecommunications Act 1997* (the Telecommunications Act).

1. ACMA's component for the 2024–25 ACLC

This amount will be determined by a written instrument proposed to be made by the ACMA under paragraph 15(1)(a) of the Act. It is the amount attributable to the ACMA's telecommunications functions and powers for the preceding financial year (the 2023–24 financial year). For the purposes of the Act, the ACMA's telecommunications functions and powers are as defined by section 7 of the Telecommunications Act and in section 8 of the *Australian Communications and Media Authority Act 2005*, but do not include the matters excluded by subsection 15(4) of the Act. The proposed amount is set out in Table 1 below. Table 1 contains 2 figures – the first amount represents the ACMA's costs attributable to telecommunications functions and powers, excluding the cost incurred for the Consumer Safeguards Part A program. The other amount represents the Consumer Safeguards Part A cost.

2. ACCC's component for the 2024–25 ACLC

The ACCC proposes to make a written determination under paragraph 15(1)(b) of the Act setting out the amount determined to be the proportion of its costs attributable to the telecommunications functions and powers of the ACCC in the preceding financial year (the 2023–24 financial year). The ACCC's telecommunications functions and powers are defined by subsection 15(4) of the Act and section 7 of the Telecommunications Act. Costs associated with the MBA program are included under paragraph 15(1)(b) of the Act. The MBA program is part of the ACCC's functions of monitoring the telecommunications industry and promoting competition and consumer benefits. The ACCC's costs determined under paragraph 15(1)(b) of the Act that are attributable to the MBA program costs are recovered in arrears (that is, costs for the 2023–24 financial year) from monitored carriers via the ACLC. The proposed amount is set out in Table 1 below.

3. The Commonwealth's contribution to the International Telecommunication Union (ITU) component for the 2024–25 ACLC

Paragraph 15(1)(c) of the Act requires the ACMA to determine the proportion of the Commonwealth's contribution to the budget of the ITU associated with telecommunications in the 2024 calendar year. This amount is proposed to be determined by the ACMA, based on advice provided by DITRDCSA, in a

determination to be made under paragraph 15(1)(c) of the Act. The proposed amount is set out in Table 1 below.

4. ACMA's payment for the development or variation of industry codes by a telecommunications industry body for the 2024–25 ACLC

Section 136C of the Telecommunications Act requires the ACMA to make payments on behalf of the Commonwealth to reimburse industry bodies that develop or vary industry codes that are subsequently registered by the ACMA under Part 6 of the Telecommunications Act. Paragraph 15(1) (ca) of the Act requires us to determine the sum of the amounts paid under section 136C of the Telecommunications Act for the immediately preceding financial year to the one in which the ACLC is imposed (in this case, the 2023–24 financial year). We propose to determine this cost component in a determination to be made under paragraph 15(1)(ca) of the Act. The proposed amount is set out in Table 1 below.

5. Government's consumer representation and research grant (estimate) for the 2023–24 ACLC

Under paragraph 15(1)(d) of the Act, the previous Minister has made the [Telecommunications \(Carrier Licence Charges\) \(Paragraph 15\(1\)\(d\) Estimated Total Grants\) Determination 2025](#). This is an instrument setting out the estimated total amount of grants likely to be made under section 593 of the Telecommunications Act during the 2024–25 financial year. Section 593 of the Act provides for the minister to make grants of financial assistance:

- to consumer bodies for purposes in connection with representations of the interests of consumers in relation to telecommunications issues
- to persons or bodies for purposes in connection with research into the social, economic, environmental or technological implications of developments relating to telecommunications.

For the purpose of ascertaining the ACLC payable by a liable licensed carrier, their eligible revenue for the 2023–24 financial year, as assessed by the ACMA, is proposed to be used as a basis for determining the carrier's ACLC. As adopted since the 2018–19 financial year, the methodology proposed for the allocation of the total charge of the MBA program to individual carriers is based on the number of NBN fixed-line connections operated by all monitored service providers that are also carriers and liable to pay the ACLC.

The methodology proposed for the allocation of the Consumer Safeguards Part A program costs to the liable carriers that are also qualifying carriage service providers subject to the [Telecommunications \(Consumer Complaints\) Record-Keeping Rules 2018](#) (the RKR) is based on each qualifying retail carriage service provider's eligible revenue.

The proposed methodology for calculating a carrier's ACLC is set out in section 3.6 of the draft CRIS and section 3.2 of Attachment B of the draft CRIS (available alongside this paper on the ACMA website). The total ACLC for all carriers for 2024–25 and the methodology used to determine the individual charge payable by each carrier (including the names of the carriers that are qualifying retail carriage service providers) will be specified in the determination made by the ACMA under subsection 14(1) of the Act.

Proposed ACLC

The cost components proposed to be recovered through the ACLC are set out in Part 3 of the draft CRIS and Attachment B of the draft CRIS for the MBA program (available alongside this paper on the ACMA website). A summary of the cost components is provided in Table 1 below. As shown in the table, and as required by the Act, the ACMA, ACCC and industry code development cost components are based on the 2023–24 financial year. ITU costs are based on the 2024 calendar year, and the component for consumer representation and research grants is for the 2024–25 financial year.

Table 1: Summary of proposed charges

Ref	Cost component descriptions	Proposed cost component for 2024–25 ACLC	Cost component for 2023–24 ACLC	Variance inc/(dec)	Change % inc/(dec)
15(1)(a)	ACMA's recoverable costs attributable to its telecommunications functions and powers for the previous financial year (excluding Consumer Safeguard Part A costs)	\$14,296,214	\$13,059,258	\$1,236,956	9%
15(1)(a)	ACMA's costs attributable to its telecommunications functions and powers for the previous financial year in relation to the Consumer Safeguard Part A	\$730,127	\$581,350	\$148,777	26%
15(1)(b)	ACCC's costs attributable to its telecommunications functions and powers for the previous financial year (excluding the MBA program)	\$11,482,358	\$11,397,019	\$85,339	1%
15(1)(b)	ACCC's costs attributable to the telecommunications functions and powers in relation to the MBA program for the previous financial year	\$1,837,036	\$1,644,950	\$192,086	12%
15(1)(c)	The proportion of the Commonwealths (i.e., DITRDCA) contribution to the budget of the International Telecommunication Union (ITU) for the calendar year in which the beginning of the charging period occurs	\$2,526,335	\$2,179,686	\$346,649	16%

Ref	Cost component descriptions	Proposed cost component for 2024–25 ACLC	Cost component for 2023–24 ACLC	Variance inc/(dec)	Change % inc/(dec)
15(1)(ca)	The sum of amounts paid to under section 136C of the Telecommunications Act (for reimbursement of industry costs for industry code development or variation) for the previous financial year	\$0	\$0	\$0	0%
15(1)(d)	The estimated amount, determined by the minister, of total grants likely to be made under section 593 of the Telecommunications Act in the current financial year	\$2,721,000	\$2,624,000	\$97,000	4%
	Total ACLC amount	\$33,593,070	\$31,486,263	\$2,106,807	7%

Note: More details for each component are provided in section 3 of the attached draft CRIS and section 3 of Attachment B of the draft CRIS. The amounts disclosed for paragraphs 15(1)(a) and 15(1)(b) above are to be the same amounts as the amounts to be disclosed in ACMA's and ACCC's determinations respectively when these are made.

1. The ACMA's costs (excluding Consumer Safeguards Part A costs) under paragraph 15(1)(a) of the Act has increased by 9 percent (\$1.24 million) from the previous financial year. The change in costs is mainly attributable to regulation development and compliance, enforcement and consumer safeguards as a result of increased ACMA effort towards:
 - Code and standard regulation development, including the Telecommunications (Financial Hardship) Industry Standard 2024, Telecommunications (Consumer Complaints Handling) Industry Standard Amendment 2025 (No.1), TCP Code review and NBN Access Transfer Code.
 - Early development work on remaking the Telecommunications (Labelling Notice for Customer Equipment and Customer Cabling) Instrument 2025, telecommunications standards and a new Telecommunications Cabling Provider Rules 2025.
 - Ensuring compliance with the Statutory Infrastructure Provider framework in Part 19 of the Telecommunications Act.

The ACMA continues to base its resourcing decisions around its priorities, which will see fluctuations in spend over time between its important regulatory activities.

2. The Consumer Safeguards Part A program costs have increased by 26% (\$0.15 million) from the prior year. This was predominantly due to an increased number of systemic referrals from the Telecommunications Industry Ombudsman (TIO) and consumer bodies, particularly in relation to priority areas such as financial hardship and domestic and family violence.

3. The ACCC's costs to be determined for the purpose of the 2024–25 ACLC (excluding the MBA program costs) under paragraph 15(1)(b) of the Act have increased by 1% (\$0.09 million) from the previous year, largely driven by:
 - Higher employee costs due to a combination of increased staffing needed to conduct and finalise a combined declaration inquiry of 9 services, and salary increases following the ACCC's successful outcome of its new Enterprise Agreement.
 - Reduced consultancy costs as the provision of external advice and support on the review of NBN Co's Special Access Undertaking (SAU) mostly occurred during the previous year.
 - Reduced overhead costs due to the ACCC's other program areas expanding in size from new government work, and therefore absorbing more overhead costs than the previous year.
4. The ACCC's MBA program costs have increased by 12% (\$0.19 million) from the previous year, which mostly relates to the recognition of dedicated staffing costs associated with the management of the MBA program.
5. The component under paragraph 15(1)(c) of the Act relates to the Commonwealth's annual contribution to the budget of the International Telecommunication Union (ITU) associated with telecommunications for the 2024 calendar year. The contribution is made in Swiss Francs each year by DITRDCSA and consists of a member state contribution and a voluntary contribution. The expenditure in Australian dollars has increased by 16% (\$0.35 million) from the previous calendar year largely due to an increase in ITU-T output costs as a proportion of ITU's overall output costs and the difference in the exchange rate at the time of payment. This was partially offset by a decrease of 5% in total costs (\$0.38 million) due to the 2024 voluntary contribution paid being excluded from the calculation for this CRIS. Excluding the voluntary contribution is consistent with section 15(1)(c) of the Act, which legislates the cost-recovered amount to be a proportion of the Commonwealth's contribution to the ITU's budget.
6. For the cost component under paragraph 15(1) (ca) of the Act, no reimbursements were made for the development or variation of industry codes in the 2023–24 financial year by the ACMA under section 136C of the Telecommunications Act.
7. The component under paragraph 15(1)(d) of the Act relates to the minister's estimated allocation of grants under section 593 of the Telecommunications Act. The [determination for the 2024-25 grants](#)¹ was made by the previous minister on 28 January 2025. The amount was based on grants made or expected to be made to the Australian Communications Consumer Action Network and was subject to indexation, which has resulted in an increase of 4% (\$0.10 million) from the previous year.

¹ [Telecommunications \(Carrier Licence Charges\) \(Paragraph 15\(1\)\(d\) Estimated Total Grants\) Determination 2025 - Federal Register of Legislation.](#)

Invitation to comment

Making a submission

We invite comments on the issues set out in this consultation paper and the draft CRIS.

[Online submissions](#) can be made by uploading a document. Submissions in PDF, Microsoft Word or Rich Text Format are preferred.

Submissions by post can be sent to:

The Manager
Revenue, Cost Recovery, Budgets and Operations
Australian Communications and Media Authority
PO Box 78
Belconnen ACT 2616

The closing date for submissions is **COB, Friday 12 September 2025**.

Consultation enquiries can be emailed to costrecoveryteam@acma.gov.au.

Publication of submissions

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