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Consumer Data Right Division
Commonwealth Treasury
By email: data@treasury.gov.au

Thank you for the opportunity to express the Internet Association of Australia (IAA) perspective on the *Consumer Data Right (CDR) Sectoral Assessment Telecommunications Consultation Paper* (Consultation Paper). IAA represents small to medium internet providers (ISPs) many of whom are also retail service providers (RSPs). Our members support regulation within the telecommunications sector that is efficient and does not have complex or technically onerous compliance requirements.

IAA recognises that consumers have a right to make informed choices and telecommunications providers have a responsibility to provide consumers access to relevant and timely information. We are also supportive of measures which increase competition and innovation across the telecommunications sector. Taking note of the extremely limited time to consider this proposition, we are unable to provide any deep analysis of potential data sets, uses or approaches. We would encourage Treasury to undertake further consultation and discussion with industry.

However, IAA is concerned the CDR will require smaller ISPs and RSPs to service data requirements which they do not have the resources to execute. This has the potential to increase their costs, making them less competitive in the long run. It is imperative we do not add to the already onerous burden of regulation on smaller ISPs and RSPs as multiple information and data sharing requirements already exist.

As highlighted in the Consultation Paper, the *Telecommunications Consumer Protections* (TCP) Code covers the procedures and obligations which telecommunication providers are bound by when a consumer changes their supplier. It mandates telecommunication service providers to share product information about the services and a fact sheet for consumer plans through the NBN. Furthermore, under the TCP Code and the *Telecommunications (NBN Consumer Information) Industry Standard 2018*, consumers are provided with billing and product data. The ACCC's *Measuring Broadband Australia* program, for which IAA is a strong advocate, also monitors NBN broadband performance and reports on key metrics such as download and upload speeds.

Most of the basic internet and mobile service metrics are readily available for consumers to characterise their usage and compare services should they choose to. While some cases may exist where the relationship between usage data and billing (for example with prepaid service billing) may persist, the level of competition has meant that consumers can readily vote with their feet should they consider their spend too high. Furthermore, providing consumers with information beyond this can add to more complexity for consumers and reduce competition within the telecommunications sector, by subjecting consumers to information overload.

The telecommunications sector does have dominant providers, but it also consists of hundreds of smaller providers. Of those, many will not be able to service data requirements which meet the stringent CDR rules and standards. Also, given the complex wholesale supply chains in existence, retailers may not even have access to individual service data deriving from (potentially multiple) upstream aggregate services. Smaller retailers will not be in a position to engage with accredited data recipients given resource constraints to

effectively meet data harvesting and information gathering requirements. As such, we would strongly recommend having strong boundaries about who should qualify as a data holder.

Data which could improve competition within the telecommunications sector is data related to infrastructure performance, so performance data relating to different types of internet carriage (such as FTTN or wireless) pegged to individual addresses may be useful for service qualification. Having access to baseline service performance characteristics within an area can help RSPs more accurately assess potential service performance for future customers. In this situation, NBN Co would be positioned as a data holder providing wholesale data to RSPs. However, we recognise that gathering this dataset will have significant privacy implications, as location will be a key metric captured.

Consumers *should* have access to have access to technical and commercial product information, and we see this as already being available through existing mechanisms. Given the existing mechanisms through which data is shared, IAA is concerned that implementing the CDR in the telecommunications sector will unreasonably increase the regulatory burden for smaller providers. Overall, IAA supports information sharing principles, however, we believe they should be captured within existing regulatory processes and strongly account for the impact on smaller telecommunications retailers. In short, IAA is very concerned that there is insufficient cost-benefit analysis available to justify the introduction of a new regulatory compliance system when there is much already available to consumers in the telecommunications sector today.

Once again, I would like to thank you for providing us with the opportunity to contribute to the *Consumer Data Right (CDR) Sectoral Assessment Telecommunications Consultation Paper*.

About the Internet Association of Australia

The Internet Association of Australia Inc (IAA) is a member-based association representing the Internet community. Founded in 1995, as the Western Australian Internet Association (WAIA), the Association changed its name in early 2016 to better reflect our national membership and growth.

Our members comprise industry professionals, corporations and affiliate organisations. IAA provides a range of services and resources for members and supports the development of the Internet industry both within Australia and internationally. Providing technical services as well as social and professional development events, IAA aims to provide services and resources that our members need.

IX-Australia is a service provided by the Internet Association of Australia to Corporate and Affiliate members. It is the longest running and lowest cost Internet Exchange in Australia. Spanning six states and territories, IAA operates over 30 points of presence and operates the New Zealand Internet Exchange on behalf of NZIX Inc in New Zealand.

IAA is also a licenced telecommunications carrier, and operates on a not-for-profit basis.

Yours faithfully,

Narelle Clark
Chief Executive Officer
Internet Association of Australia