

Proposed changes to numbering charges determinations

Consultation paper

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Canberra

Level 3
40 Cameron Avenue
Belconnen ACT

PO Box 78
Belconnen ACT 2616

T +61 2 6219 5555
F +61 2 6219 5353

Melbourne

Level 32
Melbourne Central Tower
360 Elizabeth Street
Melbourne VIC

PO Box 13112
Law Courts
Melbourne VIC 8010

T +61 3 9963 6800
F +61 3 9963 6899

Sydney

Level 5
The Bay Centre
65 Pirrama Road
Pyrmont NSW

PO Box Q500
Queen Victoria Building
NSW 1230

T +61 2 9334 7700 or 1800 226 667
F +61 2 9334 7799

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Executive summary

Six numbering related instruments are due to sunset in 2025. To minimise the number of separate consultations calling for submissions from stakeholders, we have combined these in 2 review processes. On 13 November 2024, as part of the first process, we released for public consultation [Proposed changes to the Numbering Plan and other instruments](#).

This consultation paper relates to the second review process covering 3 numbering-charging-related instruments. The purpose and main changes that we propose for these instruments are set out in Table 1 and discussed in Chapters 3 to 5, and draft determinations are available alongside this consultation paper on [our website](#).

Table 1: Key changes proposed for numbering charging instruments under review

Instrument	Purpose	Key proposed changes
Telecommunications (Annual Charge) Determination 2014 (the Annual Charge Determination)	Sets out the annual numbering charge (ANC) revenue target, the method for calculating the ANC, and lists the number types that are charged at a reduced rate or are exempt from charge.	Changes to support proposed changes in the Numbering Plan including: <ul style="list-style-type: none"> • internet of things (IoT) numbers • exempting public safety services from the ANC.
Telecommunications (Collection of Numbering Charges) Determination 2014 (the Collection of Numbering Charges Determination)	Sets out the date for payment of annual numbering charges and the rate for late payment penalties. It also sets out how decisions for remission of these penalties may be made.	Remake the instrument in substantially the same form with minor consequential changes, including changes to conform with current drafting practice.
Telecommunications (Numbering Charges) (Allocation Charge) Determination 2015 (the Allocation Charge Determination)	Sets out the charge for allocations of numbers, except for geographic numbers and registrations in the Numbering System, which are included in the Telecommunications Charges Determination 2022.	Changes to support proposed changes in the Numbering Plan including: <ul style="list-style-type: none"> • removing redundant number types • including IoT and public safety service number types.

While it is not sunsetting in 2025, we are also consulting on minor proposed amendments to the Telecommunications (Charges) Determination 2022 (the Charges Determination 2022). These amendments are required to update references in the instrument to the Telecommunications Numbering Plan 2025 (the draft Numbering Plan). No other changes are proposed to this instrument.

Potential changes identified during the targeted consultation that we consider may be desirable but require further consultation or progress on other regulatory initiatives are set out in Chapter 7.

1. Stakeholder consultation

In August 2024, we started targeted consultation on the numbering charges determinations. We asked 32 stakeholders for input on key areas of focus and proposed amendments. (The Charges Determination 2022 was excluded from this consultation, as it is not sunsetting in 2025 and is only subject to consequential updates). We received 8 responses, many of which suggested minimal changes.

Set out under each determination listed below, we have outlined the feedback provided by stakeholders. Noting this was a closed consultation, the specific respondents have not been referenced and submissions have not been made public.

Some respondents suggested that the numbering charges determinations could be revoked and remade in one instrument that would simplify charging matters. As there are different enabling Acts (see Table 2), we do not propose to combine the numbering charges determinations.

Consultation on the draft instruments closes **Friday 24 January 2025**. Following the closing date, we will publish submissions and open a short reply-to-comment period. Interested parties will have the opportunity to review submissions and provide a response to those submissions. Information on how to make a submission is detailed on page 12 of this paper.

2. Legislative background

Under Part 4 of Chapter 3 of the *Legislation Act 2003*, most legislative instruments ‘sunset’ (that is, they are automatically repealed) on 1 April or 1 October that first occurs 10 years after they are registered. This is an automatic process applying to most legislative instruments regardless of their content.

Table 2: Instruments being reviewed or amended and sunseting dates

Name of instrument	Enabling legislation	Sunset date	Proposal
Telecommunications (Annual Charge) Determination 2014	<i>Telecommunications (Numbering Charges) Act 1997</i> – s 20(1)	1 April 2025	Remake
Telecommunications (Collection of Numbering Charges) Determination 2014	<i>Telecommunications Act 1997</i> – s 468(3) and (4)	1 April 2025	Remake
Telecommunications (Numbering Charges) (Allocation Charge) Determination 2015	<i>Telecommunications (Numbering Charges) Act 1997</i> – s 13(1)	1 October 2025	Remake
Telecommunications (Charges) Determination 2022	<i>Australian Communications and Media Authority Act 2005</i> – s 60	1 October 2032	Amend

Telecommunications (Annual Charge) Determination 2014

The Telecommunications (Annual Charge) Determination 2014 is made by the ACMA under subsections 20(1) and 22(2) of the *Telecommunications (Numbering Charges) Act 1997* (the Numbering Charges Act).

Part 3 of the Numbering Charges Act imposes an annual charge on carriage service providers (CSPs) that hold telephone numbers. This charge is known as the annual numbering charge (ANC).

The Numbering Charges Act sets out the general framework under which the ANC is imposed on CSPs that hold telephone numbers.

- Under subsection 18(1), if a CSP holds an allocated number on a date determined by the ACMA each year, a charge is imposed on the number. This date is referred to as the ‘census date’.
- Subsection 20(1) provides that the amount of charge imposed on a number held on the census date is the amount ascertained in accordance with a written determination made by the ACMA.
- Subsection 22(2) provides that the ACMA may by written determination, exempt a specified number from the charge.

Telecommunications (Collection of Numbering Charges) Determination 2014

The Telecommunications (Collection of Numbering Charges) Determination 2014 is made by the ACMA under subsections 468(3) and (4) of the Telecommunications Act.

The ANC is a charge that is payable by CSPs on telephone numbers they hold on a specified census date under Part 3 of the Numbering Charges Act.

The Telecommunications Act sets out the following payment requirements for the ANC:

- Subsection 468(3) provides that the annual charge is due and payable at the time ascertained in accordance with a written determination made by the ACMA.
- Subsection 468(4) provides that the ACMA may by written instrument, determine that if any annual charge payable by a person remains unpaid after the due date, the person is liable to pay a penalty to the Commonwealth.
- Subsection 468(6) provides that a determination may authorise the ACMA to make decisions regarding the remission of the whole or a part of an amount of late payment penalty.

Telecommunications (Numbering Charges) (Allocation Charge) Determination 2015 and the Telecommunications Charges Determination 2022

Telephone numbers are used by CSPs to provide carriage services to the public. The [Telecommunications Numbering Plan 2015](#) (the Numbering Plan) is made by the ACMA under section 455 of the Telecommunications Act. It sets out the framework for the numbering of carriage services in Australia and the use of numbers in connection with the supply of such services.

The Numbering Plan sets out rules about the allocation of numbers to CSPs, the transfer of allocated numbers between CSPs, surrender and withdrawal, as well as rules around the portability and use of different types of numbers in connection with the supply of carriage services.

ZOAK Pty Ltd is contracted to operate the Numbering System on behalf of the ACMA. The Numbering System provides registration, allocation, transfer, surrender and other administrative services to CSPs for most of Australia's telephone numbers consistent with the rules in the Numbering Plan.

The ACMA recovers the cost of the contract with ZOAK through numbering charges consistent with the [Australian Government Charging Framework](#). The Charging Framework sets out that direct cost recovery is preferred where the cost of the specific function can be easily attributed to and recovered from the user. Recovering the costs for numbering services means that those who create the demand for the service contribute towards its costs.

We charge fees to recover the cost of our contract with ZOAK through 2 separate charging instruments – one made under the [Australian Communications and Media Authority Act 2005](#) (the ACMA Act), and one under the Numbering Charges Act.

Charges for the allocation of all numbers (except geographic numbers), including free and local rate numbers (FLRNs), premium rate numbers (PRN) and mobile numbers, are set out in the Telecommunications (Numbering Charges) (Allocation Charge) Determination 2015, made under the Numbering Charges Act.

Charges related to the allocation of geographic numbers and charges to register as a CSP or a smartnumbers user are set out in the Charges Determination 2022, made under the ACMA Act.

The allocation of numbers via the Numbering System is mostly automated and for the majority of transactions, there is no human decision-making or discretion. Consequently, a flat charge structure is used for CSPs, individuals and organisations using the Numbering System. The current charge for the allocation of numbers (except smartnumbers) is \$57.

We are not proposing any change to this charge or the model to calculate this charge as part of this review, noting the relatively short time remaining on the current contract with ZOAK and the likely substantial costs in updating the Numbering System to implement a different methodology. We anticipate a full review of the fees structure and model would accompany a transition to new arrangements for numbering services.

3. Draft Telecommunications (Annual Charge) Determination 2025

Some stakeholders suggested including geographic numbers as part of the ANC to treat fixed line and mobile services equally. It was noted that the decision for geographic numbers to be exempt from ANC was made when most people only had a service with this number type. As more consumers now have mobile services in preference to landlines, some stakeholders consider that keeping geographic numbers exempt may create an unfair regulatory and financial burden for mobile network operators. As the cost for ANC can be passed to consumers, it was stated that including geographic numbers in the ANC will promote equity across number types.

Geographic numbers are listed as exempt from ANC in the Annual Charge Determination, and also the Numbering Charges Act. As a result, the Numbering Charges Act would need to be amended to facilitate including geographic numbers as part of any future ANC.

Industry members also commented that numbering charges are a useful tool for incentivising the use of certain number ranges. This comment aligns with suggestions made by stakeholders under the Numbering Plan consultation process to make IoT number ranges low or no charge, given they generate minimal revenue and do not require the full capability of a mobile number. Similarly, there was also a suggestion to charge Mobile Virtual Network Operators (MVNOs) at a lower rate, as they make lower margins on mobile services.

The Annual Charge Determination is made by the ACMA under the Numbering Charges Act, and:

- establishes how the ANC is calculated
- specifies the revenue target to be achieved each year
- specifies the numbers exempt from the ANC.

This instrument is required by the ACMA to meet its obligations to administer the ANC. The changes being proposed to this instrument are predominately to support changes being proposed to the Numbering Plan which the ACMA is currently consulting on. These are:

- including IoT numbers as low-charge numbers for ANC purposes
- exempting public safety service numbers used by Telstra in its role as the Emergency Call Person from the ANC.

A new number type for IoT services has been proposed in the draft Numbering Plan. CSPs have submitted that IoT services generally generate low revenue as they are used for devices like smart meters, security systems and medical sensors. It is proposed to include IoT numbers in the new Annual Charge Determination as a low-charge number that would have the effect of these numbers being charged 1% of the full ANC charge. We consider that the reduced charge will encourage the take-up of IoT numbers and reduce the use of mobile numbers for IoT services.¹ Noting the ANC 2025 collection process will be underway

¹ Under the draft Telecommunications Numbering Plan 2025, the use of mobile numbers for IoT services is grandfathered for mobile numbers already in use for this purpose, but not otherwise permitted.

before the Annual Charge Determination will be remade in 2025, the ANC for IoT numbers is proposed to start in 2026.

Public safety service numbers are used by Telstra in its role as the Emergency Call Person. We are proposing these numbers be exempt from the ANC, reflecting public interest use.

Table 3: Summary of proposed changes in the draft Annual Charge Determination 2025

Instrument	Change	Description
Telecommunications (Annual Charge) Determination	Definitions	Updated definition for the Numbering Plan to refer to the 2025 plan. Added definition for IoT services. Added definition for public safety service. Updated section numbers to reflect the draft Numbering Plan references.
	Amount of charge	Added IoT service numbers as a low-charge number.
	Numbers exempt from charge	Added public safety services as exempt from charge.
	Transitional provision	IoT service numbers will be exempt from charge for 12 months from the date of commencement.

Comment is invited on the ACMA's draft Telecommunications (Annual Charge) Determination 2025.

4. Draft Telecommunications (Collection of Numbering Charges) Determination 2025

The Collection of Numbering Charges Determination is made by the ACMA under the Telecommunications Act, and:

- determines the due date for the ANC
- specifies the ANC late payment penalty rate
- authorises the ACMA to make decisions about remission of a late payment penalty.

This instrument is required by the ACMA to meet its obligations to administer the ANC. We did not receive any submissions in response to our targeted consultation about this instrument.

We propose to remake the instrument in substantially the same form with minor consequential changes, including changes to conform with current drafting practice and changes, to align it with the [Telecommunications \(Payment of Annual Carrier Licence Charge\) Determination 2023](#). This includes clarifying the rate of late payment charges, simplifying the process for making an application for remission and simplifying the acceptable reasons for remission of late payment penalties.

Table 4: Summary of changes in the draft Collection of Numbering Charges Determination 2025

Instrument	Change	Description
Telecommunications (Collection of Numbering Charges) Determination	Definitions	Updated definition for previous determination to support transitional provisions. Added a definition for general interest charge.
	Rate of late payment penalty	Clarified rate of late payment penalty provisions.
	Decisions about remission of late payment penalty	Updated to make provisions on applications and decisions on remissions clearer, in line with the requirements of the Telecommunications (Payment of Annual Carrier Licence Charge) Determination 2023.
	Miscellaneous	Combined 2 previous sections on judgement for payment into one section.

Comment is invited on the ACMA's draft Telecommunications (Collection of Numbering Charges) Determination 2025.

5. Draft Telecommunications (Numbering Charges) (Allocation Charge) Determination 2025

The Allocation Charge Determination is required by the ACMA to support the cost recovery of numbering services, consistent with the [Australian Government Charging Framework](#). The changes proposed in the draft instrument are predominately to support changes being proposed in the new Numbering Plan. These changes include:

- removing premium rate, paging, and calling card service number types
- including IoT and public safety service number types.

A number of stakeholders made submissions on the current model used to determine allocation fees. We are not proposing any changes to fees or the fees model as part of this review, noting the relatively short time remaining on the current Numbering Services contract and the likely substantial costs in updating the Numbering System to implement a different methodology. We anticipate a full review of the fees structure and model would accompany a transition to new arrangements for numbering services.

Table 5: Summary of changes in the draft Allocation Charge Determination 2025

Instrument	Change	Description
Telecommunications (Numbering Charges) (Allocation Charge) Determination	Interpretations	Updated definition for the Numbering Plan to refer to the 2025 plan. Updated reference from digital mobile number to mobile number. Added IoT service number. Removed premium rate number.
	Determination of charges table	Removed reference to premium rate numbers. Updated reference from digital mobile number to mobile number. Removed special service numbers for use with calling card services and paging services. Added entry for special service numbers specified for use with an IoT service with the base amount of \$57. Added entry for special service numbers specified for use with a public safety service with the base amount of \$57.
	Transitional provisions	Updated transitional arrangements to refer to Telecommunications Numbering Plan 2015.

Comment is invited on the ACMA’s draft Telecommunications (Numbering Charges) (Allocation Charge) Determination 2025.

6. Changes to the Telecommunications (Charges) Determination 2022

We did not seek public comment on the Charges Determination 2022 during the August 2024 consultation process as it is not sunseting in 2025.

The Charges Determination 2022 will be amended to update references to the draft Numbering Plan and to align relevant sections with the new instrument. No other changes are proposed.

Table 6: Summary of draft amendments in the Charges Determination 2022

Instrument	Change	Description
Telecommunications (Charges) Determination 2022	Definitions	Updated definition for the Numbering Plan to refer to the 2025 plan. Updated section and subsection references to align with draft Numbering Plan.
	By whom and when is a charge payable?	Updated subsection references to align with draft Numbering Plan.
	Schedule 1	Updated subsection references in Part 2 to align with draft Numbering Plan.

Comment is invited on the proposed amendments to the Telecommunications (Charges) Determination.

7. Future considerations

Potential changes identified during the targeted consultation and in discussion with the Department that we consider may be desirable but require further consultation or progress on other regulatory initiatives, have been set out below. We recognise that some suggestions made by respondents have not been addressed in the current review. Some recommendations require amendments to legislation outside of the ACMA's remit.

Table 7: Summary of issues for future consideration

Issue	
ANC exemption and revenue target	<p>Geographic numbers are listed as exempt from ANC in the Numbering Charges Act, as well as the Annual Charge Determination. This exemption recognised that landline services were considered a standard service when the ANC was introduced. With the decline in the use of landlines, mobile services are now the most common means of communication.</p> <p>Extending the ANC to geographic numbers by removing the current exemption would also promote the efficient use of numbering resources, as unused numbers held by CSPs would be returned to the ACMA.</p> <p>Changes would need to be made to the Numbering Charges Act before we could amend the Annual Charge Determination to remove the exemption.</p>
Charging structure review	<p>Changes to the structure of numbering charges would require a rebuild of the Numbering System. Given the age of the system and that the cost of a system rebuild would increase the amount to be cost recovered from industry, we anticipate a full review of the fees structure and model would accompany a transition to new arrangements for numbering services. The relevant determinations would be amended at that time.</p>
Multiple-service practice (MSP)	<p>The MSP issue was considered under the review of the Numbering Plan. During this review, several stakeholders cited that the regulatory obligation to pay the ANC is not fair if there are multiple CSPs providing a service to a number, but only one of them is required to pay the charge.</p> <p>Issues around MSP are now being considered under the scam prevention work program. Further consideration will be given to the adequacy of charging arrangements once regulatory solutions on MSP matters are settled.</p>

Invitation to comment

Making a submission

The ACMA invites submissions on the proposals set out in this consultation paper.

[Online submissions](#) can be made by uploading a document. Submissions in PDF, Microsoft Word or Rich Text Format are preferred.

Submissions by post can be sent to:

The Manager
Numbering Policy and Regulation Section
Australian Communications and Media Authority
PO Box 13112 Law Courts
Melbourne Victoria 8010

Submissions and consultation enquiries can be emailed to:

numberingplanreview@acma.gov.au.

The closing date for submissions is COB, **Friday 24 January 2025**. Following this, we will open a short reply-to-comment period.

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