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Australian Communications and Media Authority
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Proposed Annual Carrier Licence Charge 2024-25

ACCAN welcomes the opportunity to submit to the Australian Communications and Media Authority's (ACMA) consultation on the proposed Annual Carrier Licence Charge (ACLC) 2024-25. ACCAN's comments on the draft Cost Recovery Implementation Statement (CRIS) are limited to the ACMA's costs and resourcing of its telecommunications consumer protection regulatory functions.

ACCAN notes that the ACMA incurred costs that are subject to cost recovery totalling over \$15 million in 2023-24. Of this, around \$6.8 million related to compliance, enforcement and consumer safeguards activities.

ACCAN is concerned to see that costs of the ACMA's compliance, enforcement and consumer safeguards activities have fallen from the previous year. According to Table 6 of the draft CRIS, there is a decrease of \$521,822 (18%) in the costs associated with monitoring and investigating compliance with various key consumer safeguards between 2022-23 and 2023-24 (Ref C4).¹

We are concerned about the adequacy of the ACMA's funding in 2023-24 given its compliance priorities including the development, introduction and monitoring of industry compliance with the *Telecommunications (Financial Hardship) Industry Standard 2024* (including monitoring direct debt and responsible sales practices) and assessment of providers support for customers experiencing domestic and family violence (DFV).² During this period, the ACMA also intensified its efforts to develop regulations and received an increased number of systemic referrals regarding provider misconduct concerning financial hardship and DFV.³

Given the importance of the harms associated with non-compliance in these areas, we question whether the costs associated with enforcing consumer protections should be higher. Therefore, ACCAN requests clarification from the ACMA regarding the reasons behind the drop in costs noted in Ref C4.

¹ Australian Communications and Media Authority, *Draft 2024-25 ACLC Cost Recovery Implementation Statement* (August 2025) 15 <<https://www.acma.gov.au/consultations/2025-08/proposed-aclc-2024-25>>.

² Australian Communications and Media Authority, 'Compliance Priorities 2023-24' <<https://www.acma.gov.au/compliance-priorities-2023-24>>.

³ Australian Communications and Media Authority, *Draft 2024-25 ACLC Cost Recovery Implementation Statement* (August 2025) 11, 12 <<https://www.acma.gov.au/consultations/2025-08/proposed-aclc-2024-25>>.

ACCAN has previously expressed concerns over the ACMA's monitoring, compliance and enforcement record.⁴ ACCAN's concerns are underpinned by the fact that in November 2024 only 12 ACMA staff members oversaw the compliance and enforcement of 1,500 carriage service providers, which included more than 30 consumer-focused legislative instruments.⁵

ACCAN notes that there is an increase in the number of industry standards falling under the ACMA's enforcement jurisdiction, and this will require greater proactive monitoring, compliance and enforcement within the telecommunications sector. Consistent with this shift, the ACMA should allocate more funding to these activities.

For instance, recent cases brought by the Australian Competition and Consumer Commission (ACCC) against Telstra and Optus revealed that both providers engaged in unconscionable sales practices targeting vulnerable consumers.⁶ It is probable that this misconduct – which would have been in breach of the relevant Telecommunications Consumer Protections (TCP) Code at the time – was occurring and escalating over many years. However, the ACMA has not provided public information regarding any investigations undertaken into the conduct.⁷ Instead, the ACCC pursued the allegations of misconduct under the Australian Consumer Law. It is likely that the scale of consumer harms caused by the unconscionable conduct could have been minimised with earlier regulatory intervention.

In addition, recent reports from the Telecommunications Industry Ombudsman reveal systemic non-compliance with financial hardship obligations, which, in the worst cases, have exacerbated consumer vulnerabilities.⁸ These reports are worrying and justify an increase in the ACMA's resources to undertake compliance and enforcement action where there is evidence of widespread consumer harm.

Should the *Telecommunications Amendment (Enhancing Consumer Safeguards) Bill 2025* pass parliament, the ACMA should significantly increase its compliance and enforcement agenda to align with public expectations about the use of its increased regulatory powers.

⁴ Karen Lee et al, *The Enforcement of Telecommunications Consumer Protections* (University of Technology Sydney, February 2024) <<https://www.uts.edu.au/research/centres/centre-media-transition/projects-and-research/enforcement-telecommunications-consumer-protections>>.

⁵ Australian Communications and Media Authority, Submission to Environment and Communications Legislation Committee, 2024-25 Supplementary budget estimates (5 November 2024), Committee Question Number 47.

⁶ Australian Competition and Consumer Commission, *Optus Agrees to \$100m Penalty, Subject to Court Approval, for Unconscionable Conduct* (Media Release No 63/25, 18 June 2025) <<https://www.accc.gov.au/media-release/optus-agrees-to-100m-penalty-subject-to-court-approval-for-unconscionable-conduct>>. Australian Competition and Consumer Commission, *Telstra to Pay \$50m Penalty for Unconscionable Sales to Indigenous Consumers* (Media Release No 67/21, 13 May 2021) <<https://www.accc.gov.au/media-release/telstra-to-pay-50m-penalty-for-unconscionable-sales-to-indigenous-consumers>>.

⁷ Telstra and Optus perpetrated unconscionable sales conduct between January 2016 to August 2018, and August 2019 to July 2023, respectively. Since January 2016, the ACMA has not directed Telstra or Optus to comply with the TCP Code sales and credit assessment obligations. See Australian Competition and Consumer Commission, 'Telstra to Pay \$50m Penalty for Unconscionable Sales to Indigenous Consumers' (n 6); Australian Competition and Consumer Commission, 'Optus Agrees to \$100m Penalty, Subject to Court Approval, for Unconscionable Conduct' (n 6); Australian Communications and Media Authority, 'Investigations into Telco Providers' <<https://www.acma.gov.au/investigations-telco-providers>>; Australian Communications and Media Authority, 'Directions to Comply with the Telecommunications Act' (Web Page) <<https://www.acma.gov.au/directions-comply-telecommunications-act>>.

⁸ Telecommunications Industry Ombudsman, *Keeping Connected – Experiences of Telco Consumers in Financial Hardship* (Systemic investigation report) <<https://www.tio.com.au/reports/keeping-connected-experiences-telco-consumers-financial-hardship>>.

This will help restore public confidence and trust in communication services, which has been undermined by multiple and significant recent breaches.⁹

We thank the ACMA for the opportunity to comment on the proposed ACLC 2024-25 consultation. Should you wish to discuss any of the issues raised in this submission, please do not hesitate to contact [REDACTED]

Yours sincerely

Carol Bennett

Chief Executive Officer

The Australian Communications Consumer Action Network (ACCAN) is Australia's peak communication consumer organisation. The operation of ACCAN is made possible by funding provided by the Commonwealth of Australia under section 593 of the Telecommunications Act 1997. This funding is recovered from charges on telecommunications carriers. ACCAN is committed to reconciliation that acknowledges Australia's past and values the unique culture and heritage of Aboriginal and Torres Strait Islander peoples.

⁹ ACCAN, *New research finds telco sign-on pressure, plan changes, low trust, poor coverage: ACCAN calls for urgent action* (Media release, 27 March 2025) <<https://www.accan.org.au/accan-s-media-releases/new-research-finds-telco-sign-on-pressure%2C-plan-changes%2C-low-trust%2C-poor-coverage%3A-accan-calls-for-urgent-action>>.