



Australian Government

**Department of Broadband,
Communications and the Digital Economy**

Ms Sophie Dunstone
Committee Secretary
Standing Committee on Environment and Communications
PO Box 6100
Parliament House
CANBERRA ACT 2600

Dear Ms Dunstone

Submission to the inquiry into the impact of imposing a certain carrier licence condition on Telstra Corporation Limited

I refer to your letter of 28 June 2013 concerning the matter referred to the Environment and Communications References Committee on 27 June 2013 involving imposing a carrier licence condition on Telstra Corporation Limited (Telstra) to require it to produce printed and online national number directories within Australia.

The Department's response focuses on information about Telstra's carrier licence conditions. It is understood that this proposal may also have implications associated with Australia's trade obligations and the Department recommends that the Committee approach the Department of Foreign Affairs and Trade and the Office of Trade Negotiations for information on this aspect of the inquiry.

Telstra Licence Conditions

The key legislative basis for Telstra's public number directory obligations is in the legislative instrument – *Carrier Licence Conditions (Telstra Corporation Limited) Declaration 1997* (the Licence Conditions) – made under subsection 63(3) of the *Telecommunications Act 1997* (Telecommunications Act).

Clause 9 of the Licence Conditions requires Telstra to annually produce an alphabetical public number directory:

- on substantially the same basis as Telstra produced and distributed a directory in 1997;
- in volumes by geographic area; and
- that includes all customers of carriage service providers supplied with a standard telephone service regardless of who supplies them with that service, except customers who have an unlisted number.

Telstra fulfils this obligation through the production and distribution of the White Pages directory. Clause 9 also requires that the directory be provided to customers free of charge as a book or, if the customer agrees, in another form. The accompanying explanatory statement to the Licence Conditions noted '[i]t is envisaged that, in the future, customers may choose to receive access to the directory, for example, as an online service or on disk'. However, there is no obligation for Telstra to provide online telephone number directories. Clause 9 of the Licence Conditions is provided at Attachment A.

Telstra's Licence Conditions do not cover the production of the Yellow Pages directory. Telstra produces this directory on the basis of its own commercial decisions.

Many of Telstra's licence conditions and regulatory obligations were reviewed as part of the changes made to the regulatory arrangements associated with the structural separation of Telstra, the introduction of the National Broadband Network (NBN), and the establishment of the Telecommunications Universal Service Management Agency (TUSMA) to manage the delivery of public interest telecommunications services. The direction of regulatory policy has been to gradually reduce the number of obligations placed on Telstra in areas where there is now a competitive market.

The Department notes that it would be important to consider the intended scope of the proposal and whether it would regulate products that are not currently regulated or required by telecommunications legislation, but are provided by Telstra on the basis of its own commercial decisions.

If Telstra's Licence Conditions were to be amended, section 64 of the Telecommunications Act requires Telstra to be consulted on a draft of the amendment and the Minister to consider any submissions made by Telstra before making the amendment.

Yours sincerely

Keith Besgrove
First Assistant Secretary
Digital Economy Services

4 July 2013

**Carrier Licence Conditions (Telstra Corporation Limited) Declaration 1997 –
Clause 9 - Alphabetical public number directory**

- 9 (1) The licensee must produce an alphabetical public number directory:
- (a) annually; and
 - (b) on substantially the same basis as the licensee produced and distributed a directory in 1997; and
 - (c) in volumes by geographic area; and
 - (d) subject to subclause (7) — that includes all customers of carriage service providers supplied with a standard telephone service, regardless of who supplies them with that service.
- (2) The licensee must arrange to publish and distribute the directory to its own customers and the customers of other carriage service providers (or the nominees of the customers).
- (3) The licensee must not charge a customer of a carriage service provider for 1 standard entry.
- (4) A standard entry must include:
- (a) a name and address; and
 - (b) 1 public number that is:
 - (i) if requested by the customer — the customer's mobile phone number; or
 - (ii) the customer's geographic number.

Note The ACA may give written directions to the licensee under section 581 of the Act about complying with this subclause (eg promotion of a customer's choice, if the customer receives multiple services, in the identification of the entry that is to be treated as a standard entry).

- (5) The licensee must include in the directory a customer's facsimile number if asked by the customer.
- (6) The licensee must provide entries in the directory, and services for not including details of a customer in the directory, for a customer of another carriage service provider on conditions that are no less favourable than for a customer of the licensee.
- (7) The licensee must ensure, to the greatest extent practicable, that the directory does not include details of a customer whose number is an unlisted number.
- (8) The licensee must ensure, to the greatest extent practicable, that it does not promote the licensee's carriage services or other goods and services unrelated to the directory entry during any contact it has with a customer of another carriage service provider for purposes related to the provision of services in a directory.
- (9) The directory must be provided without charge to a customer:
- (a) as a book; or
 - (b) if the customer agrees — in another form.

Note It is intended to make sure the licensee maintains an updated version of the current White Pages directory and makes it available to its own customers and the customers of other carriage service providers (or the nominees of the customers) on substantially the same basis as the White Pages have been produced and distributed before the licence came into force.