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Department of Communications,
Information Technology and the Arts

Policy and regulatory framework for emerging voice services

DCITA'S Perspective

**ACIF Industry Forum
VOIP Self-Regulatory Initiatives
Monday, 13 December 2004**

**Fay Holthuyzen
Deputy Secretary, Communications**



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Context

- Increasing interest in and discussion of what is the appropriate regulatory and policy framework for VOIP
- Many other jurisdictions are asking similar questions
- Wider NGN issues recognised and receiving attention but VOIP is a more immediate priority
- Government committed to 'reviewing barriers to next generation services like VOIP and to legislate to remove them if necessary'



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Investigations

- Joint ACA-DCITA-ACCC workshops last week
- ACA looking at how VOIP fits into the current framework; ACCC looking at competition issues
- DCITA building on these activities, looking at whether changes to existing framework necessary and also what the best future regulatory framework for voice might be
- Clear interrelationships between work of regulators and DCITA and we are working together



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Timeframe

- ACIF's initiatives welcome, complement our work by exploring scope for self-regulation
- Advice to Government in first half of 2005 envisaged



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Legal position

- Under current framework most VOIP services:
 - ‘carriage services’; and
 - ‘standard telephone services’ – voice telephony with any-to-any connectivity capability
- Subject to a wide range of regulatory requirements
- But key question is what is the appropriate regime for VOIP (and voice) services, not whether VOIP can be made to fit the current arrangements



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Benefits of VOIP

- Additional functionality
- Cost savings
- Nomadicity
- Opportunities for new service providers
- Boost to competition
- Efficiency gains for industry, users, wider economy
- Choice for consumers



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Some key issues

- Competition – numbering, interconnection, interoperability, new sources of market power
- Reliability (mains power) and quality of service
- Access for people with disabilities
- Emergency service access & location information
- Pricing requirements – untimed local calls
- Support for law enforcement and national security
- Numbering
- Consumer choice versus regulatory safeguards?
- Need for informed choice



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Policy objectives and principles

- Promoting competition, investment and innovation
- Protecting consumers – extensive measures in place
- Protecting the public interest – public safety and national security
- Minimising regulation – promoting self-regulation
- Strong commitment to
 - universal service
 - national security and public safety
 - untimed local calls



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Broad Policy Approaches

1. Uniform regulation of all voice services without distinction
 2. Multi-tiered approach (standard voice service + other, less regulated, services)
 3. Next generation network approach – more long-term, to be addressed through separate exercise
- No firm view on part of DCITA or Government
 - We want your feedback on these approaches



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ACIF's future role

- Self regulation and ACIF role important into the future:
 - to supplement explicit rules
 - to provide rules in other areas Government considers best left to industry



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Overseas approaches

- VOIP policy being examined in many jurisdictions
- QoS, emergency calls & numbering are key issues
- OECD doing comparative analysis
- Generalisation, trend seems to be towards:
 - a standard service (which can be VOIP), with specified features and quality, using geo numbers
 - other voice service category, with less regulation and a distinct number range, especially if nomadic



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Extraterritorial supply and enforcement

- Clearly some VOIP services can be provided offshore
- Providers generally subject to applicable laws
- But there are practical enforcement issues
- Role of consumer education?
- Need for cooperation between Govts and regulators
- Effective arrangements likely to take time



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Next steps

- Consider and address these issues in your submission to the ACA (due 31 December), which will be passed on to DCITA & ACCC
- Contact DCITA directly – in writing or by phone
 - Tom.Dale@dcita.gov.au (02 6271 1099)
 - Philip.Mason@dcita.gov.au (02 6271 1579)
- We look forward to your input