**INTERNET ASSOCIATION OF AUSTRALIA LTD**
**ABN 71 817 988 968**
**ACN 168 405 098**
PO Box 8700 Perth BC WA 6849
Phone: 1300 653 132

26 October 2026

The Hon Anika Wells, MP
Minister for Communications and Sport

By email and post: Anika.Wells.MP@aph.gov.au and minister.wells@mo.communications.gov.au
Copied: [redacted]

PO Box 6022
House of Representatives
Parliament House
Canberra ACT 2600

**Re: Request for meeting with IAA and members on regulatory impact on small challenger telecommunications providers**

Dear Minister Wells,

On behalf of the Internet Association of Australia Ltd (IAA) and our members listed below, I am writing to request a meeting to discuss how regulation is designed and applied across the telecommunications market.

IAA is a not-for-profit, member-based association, deeply engaged in telecommunications advocacy on behalf of our members, as well as in pursuit of the public benefit of the Internet. With over 100 internet service provider members, our membership is largely comprised of small to medium sized carriers and carriage service providers in the telecommunications industry. IAA is also a small, licenced carrier itself, providing internet infrastructure services to members.

IAA and our members recognise the significance of telecommunications services in the modern age, and that the regulatory settings must be appropriately robust to ensure service quality and fit-for-purpose consumer protections. We also recognise that recent unfortunate incidents have contributed to a growing mistrust towards the telecommunications industry, and prompted a regulatory response aimed at safeguarding consumer interests. We reiterate our support for appropriate regulatory action; IAA and our members sincerely want to be part of the solution to ensure a healthy, thriving and trustworthy telecommunications sector.

However, we are concerned that the regulatory approach is increasingly painting the entire industry with one broad brush, and fails to recognise the breadth of the telecommunications industry, the majority of whom are indeed doing the right thing by their customers. Smaller providers are

particularly disproportionately and adversely affected by over-prescriptive regulation introduced in response to what has primarily been the failures of a small number of large, tier-1 telecommunications providers. We are increasingly seeing regulatory reforms designed around such tier-1 providers, with little to no regard for proportionality as it applies to the rest of the industry. Those tier-1 providers are vastly better able to absorb highly prescriptive processes, having the capacity to navigate and implement what are often complex regulatory obligations. Smaller challenger providers, however, operate with limited staff and resources; some providers are as small as being a single-person operator, with fewer than 100 services in operation, and yet generally face the same regulatory obligations. The conduct of these two or three companies is now driving obligations for hundreds of providers that have done nothing wrong. In turn, this is having grave effects on the market as over-regulation suppresses productivity, investment and innovation across the sector.

We are furthermore greatly concerned about the unintended adverse results of this regulatory approach for consumers. Smaller, challenger telecommunications providers are a source of competitive pressure on price, service quality and innovation in the market. However, the increasing compliance burden is becoming correspondingly difficult for small telecommunications businesses to grow and compete in what is arguably an oligopolistic industry with high barriers to market entry. The likely result of this is fewer new entrants, and existing challenger providers exiting or consolidating, thereby resulting in less pressure on larger players to keep prices down and improve service quality. Consumers will end up with less choice and higher prices, while only the large, small number of tier-1 providers – who triggered the call for more regulation in the first place – will continue to dominate the market.

We further note that many of these small, resource-constrained providers operate in regional and remote communities that are otherwise underserviced. Where a provider is forced to exit the market or consolidate, the loss of competition will be felt more acutely by those already disadvantaged consumers.

In this context we are also struggling to identify corresponding imposts on other industries: it is *not* the case that banking, water or insurance are required to implement the same level of stringent policies, procedures, training and monitoring in customer care such as those being proposed under the draft Telecommunications (Consumer Protections) Industry Standard (TCP Standard).

We are therefore very eager to work with you to ensure the regulatory landscape is fit for purpose, balances consistent consumer protections, while allowing small providers to grow and continue to compete in the sector, which we reiterate is critical to delivering benefits and better services to consumers. Please see Annexure A overleaf, setting out our requests and solutions to achieve such a balance.

As significant regulatory reform is currently underway, including the drafting of the TCP Standard by the ACMA, the Scam Prevention Framework codes by the Treasury, rules around network outages and the Triple Zero service, the proposed introduction of the digital duty of care, and development of the carriage service provider register following the recent passage of the *Telecommunications Amendment (Enhancing Consumer Safeguards) Bill 2025*, this is a critical time to ensure regulatory reform is designed appropriately to deliver better outcomes for consumers, without unduly burdening smaller

providers. The TCP Standard is of pressing concern, given its scope and significance in setting consumer obligations for the entire market, and is currently the subject of ACMA consultation.

My members and I are keen to meet with you in the coming weeks and your advisers to further discuss the above matters and our requests set out in Annexure A to explore practical, workable ways to ensure the telecommunications regulatory framework supports a competitive market that delivers real benefits for consumers.

Yours sincerely,

**Narelle Clark**
Chief Executive Officer
Internet Association of Australia Ltd
+612 9037 6403
ceo@internet.asn.au

## Annexure A: Requests from IAA members representing small to medium sized carriers and CSPs in the telecommunications industry

1. **Coordinated regulatory reform and genuine, meaningful consultation**
   1.1. Establish a telecommunications regulatory initiatives grid (the Grid) covering all regulatory reform affecting the telecommunications sector, including reform led by the ACMA, the Treasury, the Department of Communications and other government departments and agencies affecting the sector. This Grid should be responsible for assessing the cumulative impact of concurrent and overlapping reforms on industry, in particular the combined compliance burden on small and medium providers, before reforms proceed. It should also sequence reforms accordingly so that consultation and implementation timeframes are realistic for providers with limited staff and resources, and notify affected providers of proposed and new reforms in a timely way.
   1.2. Consolidate consumer protections regulation under one regulatory instrument: Incorporate the requirements of the Telecommunications (Financial Hardship) Industry Standard, the Telecommunications (Consumer Complaints Handling) Industry Standard and the Telecommunications (Domestic, Family and Sexual Violence Consumer Protections) Industry Standard into the Telecommunications (Consumer Protections) Industry Standard.
   1.3. Commitment to targeted engagement approaches that recognise the limited capacity of smaller providers to participate in standard (written) consultation processes, such as roundtables, early-stage workshops.
   1.4. Commit to conducting an impact analysis for all regulatory reform initiatives. Every proposed reform affecting the telecommunications sector should be accompanied by an impact analysis that assesses the likely compliance burden on providers of different sizes and types, including small and medium providers, and considers whether the intended consumer outcome could be achieved in a simpler or less costly way. The analysis should be completed before reforms are finalised, with the findings made available to industry. It should also minimise the burden on resource-constrained providers to quantify costs for the purposes of the assessment, with agencies drawing on their own data and expertise wherever possible.

2. **Proportionate obligations and liability**
   2.1. Apply obligations and liability that reflect the different types of telecommunications services (mobile, internet, voice), and each provider's role in the supply chain and capacity to control outcomes, including the distinct position of upstream carriers, and downstream CSPs and MVNOs.
   2.2. Place responsibility with the party best placed to prevent or fix a problem, including through the allocation of risk between carriers and downstream providers. MVNOs and other downstream reseller providers have little to no control over network performance and faults. This must be reflected in the regulation.
   2.3. ‘Large provider’ thresholds and other structural frameworks should reflect the realities of the market. The ‘30,000 services in operation’ threshold commonly used to define a ‘large provider’ across many regulatory instruments groups growing, challenger providers alongside the major, dominant tier-1 providers. It does not reflect the comparative scale, resources and market power between a challenger versus a tier-1 telco. ‘Large providers’ should be defined

through a combination of capacity indicators including annual revenue, employee headcount and market share, in addition to the number of SIOs.

2.4. Use of the reviewed small, medium, and large provider thresholds to provide clear exemptions and phased implementation timeframes for small and medium providers, rather than applying the same obligations uniformly to the whole market. In the case of the TCP Standard, any obligations that will require providers to implement systems and technical changes should provide small and medium sized providers with a minimum 12-months implementation period to ensure sufficient timeframe to meaningfully comply.

**3. Practical support for small providers**

3.1. The ACMA should be directed to provide template documentation and resources to help small providers comply consistently, especially following the development of any new regulation. In the context of the TCP Standard currently being consulted on by the ACMA, this includes a CIS template for each of mobile, internet and voice services, a standard schedule of mandatory consumer terms that must appear in the consumer contract, and training material for staff. This will not only benefit smaller providers in providing practical assistance to meet their compliance obligations, but will also ensure consistency of service for consumers.

3.2. Use of the templates should carry a safe-harbour so that a provider using the published template, accurately applied and adopted, is deemed to have met the content and format requirements of the relevant obligation.

3.3. The publication, by the ACMA or Department of Communications of a comprehensive and consolidated map of consumer protections obligations across the various regulatory instruments.

3.4. Allow adequate and realistic implementation timeframes so that changes can be implemented thoroughly and in a way that puts customers first, and takes into account the resource constraints of smaller providers.

3.5. Make funding available to assist small providers with the cost of implementation.

**Supported by:**

as at 4 November 2026

skymesh

Managed Networks

Escapenet

SYGNITE

LIGHTNING IP

Yomojo®

mobile internet + mobile

DIVERSE NETWORKS GROUP

Leaptel a leap beyond in service

goyderCONNECT INTERNET FOR SOUTH AUSTRALIA'S HEARTLAND

dreamtilt

infinite.

Summit Internet

myNET

Gold Net

in2it Information Technology

commsgroup commsgroup GLOBAL next: telecom TasmaNet

Digital Soul AUSTRALIA

occom

emutel

# ABOUT THE INTERNET ASSOCIATION OF AUSTRALIA

The Internet Association of Australia Ltd (**IAA**) is a not-for-profit 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.

IAA regularly engages with government and regulatory bodies on policy matters affecting the Internet industry. In particular, our advocacy efforts represent the small to medium sized internet service providers in Australia who are often disproportionately disadvantaged by law reform affecting the telecommunications sector. Our public policy work is guided by the following principles:

*We stand for an internet for the common good*

*We stand for an open internet platform*

*We stand for measured, effective and practical regulation*

IAA is also a licenced telecommunications carrier and provides the IX-Australia service to Corporate and Affiliate members on a not-for-profit basis. It is the longest running carrier neutral Internet Exchange in Australia. Spanning seven 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.