



AUSTRALIAN SENATE

**ENVIRONMENT, COMMUNICATIONS, INFORMATION
TECHNOLOGY AND THE ARTS**

REFERENCES COMMITTEE

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**Inquiry into the performance of the Australian telecommunications
regulatory regime**

That the matter of the performance of the Australian telecommunications regulatory regime be referred to the Environment, Communications, Information Technology and the Arts References Committee for inquiry and report by 23 June 2005, with the following terms of reference:

- (1) Whether the current telecommunications regulatory regime promotes competition, encourages investment in the sector and protects consumers to the fullest extent practicable, with particular reference to:
 - (a) whether Part XIB of the *Trade Practices Act 1974* deals effectively with instances of the abuse of market power by participants in the Australian telecommunications sector, and, if not, the implications of any inadequacy for participants, consumers and the competitive process;
 - (b) whether Part XIC of the *Trade Practices Act 1974* allows access providers to receive a sufficient return on investment and access seekers to obtain commercially viable access to declared services in practice, and whether there are any flaws in the operation of this regime;
 - (c) whether there are any structural issues in the Australian telecommunications sector inhibiting the effectiveness of the current regulatory regime;
 - (d) whether consumer protection safeguards in the current regime provide effective and comprehensive protection for users of services;
 - (e) whether regulators of the Australian telecommunications sector are currently provided with the powers and resources required in order to perform their role in the regulatory regime;
 - (f) the impact that the potential privatisation of Telstra would have on the effectiveness of the current regulatory regime;
 - (g) whether the Universal Service Obligation (USO) is effectively ensuring that all Australians have access to reasonable telecommunications services and, in particular, whether the USO needs to be amended in order to ensure that all Australians receive access to adequate telecommunications services reflective of changes in technology requirements;

- (h) whether the current regulatory environment provides participants with adequate certainty to promote investment, most particularly in infrastructure such as optical fibre cable networks;
 - (i) whether the current regulatory regime promotes the emergence of innovative technologies;
 - (j) whether it is possible to achieve the objectives of the current regulatory regime in a way that does not require the scale and scope of regulation currently present in the sector; and
 - (k) whether there are any other changes that could be made to the current regulatory regime in order to better promote competition, encourage investment or protect consumers.
- (2) That the committee make recommendations for legislative amendments to rectify any weaknesses in the current regulatory regime identified by the committee's inquiry.