Improving telco communications to stakeholders during outages

Impact analysis

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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  
F +61 2 9334 7799

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# Executive Summary

The Optus outage of 8 November 2023 exposed the importance of customer communication during and in relation to outages. The outage had a significant impact on a wide range of Australians, affecting emergency services, government services, businesses and vulnerable people. Customers experienced delays in receiving advice or a detailed explanation about the cause and impact of the outage, or timeframes for rectification.

The need for policy intervention arises as incentives (including maintaining a good relationship with their customers) have not proved strong enough for industry to deliver on the reasonable expectations of consumers to be kept informed during telco outages. Under the current regulatory framework there are no mandatory requirements for the way in which telecommunications providers communicate with customers in relation to outages.

The Government’s final report into the Review of the Optus Outage published on 30 April 2024 (the Review) found that communication by Optus with its customers during and in relation to the outage was inadequate, noting specifically a lack of timely and clear information which caused considerable distress. The Review recommended that the Australian Communications and Media Authority (ACMA) develop a standard or determination requiring carriers to communicate specific information to customers during outages – including an explicit focus on communications between the affected network provider and its customers as well as other stakeholders (Recommendation 10).

On 21 August 2024, the ACMA was directed[[1]](#footnote-2) by the Minister for Communications to determine a standard under the *Telecommunications Act 1997* (**Telco Act**) in response to Recommendation 10 of the Review. The Standard is to impose obligations on carriers and Carriage Service Providers (**CSP**s) to communicate certain information to end-users relating to both major outages and signification local outages that impact a telecommunications network used to supply carriage services to end-users​. The obligations in relation to ‘major outages’ is to be determined by 14 November 2024 and commence in full by 31 December 2024. The ACMA must also make an Industry Standard in relation to ‘significant local outages’ to be determined by 30 April 2025 and commence in full by 30 June 2025.

The objective of the Minister’s Direction is that communications with end-users during or in relation to a major outage or significant local outages will be timely, up-to-date, and accessible through a mix of public and direct communications channels; consumers will be able to contact their provider in real-time or near real-time; carriers will share outage information, and telcos will be transparent about their communications processes. ​

On 17 September 2024 the ACMA published a draft proposed Standard in line with the Direction inviting feedback from stakeholders by 20 October 2024. The ACMA received 22 submissions from stakeholders to the consultation. Feedback ranged from the need to refine the definitions of the different outages and concerns about the notification requirements during outages, to concerns about the draft proposed Standard excluding outages caused by natural disasters. All submissions were duly considered and informed decisions on refining the draft Standard.

This impact analysis considers four separate options to address the policy problem:

1. Status Quo – industry self-regulation
2. Direct Regulation – impose a Standard
3. Direction Regulation – Determination
4. Co-regulation – develop a code of practice.

Based on the analysis outlined further in this Impact Analysis, the recommended outcome is that **Option 2** be implemented, which is in line with the Minister’s Direction. While primarily the ACMA is bound to comply with the Minister’s Direction, this recommendation is based also on the overall net benefit calculation as compared to Option 1, Option 3 and Option 4.

# Introduction

At around 4:05am AEDT on 8 November 2023, the Optus network suffered a major outage affecting fixed-line and mobile services nation-wide. Services were restored gradually from approximately 10:40am, with the majority of services restored by 4pm that day.[[2]](#footnote-3)

The Optus outage had a significant impact on a wide range of Australians, affecting emergency services, government services, businesses and individuals, including those experiencing vulnerability.

The Optus outage exposed the importance of customer communication during and in relation to outages. In particular, customers experienced delays in receiving advice or a detailed explanation about the cause and impact of the outage, or timeframes for rectification. Customers’ dissatisfaction with Optus’ communications and messaging during the outage was widely reported in the media and conveyed in submissions to the [Review into the Optus Outage of 8 November 20223 – Final Report](https://www.infrastructure.gov.au/department/media/publications/review-optus-outage-8-november-2023-final-report), undertaken by Mr Richard Bean (Optus Outage Review) and in correspondence to the government.

Australians rely heavily on telecommunications services for health and safety, work, business activities, education and social interaction. The disruption that an unplanned outage (hereafter outage) brings to people's lives is understandably frustrating at best, and harmful at worst.

The causes and responses to the actual outage are being considered through other processes. The issue for consideration here is the communications about the outage by Optus to its customers and those of its resellers. There is a strong and reasonable demand for service providers to communicate with customers in a timely manner about outages. This enables consumers to make alternative arrangements should they need to and helps alleviate the uncertainty that develops without this information.

There are currently no mandatory requirements for the way in which telecommunications providers communicate with customers in relation to outages. Industry Guideline - Emergency Communications Protocol (G663:2022) provides flexibility for individual providers to determine the level and methods of engagement, the timing and the types of information they communicate with customers and the public. The Guideline is not enforceable and currently, each provider has its own approach to communications during outages.

On 9 November 2023 the Australian Government announced that it would undertake a post-incident review into the outage. The Optus Outage Review recommended that the ACMA develop a standard or determination requiring carriers to communicate specific information to customers during and about outages – including an explicit focus on communications between the affected network provider and its customers as well as other stakeholders (Recommendation 10).

On 21 August 2024, the ACMA was directed by the Minister for Communications to determine a standard under subsection 125AA (1) of the Telco Act that deals with information to be provided or made available by carriers and CSPs relating to major outages, and significant local outages, that impact a telecommunications network used to supply carriage services to end-users. The Standard in relation to major outages is to be determined by 14 November 2024 and commence in full no later than 31 December 2024. The Standard in relation to significant local outages is to be determined by 30 April 2025 and commence in full no later than 30 June 2025.

# What is the policy problem?

## The November 2023 Optus outage and its impacts

At around 4:05am AEDT on 8 November 2023, the Optus network suffered a major outage affecting fixed-line and mobile services nation-wide. Services were restored gradually from approximately 10:40am, with the majority of services restored by 4pm that day.[[3]](#footnote-4)

Optus is the second largest telco provider in Australia, delivering more than 10 million services across a range of telecommunications products and services, including mobile and fixed-line telephony and internet services to consumers and enterprises. The outage had major impacts, disrupting Optus fixed-line and mobile services, and preventing some end-users from accessing Triple Zero.

Aside from media coverage and information gleaned from the Review and from the Senate Standing Committee on Environment and Communications References Committee into the Optus Outage, the impact specific to each stakeholder cohort has been difficult to quantify. This is due to a lack of available data from the telecommunication industry or the business sector in relation to the impact of outages, the number of outages caused annually and the types and causal nature of the different outages around Australia.

Based on available data and information reported widely, the outage impacted a wide range of Australians, affecting emergency services, government services, and individuals, including those experiencing vulnerability. For individuals, some will experience minimal inconvenience and others significant. For example, an individual that is reliant on a telecommunications connection to work from home may experience significant impact and inconvenience, which will have a cost. The same applies to small business, government and large enterprise customers of telecommunications services – the impacts will vary from minimal, through to the inability to deliver some or all services or products that the business provides,

The outage also affected businesses that rely on Optus for telecommunications services. Three of Australia’s largest banks were unable to make or receive calls from their call centres and their customers were unable to receive transaction verification text messages. Train services in Melbourne were severely delayed, and some important services such as hospitals were unable to make or receive calls. Many other large and small businesses were unable to process transactions because EFTPOS machines that used Optus SIM cards were offline. Customers of Optus’ resellers such as Amaysim and Dodo were also impacted as they rely on the Optus network for their customers’ own communications.[[4]](#footnote-5)

The Telecommunications Industry Ombudsman’s (TIO) submission to the Senate Standing Committee on Environment and Communications References Committee into the Optus Outage advised that, as of 14 November 2023, it was experiencing a 30% increase in contacts to its office above usual volumes as a result of the outage. By the end of 2023, the TIO had received 919 complaints from consumers who were impacted by the Optus Outage, with 20 percent of those from small businesses. Harms consumers reported to the TIO included being unable to:

* work due to the lack of internet and phone connection
* make sales or otherwise operate their small business
* pay for food, bills and other essentials
* attend, make or reschedule medical or other appointments
* contact friends, family and support services
* study for exams or assignments at school or university
* get information or a response from Optus about the outage and when it would be resolved.

Most consumers sought outcomes including credits, a refunded or discounted service, financial compensation, exiting a contract early, or apologies from the telco.[[5]](#footnote-6)

## Optus’ communications about the outage

There was widespread confusion and frustration amongst Optus customers as the outage progressed, with only limited information being made available about the cause of the outage and its expected resolution. Being unable to contact the company via the usual means, many customers resorted to gathering at Optus stores.

Optus did undertake some communications activities, including media statements, interviews and social media posts. However, the Optus Outage Review found this to be inadequate. The Review received submissions from personal and business customers expressing their dissatisfaction with Optus’ handling of communications about the outage. A large number of letters and emails were also sent to the Minister for Communications by members of the public, universally expressing dissatisfaction with communications from Optus.[[6]](#footnote-7)

There was also widespread media coverage raising concerns about the lack of communication by Optus of the cause of the outage, its impact and rectification timeframes. This included confused communications from Optus in regard to the ability to access Triple Zero services during the outage.

Optus did not follow the voluntary industry guideline or other existing protocols outlined below about communications with stakeholders during the outage.

## Existing arrangements

The key instrument that currently details how telecommunications providers should communicate with stakeholders in the event of a major outage is the Communications Alliance Emergency Communications Protocol – Industry Guideline G663:2022 (the **Guideline**).[[7]](#footnote-8)

The Guideline identifies that the relevant stakeholders are consumers, the emergency call person (Telstra for 000/112), emergency service organisations, Government, regulatory bodies, telecommunications dependencies (e.g. utilities and data centre providers) and telecommunications suppliers, and industry bodies. When a carrier or carriage service provider (**CSP**) becomes aware of a major disruption, it determines the most suitable mechanism for relaying information to stakeholders, based on a severity matrix included in the Guideline.

Importantly, the Guideline states that above all a provider’s priority lies with restoring and maintaining communications capabilities of its customers to the best of its abilities. The Guideline notes that, where appropriate, the public will be informed about how to obtain further information on the impacts of an outage. This may be via a variety of radio networks, emergency warnings from broadcasters and via public media announcements, stakeholder websites and social media channels. The parties are expected to work together to ensure information communicated to the public is clear and promotes community confidence in the telecommunications sector.

The Guideline is limited, and compliance is voluntary. It therefore operates entirely at the providers’ discretion.

The three main carriers (Optus, Telstra and TPG Telecom) also support the Triple Zero Disruption Protocols (TZDPs). The TZDPs were developed after a disruption to the Telstra network on 3 and 4 May 2018 resulted in some Triple Zero calls not being successfully carried to the Emergency Call Person (Telstra) or Emergency Service Organisations (police, fire, ambulance).

The TZDPs are ‘endorsed’ by carriers, the Australian Government (DITRDCA and ACMA) and ESOs through arrangements under DITRDCA’s Triple Zero Coordination Committee (TZCC). The TZDP’s include pre-scripted media messaging that can be used by carriers and CSPs during a disruption to services. The TZDPs pre-scripted media messaging was not utilised during the Optus outage, nor were arrangements that would enable any CSP to convene a partner bridge teleconference that would allow the impacted CSP to update participants in the eco-system including the ECP, ESOs and other CSPs.

## Areas for improvement and change

The Final Report of the Department’s Review into the Optus Outage was published on 30 April 2024. It found that communication during the Optus outage was inadequate, stating:

*Consumer advocates assert the need for clear communication guidelines, or indeed enforceable rules, for telecommunications providers to follow in response to unplanned outages. They consider Optus’ communications with its customers during the outage were not adequate, with the lack of timely and clear information causing considerable distress. They have also noted that when an outage like this occurs, it has a greater impact on the more vulnerable members of our communities who already face challenges in accessing communications services, including those living with disabilities or on lower incomes, as well as those living in regional, rural or remote areas.*

The communication failure demonstrated during the Optus outage supports the need for more clearly defined and enforceable obligations on the telecommunications industry.

# Why is government action needed?

Customers’ dissatisfaction with Optus’ messaging during the outage highlighted a disparity between community sentiments about the importance of customer communications during outages and the priority that telcos place on those communications.

The Final Report of the Department’s Review noted:

*There are currently no set requirements for the way in which service providers communicate with their customers. Each provider has its own approach. Competitive pressures alone do not appear to be improving consumer communications and consumer outcomes through the course of recent crises.*

*The combination of the delays in advising customers, the lack of detailed answers and explanations as to the cause and impact of the outage across the day and the absence of timeframes regarding its rectification, call into question the adequacy of the current voluntary communication guidance.*

*In response, mandatory communication requirements should be established requiring providers to take specified steps during major outages.[[8]](#footnote-9)*

Part of the underlying problem of the existing guidelines being largely ineffective can be attributed to the lack of communication among industry during the outage. The Department’s Review identified that Optus and Telstra each held information about what was occurring as the outage unfolded on the day, however neither entity had full visibility of the scale and nature of the outage. Optus had the capacity to initiate a partner bridge (a requirement set out in the TZDPs) to discuss the outage with other carriers, emergency service organisations and the emergency call person, but this did not occur (likely because Optus staff did not necessarily have alternative telecommunications services they could use).

The report concludes that this failure to communicate between carriers and CSPs ‘significantly hampered the dissemination of accurate and timely advice to the community’.

It is unclear from the Government’s Review why this did not occur and whether there were any systemic constraints on communications at play (such as skills and available resources).

It is possible (and indeed likely given the commercial incentive to maintain a good relationship with consumers) that based on hindsight CSPs have put in place additional communications methods following such a large-scale outage. However, evidence suggests there is minimal likelihood that any additional measures would be followed in the future. Available ACMA data indicates that on average, one major network outage will occur annually in Australia.[[9]](#footnote-10) In the past, these outages have prompted the development of Protocols and Guidelines to enable better communications among the telecommunications community to aid the management of the outages. For example, the TZDPs were developed following the Telstra outage of 4 and 26 May 2018.[[10]](#footnote-11) Despite these efforts, the protocol was not followed by Optus during the November 2023 outage.

The objective of government action as is stipulated in the Direction is to place clear obligations on carriers and CSPs to prioritise customer communications during outages and to ensure that:

* communication with end-users in relation to outages will:
  + be timely and up-to-date
  + accessible and made through a mix of public and direct communication channels
  + identify, as appropriate, methods for end-users to seek a real-time or near real-time update or assistance
  + inform end-users and the public about the status, scale, cause, and estimated timing for rectification of the outage
  + provide prompt notification when services are restored.
* carriers and CSPs share information about outages with each other and relevant stakeholders to enable effective communication with end-users affected by the outage.
* carriers and CSPs make information about their process for communicating about outages publicly available and easily accessible.[[11]](#footnote-12)

Potential barriers and risks associated with government intervention to achieve the stated objectives are expected to be moderate. The telecommunications sector may be concerned about additional regulatory responsibilities noting that the notifications requirements imposed in the proposed regulation may require significant additional costs or changes to systems. This risk however is mitigated by the fact telcos are already capable of communicating with customers and the general public through various established channels. The industry will be able to use some of these same channels to meet the new requirements.

Success will be measured by the following:

* Carriers and CSPs having written procedures in place, and available on their website, which outline how they will communicate with end-users, the public, other carriers and CSPs during major or significant local outages.
* Carriers and CSPs complying with their written procedures and the requirements of the Industry Standard.
* Feedback from end-users, consumer groups and community organisations that consumers have been notified of outages as required.
* Reduced complaints to the TIO from customers of telcos that have experienced an outage.

# What policy options are you considering?

The following four options have been considered based on the options available to the ACMA to undertake regulatory intervention with existing powers.

## Option 1 – Status quo

Under this option the government retains the status quo, refraining from introducing new regulation and relying on the current Guideline.

This means that carriers and CSPs would continue to use their own discretion to determine the severity of an outage and, based on that assessment, to decide what information to provide their customers, when to provide it, and by what mechanism. Customers of different telcos would experience different levels of interaction depending on how each telco applies the principles of the Guideline to the circumstances of the outage. While these differences are not inherently problematic, the adequacy and timeliness of the interactions and communication may vary and, in some cases, be inadequate.

No compliance requirements or enforcement options would apply. It is not possible for the ACMA to take action for non-compliance of an Industry Guideline, no matter how significant.

Under this option the distress experienced by Optus customers during the November 2023 outage caused by inadequate messaging may recur in the event of future network outages. The TIO’s resources may also be stretched by a spike in complaints from dissatisfied telco customers who may be more likely to complain due to a lack of clear and timely information about an outage.

The ACMA *must* determine an industry standard if directed by the Minister. Retaining the status quo is therefore not a live option.

## Option 2 – Direct regulation (Industry Standard)

The final report of the Department’s Review made 18 recommendations to address structural issues within the broader telecommunications ecosystem highlighted by the Optus outage. Notably, recommendation 10 states:

*The ACMA should develop a standard or determination requiring carriers to communicate specific information to customers during and about outages. The Communications Alliance Emergency Communications Protocol – Industry Guideline G663:2022 or one or more of the carriers’ existing internal communications protocols could be used as a base but there needs to be an explicit focus on communications between the affected network provider and its customers as well as other stakeholders.[[12]](#footnote-13)*

The Government accepted all 18 recommendations in its response, stating in response to recommendation 10:

*The Government acknowledges the public's considerable dissatisfaction with Optus' communications on the day of the outage. The strong reliance on communications services for health and safety, work, business activities, and education. The disruption an outage brings to people's lives is understandably frustrating and there is a strong, and reasonable demand for service providers to communicate with customers in a timely manner about outages. This enables consumers to make what alternative arrangements they can and helps alleviate the uncertainty that develops without this information.*

*The Government will direct the ACMA to develop an industry standard requiring telecommunications providers (carriers and carriage service providers) to communicate specific information to customers, during and about outages. The Government's expectation is that this standard should be in place within twelve months of commencement of drafting.* [[13]](#footnote-14)

Accordingly, on 21 August 2024, the Minister for Communications directed the ACMA to make an industry standard under subsection 125AA (4) of the Telco Act that deals with information to be provided, or made available, by carriers and carriage service providers relating to major outages that impact a telecommunications network used to supply carriage services to end-users (the **Direction**).[[14]](#footnote-15)

The ACMA *must* determine an industry standard if directed by the Minister. The other three options are therefore not live options.

*Implementing the Direction*

The Direction provides the legal authority to make a new industry standard under section 125AA of the Telco Act.

An industry standard applies to participants in a particular section of the telecommunications industry; and deals with one or more matters relating to the telecommunications activities of those participants. The Direction specifies that the Standard is to apply to carriers and CSPs.

The Standard must require carriers and CSPs to ensure that communications with end-users during or in relation to a major outage or a significant local outage will be timely, up-to-date, and accessible through a mix of public and direct communication channels. The Standard must also identify methods for consumers to contact their provider in real-time or near real-time.

Outlined within the Direction are objectives the Standard must give effect to (clause 6(1)) and a range of matters that the Standard may include (clause 6(2)). To fulfill these objectives, rules addressing the matters in clause 6(2) are necessary. While the Direction’s content in clause 6(2) is detailed, indicating an intention for rules, the ACMA retains some flexibility in drafting rules on various aspects, such as the:

* definition of any terms considered appropriate or necessary (such as major outage and significant local outage)
* frequency and channels of communications
* content of communications.

Supported by the findings of the Department’s Review, there is a case for addressing gaps and deficiencies in the voluntary Guideline related to how CSPs and carriers engage with end-users during outages.

The Telco Act contains mandatory consultation requirements including relating to the making of the Standard, which are set out in subsection 125AA (3) and sections 132, 133, 134 and 135 of the Telco Act. Before making the Standard, the ACMA must:

* publish a public notice in a newspaper circulating in each State and Territory (it is considered that publication in The Australian would satisfy this requirement)
* publicly consult for a period of at least 30 days after the publication of the notice.

consult with the Australian Competition and Consumer Commission, the TIO, the Information Commissioner, a body the ACMA is satisfied represents the telecommunications industry and at least one consumer body. These mandatory consultation processes were adhered to and based on feedback received (explored below under Question 5) the ACMA has chosen to focus the current proposed Standard on major outages (to be determined by 14 November 2024) and adopt the longer timeframe set out within the Direction to determine the Standard in relation to significant local outages (by 30 April 2025). As such, Option 2 is confined to the development of a Standard in relation to major outages only.

## Option 3 – Direct regulation (amend the Emergency Call Service Determination)

Recommendation 10 from the Department’s Review included the option for the ACMA to develop a determination requiring carriers to communicate specific information to customers during and about outages, instead of an Industry Standard.

Under section 147 of the Telecommunications (Consumer Protection and Service Standards) Act 1999 (the **TCPSS Act**), the ACMA must make a determination imposing requirements on any or all of carriers, CSPs and emergency call persons in relation to emergency call services. This Determination is the Telecommunications (Emergency Call Service) Determination 2019 (the **ECSD**).[[15]](#footnote-16)

The ECSD currently includes the following definition of a *significant network outage*:

*an unscheduled network failure that adversely affects the carriage of emergency calls over that network in a significant way, having regard to:*

1. *the number of customers impacted by the outage;*
2. *the likely amount of time it will take to restore carriage services disrupted by the outage; and*
3. *the availability of other carriage services that can be used by affected customers to make and receive calls.*

In the event of a significant network outage, the ECSD requires:

* carriers and CSPs to, as soon as possible after becoming aware of the outage, notify the emergency call persons and CSPs that utilise that network about the outage
* CSPs to conduct welfare checks on an end-user who made an unsuccessful emergency call during the outage using a service supplied by the CSP.

Under this option, the ACMA would achieve the objectives of government action by amending the ECSD to:

* more explicitly define a significant network outage or add new definitions to capture major outages
* add requirements to communicate with customers, including specifying the frequency and methods of communication
* expand requirements for carriers and CSPs to share information about outages with each other.

An amended ECSD could include substantially similar requirements as an Industry Standard. We note that, in accordance with section 147 of the TCPSS Act, requirements in the ECSD could only apply to outages that adversely affect the carriage of *emergency calls* over telecommunications networks. Requirements on CSPs and carriers can only be made in relation to the provision of the Emergency Call Service. Therefore, amending the Determination under section 147 of the TCPSS Act allows limited scope in defining the nature of outages and impacts on end-users, and is not fit-for-purpose. In comparison, an Industry Standard under section 125AA of the Act is less limited in scope because it is able to deal broadly with matters relating to telecommunications activities.

In any event, the ACMA *must* determine an industry standard if directed by the Minister. Amending the ECS Determination is therefore not a live option.

## Option 4 – Co-regulation (Industry Code)

Under section 118 of the Act, the ACMA can request a body or association that represents a section of the telecommunications industry to develop an industry code that applies to participants in that section of the industry. The ACMA can make such a request if the development of the code is necessary or convenient in order to provide appropriate community safeguards or otherwise deal with the performance or conduct of participants in that section of the industry.

Under this option, the ACMA would request Communications Alliance to develop a code that places obligations on carriers and CSPs in relation to customer communications during major outages. The drafting of the code would be determined by Communications Alliance. While the ACMA can provide feedback on the draft code, it cannot dictate the wording of the clauses or definitions. This makes an industry code a less precise instrument for achieving the objectives of government action.

Development of an industry code can also be a slower process than other direct regulation options, as the Telco Act specifies that an industry body must have at least 120 days to develop the industry code. If the ACMA pursued this option now, an industry code may not be developed until March 2025 at the earliest. This would present a risk to the community that appropriate safeguards are not in place for consumers impacted by major outages.

Additionally, there are already existing protocols and guidelines developed by industry that deal with how telecommunications providers should communicate with stakeholders in the event of a major outage. As shown in the Department’s Review, these protocols proved to be largely ineffective during the Optus outage.

We note that, unlike an industry guideline, once a provider has decided to participate in developing an industry code and it is registered by the ACMA, the, industry code is enforceable. However, breaches of an industry code require the ACMA to direct a carrier or CSP to comply with the code and identify further non-compliance before it can access the full range of its stronger enforcement actions.

As part of the development of the Ministerial Direction, the ACMA understands that the DITRDCA considered industry self-regulation options, but determined they provided insufficient safeguards for consumers during outages. This was specifically demonstrated within the Review which pointed to the need for provisions that can immediately come into effect to promote compliance that provides assurance of end user access to information about outages.

Given the immediacy of action required, with the Minister’s direction stipulating a Standard be determined by 14 November, amending the Code is not the preferred option.

The ACMA *must* determine an industry standard if directed by the Minister. Co-regulation is therefore not a live option.

## International experience

In examining the regulatory landscape surrounding customer communications during outages within the telecommunications sector, the ACMA investigated measures adopted by other countries and sectors to address similar challenges.

Canada adopts an Emergency Network Outage Communications Protocol which deals with mandatory reporting and notification of outages to the Canadian Radio-Television and Telecommunications Commission (CRTC). The Protocol forms part of a MOU (Memorandum of Understanding on Telecommunications Reliability)[[16]](#footnote-17) entered into by 12 Canadian telcos in September 2022 following a major outage by Canadian telco, Rogers, in July 2022. As part of the MOU, telcos agreed to inform the public and governmental authorities about key network outage information in accordance with their respective action plans.

In February 2023, a public consultation was held[[17]](#footnote-18) by the CRTC, which called for comment on the development of a regulatory framework to improve network reliability and resiliency and mandatory notification and reporting about major telecommunications service outages. Comments were sought on proposed requirements for carriers to report to CRTC and relevant authorities when a major outage is detected, however no rules have yet been made by CRTC.

The UK's regulatory framework, overseen by the UK regulator Ofcom, is set out under the Communications Act 2003. Under that Act, telco companies are subject to an overarching obligation to protect the security of the network or services they provide. This includes taking steps to ensure that the impact of any security incidents on customers is prevented.[[18]](#footnote-19) In the UK framework security incidents includes any network outage. Ofcom has established numerical reporting thresholds for outages on fixed and mobile networks that require reporting for outages of 100,000 services offered to retail customers of one hour or more, or 10,000 services for eight hours or more. However, where an outage impacts access to emergency services, telcos must report outages impacting 1,000 or more customers for one hour or more, or an outage affecting 100,000 services for any duration. Considering the identified gaps in existing rules, the minister directed the ACMA on 21 August 2024 to make an industry standard requiring CSPs and carriers to communicate information to customers during and about major outages in a clear and timely manner.

# What is the likely net benefit of each option?

The reform options that are set out in the previous section are summarised below, with the key differences to the regulatory framework highlighted. The impact of these differences has been examined to gauge the relative benefits and costs of each option.

In the previous section, four options were identified and have been considered.

Option 1 – Status Quo (base case)

Option 2 – Direct regulation (industry standard)

Option 3 – Direct regulation (amend the Emergency Call Service Determination)

Option 4 – Co-regulation (Industry Code)

### Option 2

Option 2 is the implementation of the direction made by the Minister. The code would impose establishment and ongoing costs on the ACMA, and on both Carriers and Carriage Service Providers.

### Option 3

Option 3 is similar to Option 2 in that it relates to direct regulation but focuses on the Emergency Call Service Determination (ECSD). As described in the previous section, this determination only relates to outages that affect emergency calls over telecommunications networks.

Following consultation with stakeholders, the ACMA considers that this option would have similar establishment costs to Option 2 but would have lower benefits. The lower benefits would arise from outages that impact data networks being excluded from the determination.

An amended ECSD could include substantially similar requirements as an Industry Standard. We note that, in accordance with section 147 of the TCPSS Act, requirements in the ECSD could only apply to outages that adversely affect the carriage of emergency calls over telecommunications networks. However, in practice this would capture almost all outages.

In comparison, an Industry Standard under section 125AA of the Act is less limited in scope because it is able to deal broadly with matters relating to telecommunications activities.

### Option 4

As noted in the previous section, under Option 4, the ACMA would request the Communications Alliance to develop a code that places obligations on carriers and CSPs in relation to customer communications during major outages. Through this process the code would be developed by industry players, with Government only providing an advisory role during its development. Once a code is agreed by industry and proposed, the ACMA may choose not to register it.

This process has several implications:

* The timeframe for developing the code would be significantly longer than implementing the direction made by the Minister. The timeframe for developing the code is estimated to be around six to twelve months.
* Option 4 would involve higher development costs, as it would involve extensive negotiation between industry participants.
* The final implementation approach for option 4 is largely unknown. It may be cheaper to implement but may not be effective in addressing the policy problem.
* There is also a realistic chance that industry would propose a code that the Government does not consider is sufficient, and so does not endorse.

It is important to note that there are existing protocols and guidelines, developed by industry, that frame how telecommunications providers should communicate with stakeholders in the event of a major outage. However, the Departmental Review found these industry-led arrangements were ineffective during the Optus outage. For this reason, the ACMA considers that industry co-regulation has been attempted and has proven ineffective.

### Summary of options considered qualitatively

The points made above are summarised in Table 1 below. A comparison of Options 2, 3 and 4 highlights that the costs are anticipated to be similar between these options, while the benefits are expected to be lower for Options 3 and 4 compared to Option 2. In addition, Option 3 does not fully address the policy problem identified, while Option 4 risks not addressing the problem (depending on the effectiveness of the proposed industry code). Further, Option 4 would delay the implementation of any reforms while the code is being developed.

Summary comparison of the costs and benefits of each reform option against option 2

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Option | Description | Costs | Benefits | Comment |
| 1 | Status Quo (base case) | Reference case – so costs and benefits are $0 | Reference case – so costs and benefits are $0 |  |
| 2 | Direct regulation (industry standard) | Costs are considered in detail below | Benefits are considered in detail below |  |
| 3 | Direct regulation (amend the Emergency Call Service Determination) | Costs are anticipated to be similar to Option 2 | Benefits would be lower than Option 2, as it would not affect data outages. | Does not fully address the policy problem, as it would not impact data outages. |
| 4 | Co-regulation (Industry Code) | Higher development costs.  Implementation costs are unknown, but if the code is effective, then it is likely the substantive compliance costs would be similar to Option 2. | If the Co-regulation were fully effective, then the benefits would be similar to Option 2.  Risk that the code proposed by industry does not address the policy problem – so the benefits are reduced. | Would delay the implementation of any changes. |

## Options considered quantitatively

As discussed above, Option 2 is considered quantitatively against Option 1 (the base case).

Option 1 – Status Quo (base case)

Option 2 – Direct regulation (industry standard)

The other reform options (Option 3 and Option 4) are not considered quantitatively as they are considered to be less suitable for the reasons set out above.

By assessing the quantifiable costs and benefits of reform Option 2 over a ten-year period, Option 2 is expected to be net beneficial. As the exact value of the benefits are not able to be estimated with precision, a range within low and high bounds was identified.

Table 2 summarises the comparison of the quantified costs and benefits for Option 2 relative to Option 1 (the status quo).

Table 2: Summary of expected benefits relative to the status quo[[1]](https://auc-word-edit.officeapps.live.com/we/wordeditorframe.aspx?ui=en-US&rs=en-US&wopisrc=https%3A%2F%2Facmagovau.sharepoint.com%2Fsites%2FNationalInterestsSection%2F_vti_bin%2Fwopi.ashx%2Ffiles%2Fdfd3481874b241028a895e8d613b2d31&wdorigin=TEAMS-MAGLEV.teamsSdk_ns.rwc&wdexp=TEAMS-TREATMENT&wdhostclicktime=1727058763053&wdenableroaming=1&mscc=1&hid=63EE52A1-30C7-3000-CDF4-A96877A4DE69.0&uih=sharepointcom&wdlcid=en-US&jsapi=1&jsapiver=v2&corrid=f33ce073-6a9b-2930-53d5-b88913bfc982&usid=f33ce073-6a9b-2930-53d5-b88913bfc982&newsession=1&sftc=1&uihit=docaspx&muv=1&cac=1&sams=1&mtf=1&sfp=1&sdp=1&hch=1&hwfh=1&dchat=1&sc=%7B%22pmo%22%3A%22https%3A%2F%2Facmagovau.sharepoint.com%22%2C%22pmshare%22%3Atrue%7D&ctp=LeastProtected&rct=Normal&instantedit=1&wopicomplete=1&wdredirectionreason=Unified_SingleFlush#_ftn1)

|  |  |
| --- | --- |
|  | Option 2 |
| Total costs (NPV) | $117,043,000 |
| Low annual benefit estimate | $2,794,260 |
| High annual benefit estimate | $54,288,480 |
| Likelihood that the benefits outweigh the costs | 79% |

*Based on 10-year analysis using a 7% discount and providing the results in 2024 values.*

Details of the costs and benefits for each option are presented in the next sections.

## Discussion of the economic impact of an outage to one provider

As noted earlier in this document, the impacts of outages on customers include an inability to:

* work due to the lack of internet and phone connection
* make sales or otherwise operate their small business – would include business to business interactions, such as wholesale supplies.
* pay for food, bills and other essentials
* attend, make or reschedule medical or other appointments
* contact friends, family and support services
* study for exams or assignments at school or university
* get information from the carriage service provider about the outage and when it would be resolved.

Estimating the economic loss arising from a network outage for a business is challenging. There are limited studies that have estimated the value of an outage in recent years as telecommunications have become more important for business functions.

Some of the studies that do estimate the value of lost telecoms connectivity are relatively old,[[19]](#footnote-20) while others focus on the loss of turnover[[20]](#footnote-21) rather than economic loss – which is needed for a cost benefit analysis.

The impact of a telecommunications outage is different from other utilities, such as electricity. The effect of an electricity outage is to all residents and businesses within a region, whereas a telecommunications outage may affect one household or business, but not a neighbouring one.

In contrast, the outage of a single network will impact some residential properties, some users and some businesses – but not others.

### Estimate of the loss from the Optus outage

Following the Optus outage, a telecommunications academic made a high-level estimate of the outage having a total impact of $2 billion.[[21]](#footnote-22) This estimate is based on the following inputs:

* 400,000 business customers
* an average impact of $5,000 per business.

These inputs are multiplicative, so give $2 billion as the estimate of the impact on turnover. The economic loss would be a portion of the impact on turnover and could be estimated through the percentage of value added.

The $2 billion estimate can be sense checked against Australian Bureau of Statistics data[[22]](#footnote-23) on total income for various industry sectors and industry value added.

While a broad range of industries would be impacted by a telecommunications outage, the industries that may be most heavily impacted would be:

* Wholesale trade - particularly where it is reliant on business-to-business communications and/or rapid delivery
* Retail trade – customer facing businesses
* Information media and telecommunications
* Professional, scientific and technical services.

This data is summarised in Table 3, both for the full year and an estimate of a single day (assuming all businesses operate five days a week only).

Table 3: Australian Bureau of Statistics data on Total income and Industry value added for selected industry sectors

|  |  |  |
| --- | --- | --- |
| Industry | Total income  ($ millions) | Industry value added ($ millions) |
| Wholesale trade | $770,448 | $102,976 |
| Retail trade | $616,848 | $117,479 |
| Information media and telecommunications | $114,306 | $46,023 |
| Professional, scientific and technical services | $374,783 | $184,220 |
| **Total** | **$1,876,385** | **$450,698** |
| Per business day | $7,506 | $1,803 |

The total income for these sectors in 2022-23 was $1.876 Trillion, with value added estimated at $451 million. Based on 250 business days per year[[23]](#footnote-24) this would equate to $7.506 billion in turnover for the day. The estimate of $2 billion would imply that 27% of all businesses in these industries lost one day of trade, and potentially indicates that the estimate is high, but not by a gross margin.

However, the impact to the economy as a whole is quite complicated, as an outage of this kind would impact different businesses in different ways – some examples are shown in Table 4.

Table 4: Examples of different impacts of an outage

|  |  |  |
| --- | --- | --- |
| Impact on trade | Example | Outcome |
| Retail trade would be undertaken, and payment would be made later | A mechanic servicing your car may complete the job and seek payment later | No loss of trade, payment is delayed. Minimal lost time to chase payment later |
| Trade would be moved to another day | If your usual barber/hairdresser is unable to take payment, you may choose to delay your haircut to another day | No overall loss of trade. Business activity is shifted in time, but not lost |
| Trade is transferred to another business | If a petrol station is unable to take payment most customers will obtain petrol at the next service station that is not impacted | No economic loss to the economy, but some businesses lose while others win |
| Trade is reduced and not recovered later | If there are limited choices, a customer may go without a coffee rather than find an alternative. They may be unlikely to have additional coffee tomorrow | Loss to the economy |
| Service industry carries on work from alternative locations | Some service industries would be able to operate by encouraging staff to work from home, or any location with an operating telephone or internet service | Negligible loss |

As the distribution of the impacts shown in Table 4 above are hard to determine, the total economic loss of an outage is also difficult to measure.

### Wasted time for customers and business staff

One of the losses that is consistent across each of the impacts above is that there is some wasted time for customers and business staff under each outcome.

It is important to note that there will be a large distribution in the loss of time to staff and customers ranging from no loss at all to a large loss of time (e.g., travel to work and then find there is no internet could waste multiple hours). This lost time will occur to both direct customers of the telecommunications company experiencing the outage, and customers of affected businesses.

### Reduction of loss

Improved information from Carriage Service Providers about an outage and when it would be resolved would allow customers to plan their day and identify “work arounds” and strategies that minimise the impacts, such as:

* Find and relocate to a location with internet to work or study
* Get cash out to make purchases
* Use a backup form of communication to contact staff, customers, support services and family
* Send staff home if no solution is available or advise them not to come in
* Reschedule appointments, meetings and events that cannot be overcome.

### Calculating the benefits of improved information about outages

Based on the impact of an outage in lost or wasted time and reduction of loss, a key benefit of an intervention that achieves the reform objectives is the reduction in wasted time for individuals impacted by the outage. Some will be direct customers of the affected telecommunications company while others will be employees of impacted businesses and their customers. The annual benefit can be estimated using the equations below:

Individuals

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Number of impacted individuals  (F) | X | Reduction in Lost time  (C) | X | Value of Lost time (D) | X | # Outages per year (E) |

Customers and employees of impacted businesses

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Number of impacted businesses  (A) | X | Number of customers and employees (B) | X | Reduction in Lost time  (C) | X | Value of Lost time (D) | X | # Outages per year (E) |

## Identification of stakeholders and impacts

The following Government stakeholders were identified:

* ACMA develop and implement the reforms.

The following industry stakeholders were identified:

* Carriers
* Carriage Service Providers
* Other industry (businesses potentially affected by outages)

Two stakeholder groups within the broader public were identified:

* Members of the public on the effected network
* Broader public.

A collated summary costs and benefits arising from Option 2 for each stakeholder group is set out in Table 5.

**Table 5: Collated summary of costs and benefits arising from Option 2 for each stakeholder group**

|  |  |  |
| --- | --- | --- |
|  | Costs | Benefits |
| Government  (the ACMA) | Implement reforms  Ongoing costs | Improved communications arrangements delivered to end-users  Reputation of government |
| Carriers | Costs to prepare processes  Implement protocols if outage occurs |  |
| Carriage Service Providers | Costs to prepare processes  Implement protocols if outage occurs | Level playing field due to standardised processes  Improved customer satisfaction and confidence in the system |
| Other industry |  | Minimise the costs of outages through “work arounds” and strategies that minimise the impacts |
| Members of the public on the effected network |  | Minimise the costs of outages through “work arounds” and strategies that minimise the impacts |
| Broader public |  | Minimise the costs of outages through “work arounds” and strategies that minimise the impacts |

## Description and valuation of costs

The costs to each of the stakeholder groups are considered in turn below. All costs identified are the marginal value over the base case (option 1).

### Government (ACMA)

The costs to the ACMA are itemised in Table 6 and are based on similar reforms.

Table 6: Estimated costs to ACMA

|  |  |  |
| --- | --- | --- |
| Type | Value and timing | Descriptor |
| Estimated ACMA cost on communicating and educating the amendments | Yr. 1 $10,000  Yr. 2 onwards $5,000 | Based on estimated ACMA staff time spent on communicating – expected greater cost than status quo in the first year the Standard is implemented. |
| ACMA cost on drafting and preparing the Industry Standard | Yr. 1 $180,000 | Based on estimated ACMA staff time to draft and prepare the Standard. |
| Estimated ACMA compliance and enforcement cost | Yr. 1 $100,000  Yr. 2 onwards $100,000 | Based on estimated ACMA staff time to be spent on Standard compliance monitoring and enforcement (estimated cost of conducting 2 investigations per year at a cost of $50,000 each). |

### Carriers

Through the consultation process, it was indicated that the three Carriers will need to undertake significant systems upgrades to move from monitoring systems to automated reporting.

It is estimated that the cost of this work will be around $5 million to $10 million per company – arising in year 1. There will be ongoing operating and maintenance costs, but these will be significantly lower.

A mid-point value of $7.5 million per company has been used in the analysis, with ongoing costs estimated to be around 10% of the establishment costs.

### Carriage Service Providers

Most carriage service providers have processes in place for outages. This means that the impacts of the reforms (both costs and benefits) will be small – not a revolutionary change.

CSPs should have processes in place for outages noting that the:

* ECSD imposes requirements on CSPs in the event of a significant network outage to notify ECPs, and to conduct welfare checks on end-users who made an unsuccessful emergency call during the outage using their service.
* Triple Zero Disruption Protocols (non-enforceable document) recommends that carriers implement procedures to facilitate notification of disruption to Triple Zero.

Following consultation, it is anticipated that the costs will relate to ongoing staffing to support the required processes, as set out in Table 7.

Table 7: Estimated costs to Carriage Service Providers

|  |  |
| --- | --- |
| Item | Value |
| Employee costs | $150,000 |
| Average FTE per CSP | 0.2 |
| Cost per CSP | $30,000 |
| CSPs affected | 350 |
| Total ongoing costs to CSPs | $10,500,000 |

## Description and valuation of benefits

### Government (ACMA)

Improved confidence in the industry is a qualitative benefit and has not been estimated for this analysis.

### Carriage Service Providers

Improved confidence in the industry is a qualitative benefit and has not been estimated for this analysis.

### Other industry / members of the public on the effected network / broader public

Minimise the costs arising from impacts, such as those identified earlier in this document, including the inability to:

* work due to the lack of internet and phone connection
* make sales or otherwise operate their small business – would include Business to business interactions, such as wholesale supplies.
* pay for food, bills and other essentials
* attend, make or reschedule medical or other appointments
* contact friends, family and support services
* study for exams or assignments at school or university
* get information from the carriage service provider about the outage and when it would be resolved.

### Reduction of loss

Early information from their carriage service provider about the outage, and when it would be resolved, would allow customers to plan their day and identify “work arounds” and strategies that minimise the impacts such as:

* Finding and relocating to a location with internet to work or study
* Getting cash out to make purchases
* Using a backup form of communication to contact staff, customers, support services and family
* Sending staff home if no solution is available or advise them not to come in
* Rescheduling appointments, meetings and events that cannot be overcome.

### Quantitative estimate of the benefits

The Annual benefit of avoided lost time for customers covering both individuals and businesses =

|  |  |
| --- | --- |
| Individuals | Businesses |
| Number of impacted individuals (F)  X    Average reduction in Lost time per customer (C) X  Value of Lost time (D)  X   Number of outages per year (E) | Number of impacted businesses (A)  X    Number of customers & employees (B)  X    Average reduction in Lost time per customer (C) X  Value of Lost time (D)  X   Number of outages per year (E) |

For simplicity, impacted individuals and the total number of impacted customers and employees can be added to estimate the total number of impacted people.

#### Number of impacted businesses

Using the Optus outage as an indication of the type of outage that would be impacted, a range of 50,000 businesses to 500,000 businesses was selected – with the expectation that the true number of businesses impacted by an “average” outage would fall within this range.

#### Number of customers and staff per impacted businesses

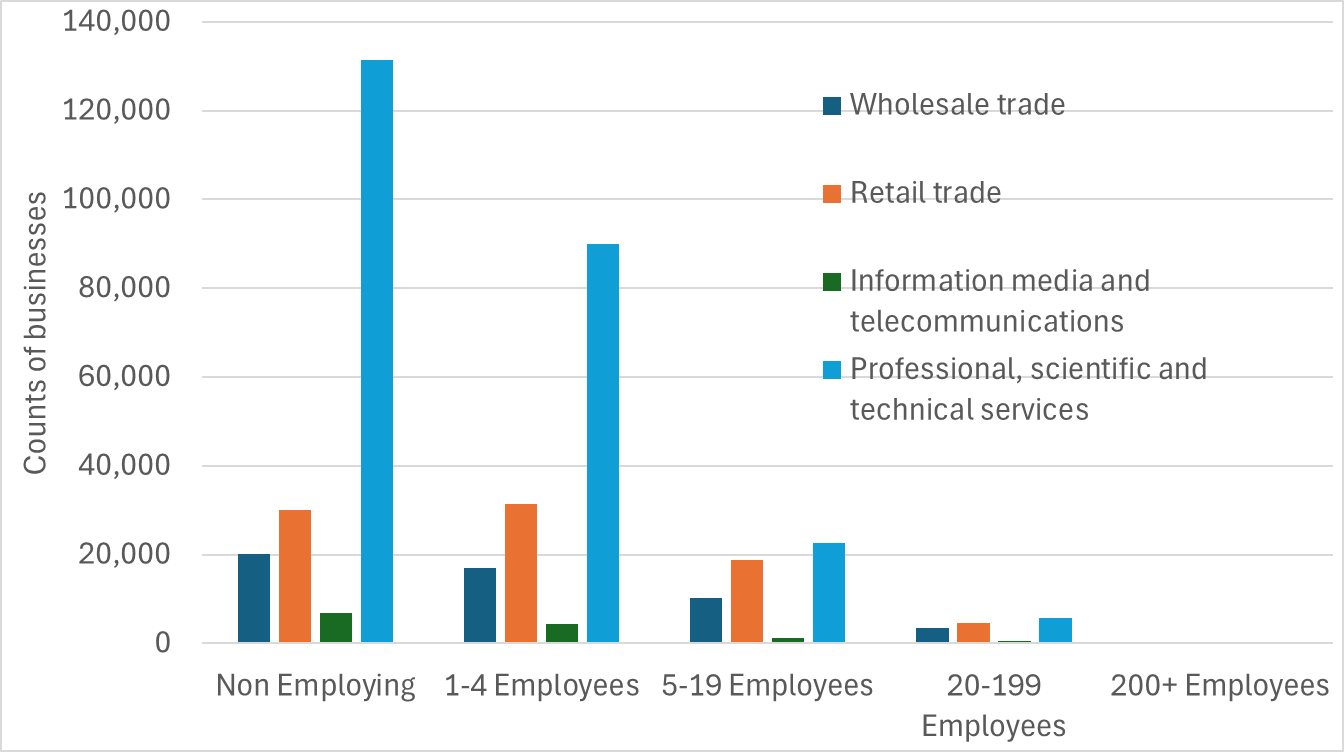
The number of business employees can be identified by combining ABS data sources.[[24]](#footnote-25) The average number of employees for each of the identified sectors can be found – giving an average of 9 employees across these sectors.

Table 8: Average employees and average daily sales for selected sectors

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Total sales ($M) | Total count of businesses | Average sales | Total employees | Average employees | Average Daily sales |
| Wholesale trade | 770,448 | 51,144 | $15,064,289 | 597,100 | 11.7 | $60,257 |
| Retail trade | 616,848 | 84,971 | $7,259,512 | 1,479,100 | 17.4 | $29,038 |
| Information media and telecommunications | 114,306 | 13,108 | $8,720,323 | 189,100 | 14.4 | $34,881 |
| Professional, scientific and technical services | 374,783 | 250,213 | $1,497,856 | 1,328,900 | 5.3 | $5,991 |

As shown in Figure 1 below, this average is distorted by a large number of very small businesses and a small number of very large businesses. In particular, professional services have a very high number of non-employing and micro businesses.

Counts of businesses for each identified sector by employee numbers



#### Number of impacted customers

The average number of impacted customers will vary greatly between the business types. Overall, Wholesale trade and Professional, scientific and technical services are likely to be characterised by a small number of high value clients per day. In contrast, retail businesses will be characterised by a very high number of customers per day.

The average number of customers per impacted business can also be estimated by considering the turnover of the business and the average transaction value per customer.

Table 9 below provides the low and high indicative estimates of the number of customers per impacted business based on the number they are likely to see in a day.

Table 9: Indicative estimates of the numbers of customers for each industry segment

|  |  |  |
| --- | --- | --- |
| Industry sector | Low estimate | High estimate |
| Wholesale trade | 5 | 15 |
| Retail trade | 50 | 150 |
| Information media and telecommunications | 4 | 10 |
| Professional, scientific and technical services | 2 | 4 |
| Weighted average | 23 | 37 |

#### Number of impacted individuals

As noted above, any outage will impact individuals (private customers of the network suffering the outage) as well as business customers and employees. The average number of individuals that are impacted by an outage are difficult to estimate so low and high values of 500,000 and 2 million have been used.

#### Average reduction in lost time (mins)

The reduction of lost time per impacted person will vary greatly, and are not readily estimated, therefore conservative values of 6 minutes and 20 minutes have been used in the analysis.

#### Value of lost time

The value of lost time was estimated to be 50% of the median wage.[[2]](https://auc-word-edit.officeapps.live.com/we/wordeditorframe.aspx?ui=en-US&rs=en-US&wopisrc=https%3A%2F%2Facmagovau.sharepoint.com%2Fsites%2FNationalInterestsSection%2F_vti_bin%2Fwopi.ashx%2Ffiles%2Fdfd3481874b241028a895e8d613b2d31&wdorigin=TEAMS-MAGLEV.teamsSdk_ns.rwc&wdexp=TEAMS-TREATMENT&wdhostclicktime=1727058763053&wdenableroaming=1&mscc=1&hid=63EE52A1-30C7-3000-CDF4-A96877A4DE69.0&uih=sharepointcom&wdlcid=en-US&jsapi=1&jsapiver=v2&corrid=f33ce073-6a9b-2930-53d5-b88913bfc982&usid=f33ce073-6a9b-2930-53d5-b88913bfc982&newsession=1&sftc=1&uihit=docaspx&muv=1&cac=1&sams=1&mtf=1&sfp=1&sdp=1&hch=1&hwfh=1&dchat=1&sc=%7B%22pmo%22%3A%22https%3A%2F%2Facmagovau.sharepoint.com%22%2C%22pmshare%22%3Atrue%7D&ctp=LeastProtected&rct=Normal&instantedit=1&wopicomplete=1&wdredirectionreason=Unified_SingleFlush#_ftn2) The full-time adult average weekly total earnings is reported to be $1,995.90,[[3]](https://auc-word-edit.officeapps.live.com/we/wordeditorframe.aspx?ui=en-US&rs=en-US&wopisrc=https%3A%2F%2Facmagovau.sharepoint.com%2Fsites%2FNationalInterestsSection%2F_vti_bin%2Fwopi.ashx%2Ffiles%2Fdfd3481874b241028a895e8d613b2d31&wdorigin=TEAMS-MAGLEV.teamsSdk_ns.rwc&wdexp=TEAMS-TREATMENT&wdhostclicktime=1727058763053&wdenableroaming=1&mscc=1&hid=63EE52A1-30C7-3000-CDF4-A96877A4DE69.0&uih=sharepointcom&wdlcid=en-US&jsapi=1&jsapiver=v2&corrid=f33ce073-6a9b-2930-53d5-b88913bfc982&usid=f33ce073-6a9b-2930-53d5-b88913bfc982&newsession=1&sftc=1&uihit=docaspx&muv=1&cac=1&sams=1&mtf=1&sfp=1&sdp=1&hch=1&hwfh=1&dchat=1&sc=%7B%22pmo%22%3A%22https%3A%2F%2Facmagovau.sharepoint.com%22%2C%22pmshare%22%3Atrue%7D&ctp=LeastProtected&rct=Normal&instantedit=1&wopicomplete=1&wdredirectionreason=Unified_SingleFlush#_ftn3) giving an hourly employment rate of $53.22 (based on 37.5 hours per week). This gives an hourly rate of $26.61 per hour.

#### Outages per year

Attachment 1 to this document lists 15 outages over a 13-year period that would be impacted by the proposed reforms. On this basis, it appears likely that there is at least one major network outage per year, especially if the definition of a major network outage was revised down to impacting at least 100,000 services.

The analysis uses conservative estimates of one outage per 2-3 years.

#### Collated estimates

High and low values for each of these inputs are estimated in Table 10 – giving a range for the likely annual benefits.

There are a number of large uncertainties, and so a low and high estimate for each of the inputs is provided.

Table 10: Low and high estimates of the average annual benefit arising from both businesses and individuals

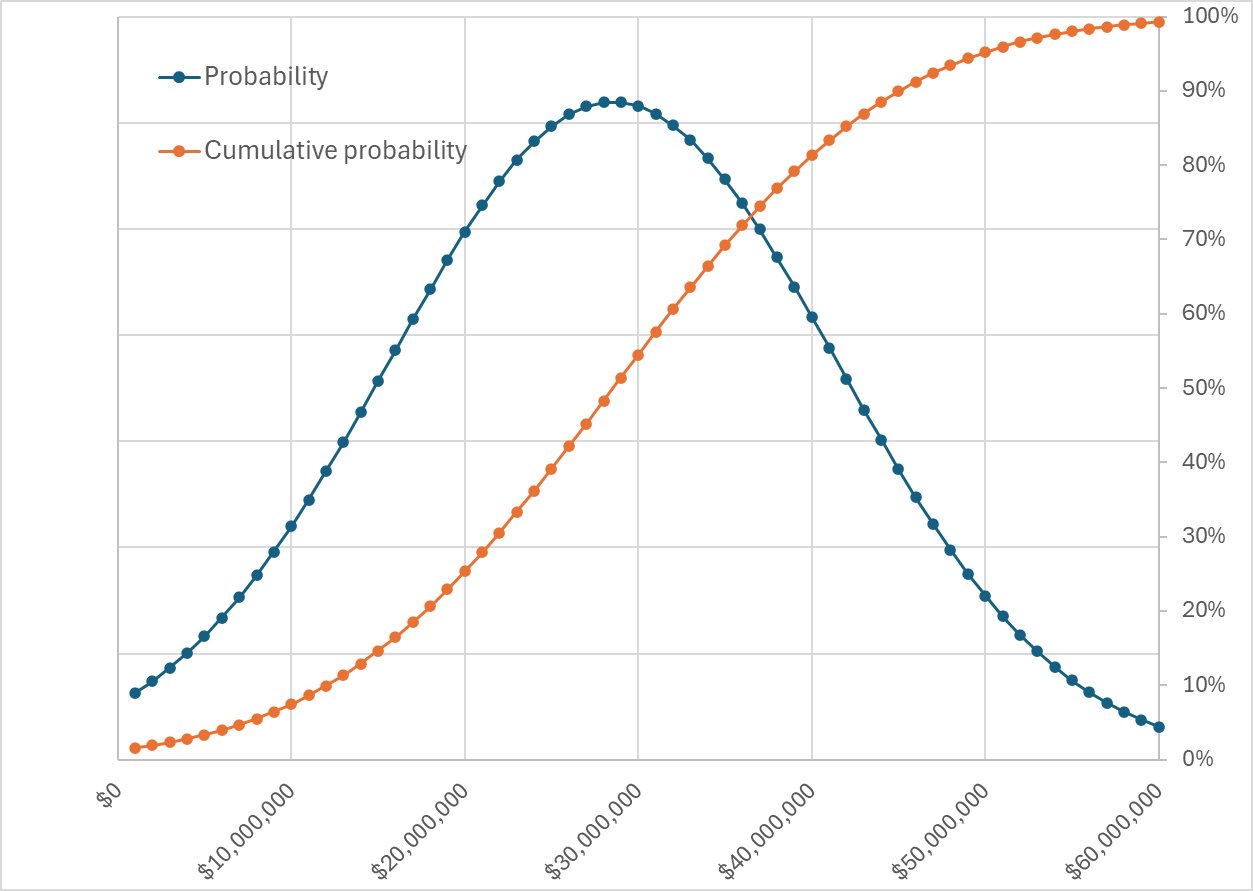
|  |  |  |  |
| --- | --- | --- | --- |
| Input | Description | Low | High |
| A | Number of impacted businesses | 50,000 | 400,000 |
| B | Number of customers per impacted businesses | 32 9 employees + 23 customers | 46 9 employees + 37 customers |
|  | Number of impacted customers and employees | 1,600,000 | 18,400,000 |
| F | Number of impacted individuals | 500,000 | 2,000,000 |
|  | Total number of impacted people | 2,100,000 | 20,400,000 |
| C | Average reduction in lost time (mins) | 6 | 20 |
|  | Average reduction in lost time (hours) | 0.10 | 0.333333333 |
| D | Value of lost time | $26.61 | $26.61 |
| E | # Outages per year | 0.5 | 0.3 |
|  | Years per outage | 2 | 3.333333333 |
|  | **Total value** | **$2,794,260** | **$54,288,480** |

The analysis gives a broad range of the estimated annual benefit from $2.79 million  
$54.3 million.

These values can be considered a range, where the true annual benefit figure sits somewhere in the range. The shape of the distribution is not clearly defined. To overcome this uncertainty, the analysis below considers both that the distribution is weighted towards the mid-point – and so may follow a normal distribution or alternatively that it could be a “flat” distribution. Under a flat distribution, all values within the range have an equal likelihood of occurring.

Applying a normal distribution with a mean of $ $28.54 million (the mid of the high and low benefit estimates), and assuming the high and low estimates are two standard deviations from the mean, gives a graph with the shape shown in Figure 2.

Probability distribution of the benefits assuming a normal distribution



## Cost benefit analysis results

Using the data inputs available, the total quantified costs were assessed over the 10-year analysis period are set out in Table 11 below.

Using a discount rate of 7%, the total cost has a present value of $117 million.

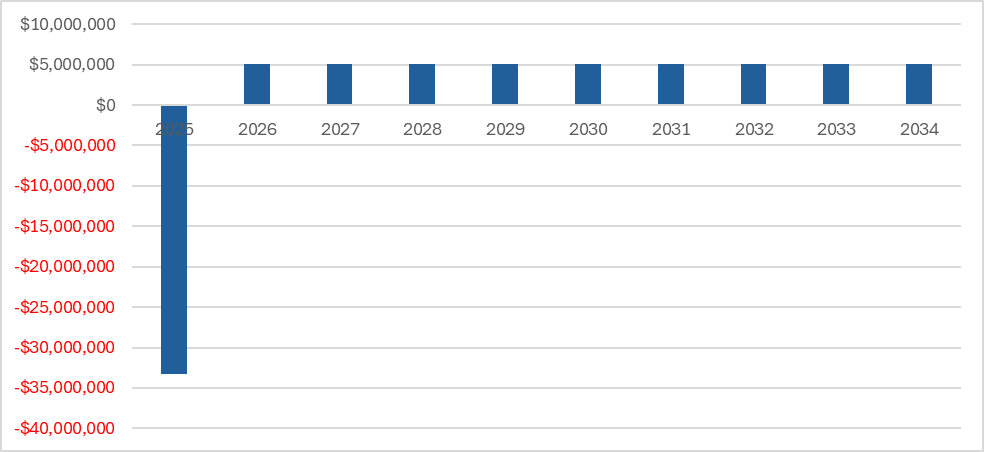
Assuming that the benefits are an annuity that fall in years 2 to 10 inclusive, the “break-even point” can be calculated to be an annual benefit of $ $17,965,000 (rounded to $17.9 million).

The graph of the net benefits, showing the industry significant investment in year 1 and an annuity return in years 2 to 10, is shown in Figure 3.

Table 11: Collated costs over the analysis period

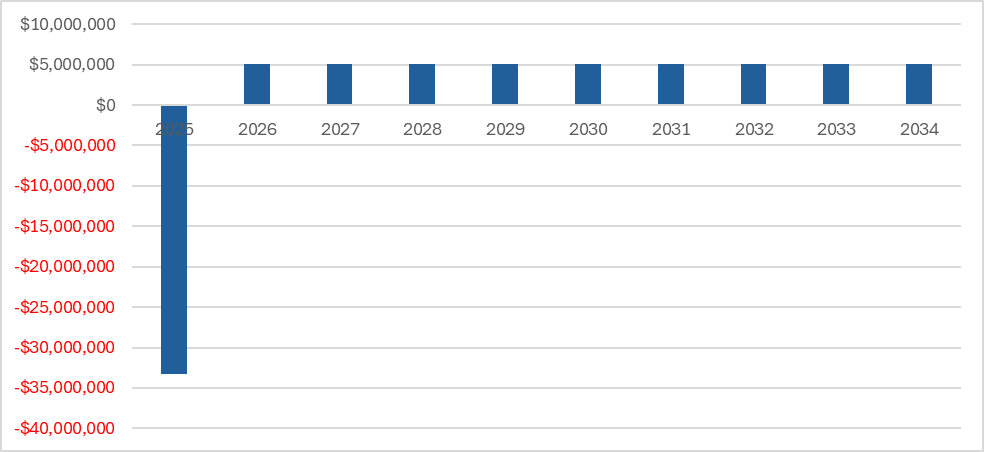
|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 |
|  | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| ACMA costs | $290,000 | $105,000 | $105,000 | $105,000 | $105,000 | $105,000 | $105,000 | $105,000 | $105,000 | $105,000 |
| Carrier costs | $22,500,000 | $2,250,000 | $2,250,000 | $2,250,000 | $2,250,000 | $2,250,000 | $2,250,000 | $2,250,000 | $2,250,000 | $2,250,000 |
| CSP Costs | $10,500,000 | $10,500,000 | $10,500,000 | $10,500,000 | $10,500,000 | $10,500,000 | $10,500,000 | $10,500,000 | $10,500,000 | $10,500,000 |
| **Total cost** | $33,290,000 | $12,855,000 | $12,855,000 | $12,855,000 | $12,855,000 | $12,855,000 | $12,855,000 | $12,855,000 | $12,855,000 | $12,855,000 |

Graph of the net benefits for each year of the analysis period



Comparing this break-even point ($17.9 million) to the normal distribution indicates that the

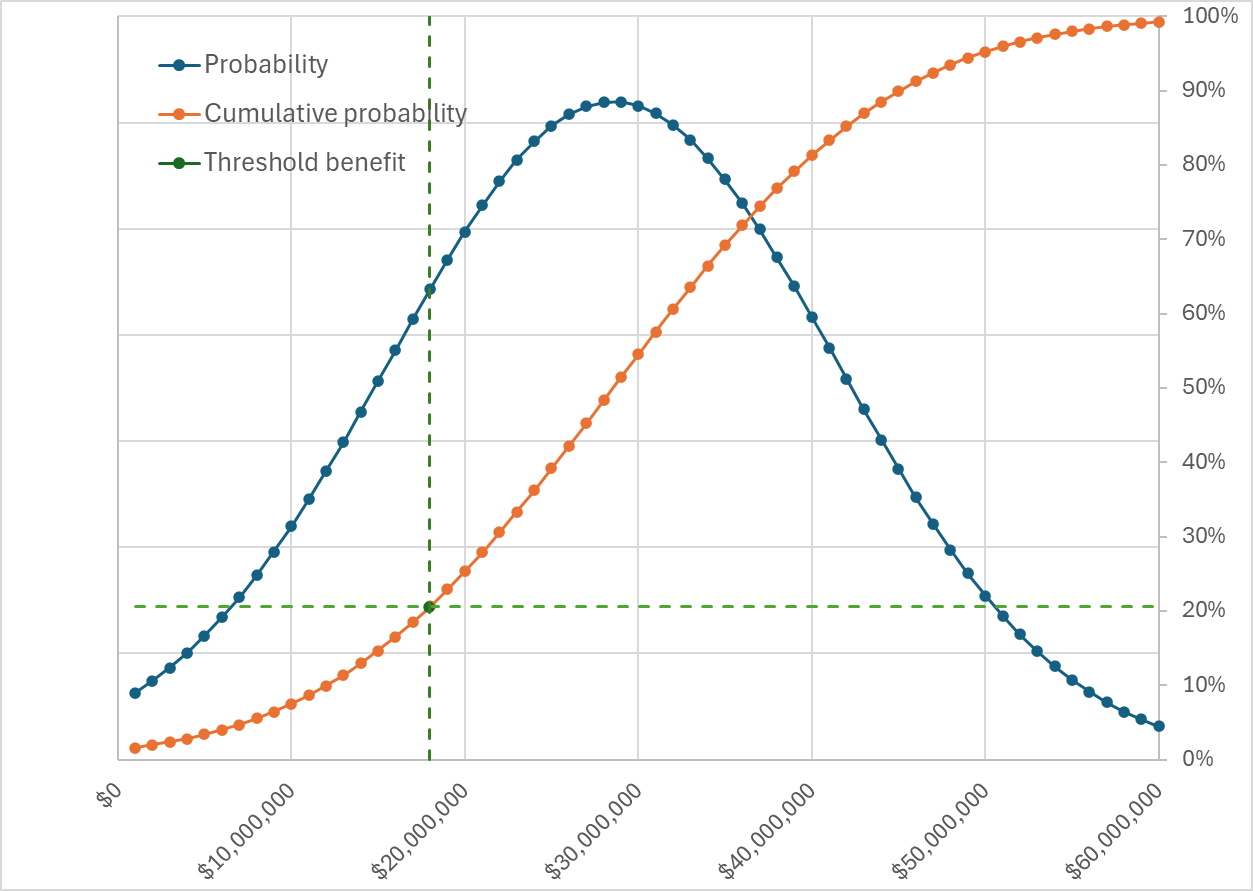
Graph of the net benefits for each year of the analysis period



Comparing this break-even point ($17.9 million) to the normal distribution indicates that the value has a cumulative probability of 20.6% - as shown in Figure 4 below.

This value indicates that it is 79.4% likely that the benefits would outweigh the costs.

Probability analysis assuming a normal distribution



Alternatively, if it were assumed that the distribution of the true benefit is flat between the low and high estimates, then it is estimated that it is highly probable (70.5% likely) that the benefits are greater than the threshold required, as set out in Table 12.

Table 12: Flat distribution calculation

|  |  |
| --- | --- |
| Factor | Value |
| Low estimate of the annual benefit | $2,794,260 |
| High estimate of the annual benefit | $54,288,480 |
| Spread (High – Low) | $51,494,220 |
| Threshold benefit | $17,964,565 |
| Value above the low estimate | $15,170,305 |
| % of the spread above the low estimate | 29.46% |
| Likelihood benefit is greater than the threshold | 70.54% |

## Distribution analysis

Analysis of the costs and benefits indicates that the costs fall predominantly to telecommunications companies (spread between Carriers and Carriage Service Providers). It is anticipated that these costs will be recouped through charges to all customers.

The benefits of the reform will fall to customers of affected networks (both businesses and private customers), as well as the employees and customers of affected businesses. As a result, the benefits will fall broadly across the community and will not be restricted to the direct customers of each network affected by an outage.

## Sensitivity analysis

The impact of altering the discount rate is set out in Table 13 below.

Table 13: Sensitivity analysis of adjusting the discount rate

|  |  |  |  |
| --- | --- | --- | --- |
| Discount rate | Cost | Annual benefit | Likelihood that benefits outweigh the costs |
| 4% | $128,871,188 | $17,332,272 | 80.80% |
| 7% | $117,043,311 | $17,964,565 | 79.43% |
| 10% | $107,322,251 | $18,635,494 | 77.92% |

Due to the form of analysis undertaken, the sensitivity analysis considered the percentage change in costs that would be required for the likelihood of benefits outweighing the costs to drop below 50%. It is calculated that the costs would need to increase by 59% above the current estimates for it to be unlikely that the benefits outweigh the costs.

The sensitivity analyses show that the cost benefit analysis results are not sensitive to changes in the input values or discount rates.

## Regulatory burden analysis

Regulatory Burden Measurement was undertaken in line with Australian Government guidance.[[8]](https://auc-word-edit.officeapps.live.com/we/wordeditorframe.aspx?ui=en-US&rs=en-US&wopisrc=https%3A%2F%2Facmagovau.sharepoint.com%2Fsites%2FNationalInterestsSection%2F_vti_bin%2Fwopi.ashx%2Ffiles%2Fdfd3481874b241028a895e8d613b2d31&wdorigin=TEAMS-MAGLEV.teamsSdk_ns.rwc&wdexp=TEAMS-TREATMENT&wdhostclicktime=1727058763053&wdenableroaming=1&mscc=1&hid=63EE52A1-30C7-3000-CDF4-A96877A4DE69.0&uih=sharepointcom&wdlcid=en-US&jsapi=1&jsapiver=v2&corrid=f33ce073-6a9b-2930-53d5-b88913bfc982&usid=f33ce073-6a9b-2930-53d5-b88913bfc982&newsession=1&sftc=1&uihit=docaspx&muv=1&cac=1&sams=1&mtf=1&sfp=1&sdp=1&hch=1&hwfh=1&dchat=1&sc=%7B%22pmo%22%3A%22https%3A%2F%2Facmagovau.sharepoint.com%22%2C%22pmshare%22%3Atrue%7D&ctp=LeastProtected&rct=Normal&instantedit=1&wopicomplete=1&wdredirectionreason=Unified_SingleFlush#_ftn8) Regulatory burden identifies the average annual change in regulatory costs and is measured against the status quo.

Regulatory Burden Measurement utilises the same information as the cost benefit analysis but focusses only on the costs that fall to businesses (including government-owned corporations), community organisations and individuals.

The costs are also treated differently, as they are not discounted and focus on the costs that are additional to “business as usual” costs. For this analysis, Option 1 (the base case) equates to the business-as-usual costs. The framework also excludes opportunity costs – although they do not arise in this case.

The Regulatory Burden Measurement framework includes consideration of regulatory compliance costs and provides a simple average of the costs over the first 10 years of the policy intervention.

The framework identifies administrative compliance costs, substantive compliance costs and also delay costs – although delay costs do not arise in this case.

**Table 14: Average annual regulatory costs of option 2 (additional to business as usual)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Change in costs  ($ million)** | **Business** | **Community organisations** | **Individuals** | **Total change in costs** |
| Option 2 | $14.78 | $0 | $0 | $14.78 |

The average annual impact of $14.78 million for business arises from substantive compliance costs that fall to Carriage Service Providers and Carriers.

# Who was consulted and what did they say?

**Consultation on draft standard**

The ACMA conducted a full public consultation on the draft industry standard and complied with statutory consultation obligations outlined in subsection 125AA (3) and sections 132-135 of the Telco Act through:

* a public notice published in a national newspaper (The Australian published 19 September 2024)
* public consultation for a period of 30 days (from 17 September 2024 through to close at 5pm on Sunday 20 October).
* consultation with the ACCC, TIO, Office of the Australian Information Commissioner, telecommunications industry bodies, Communications Alliance, and consumer bodies including ACCAN.

The public consultation paper included targeted questions to help inform the ACMA’s consideration of the best regulatory option and regulatory amendments to be made.

The ACMA also held bilateral discussions with a number of stakeholders.

Summary of stakeholder feedback

The ACMA received 22 submissions from consumer and industry representatives, government organisations and members of the public. Stakeholders included:

Consumer, Industry and Non-Government

* Australian Communications Consumer Action Network (ACCAN)
* Financial Counselling Victoria
* Internet Association of Australia
* Three members of the public

Industry

* Optus
* Telstra
* TPG Telecom
* NBN Co
* Starlink
* Communications Alliance
* Uniti Group
* Occum Pty Ltd
* Vocus Group
* Symbio

Government

* Department of Infrastructure, Transport, Regional Development, Communications and the Arts
* Department of Primary Industry and Regional Development (DPIRD) (Western Australia)
* Telecommunications Industry Ombudsman (TIO)
* Transport for NSW
* Australian Competition and Consumer Commission

NSW Telco Authority Generally, industry, consumer advocates and government supported the intention of the objectives to ensure that end-users and the public are appropriately informed when there is a major outage or significant local outage.

A number of key themes came through the submissions which are considered in further detail below. Broadly, concerns were raised about:

* The proposed definitions of Major outage and Significant local outage
* Exclusion of outages caused by natural disasters
* Implementation timeframe
* The Standard imposing blanket provisions on all CSPs and carriers and all end-users, resulting in queries about:
  + Arrangements for carriers without end-users
  + Arrangements for CSPs who are unable to identify number of Service In Operation (SIO) affected by an outage
  + Notification requirements for smaller CSPs being the same as the larger CSPs and carriers despite the significantly lower resources they work with
  + The means for notifying and differentiating notification requirements for different end-users
* Unnecessary overlap with some notification provisions
* Inadequate inclusion of accessibility requirements for methods of notification to vulnerable consumers
* Notification frequency

**Definitions of major outage and significant local outage**

Submissions from all cohorts raised concerns with the definition of major outage and significant local outage proposed by the ACMA.

The definitions set out in the original proposed draft standard for significant local outage and major outage encompassed:

* Major outage – being for a duration of 30 minutes; and affecting either 500,000 or more the carrier’s or CSPs services in operation; or all carriage services provided by a carrier or carriage service provider in a State or Territory.
* Significant local outage – being for a duration of longer than 6 hours; and affecting 50,000 or more of the CSPs services in operation.

The original draft standard also excluded outages that were planned and that were caused by natural disasters.

*Major outages*

Industry was comfortable with the threshold for major outages however had some concerns with the technical meaning of what constituted an outage. ACCAN, the Department, TIO and some members of the public argued the threshold of 500,000 impacted users is too high for major outages. It was argued that larger communities and capital cities such as Darwin and Hobart would not be captured by the definition, which is unacceptable, although they would be captured if all services provided by a carrier are not functioning in that state or territory. The submissions also argued that the impact to end-users is materially the same regardless of the size or cause of the outage, and that the impact to a community of an outage is significant, especially where a community relies on only one telecommunications service provider and can be ‘cut-off’ from essential telecommunications services.

*Significant local outages*

A number of submissions raised complexities in defining significant local outage pointing to the importance of including geographical boundaries into the definitions. Concerns were raised that 50,000 is too high and that smaller communities with a single provider would not be captured. Some argued that the threshold should be defined by 100 services impacted or a population centre or a suburb. There were also concerns raised that the duration is too long at 6 hours and should be 30-60 mins. The TIO recommended that further consultation be conducted with rural and remote working groups to settle on a practical and workable definition.

**Outages caused by natural disasters**

While industry supported the exclusion of natural disasters, consumers, the TIO, ACCAN, ACCC and other government agencies, argued that outages caused by natural disasters needed to be included in the Standard. The ACMA met with some state government agencies that sought the application of the communications requirements to all telecommunications outages, regardless of the size or cause of the outage. They proposed that the application of the standard should be broad-based, and not only apply to outages caused by telecommunications companies themselves (by technical faults within the telecommunications network, facilities and systems), but should be applied for any outages experienced by end-users, such as natural disasters, or any level of storm or electricity supply outage. Submissions argued that the impact to end-users is materially the same regardless of the size or cause of the outage.

**Implementation timeframe**

Industry raised concerns about the timing for implementation of the Standard being 31 December 2024. There are embargoes put in place over the Christmas fire and storm season until the end of January prohibiting any changes or upgrades to systems. This would prevent them from being able to implement changes enabling them to give effect to and comply with the obligations in the Standard.

**Arrangements for carriers without end-users**

Several submissions raised concerns that the requirements apply to carriers that do not have end-users, and sought clarity on the requirements that would potentially apply to such carriers (for example carriers that only provide backhaul services, either domestically or via international submarine cables and sell capacity to other carriers or carriage service providers, but do not directly supply carriage services to end-users).

These submissions advocated that it would be unnecessary for these types of carriers to provide information to end-users, as end-users that ultimately rely on their services (through contractual arrangements with other carriage service providers to provide telecommunications services) would not look to such a carrier for information, as they are not aware of that carrier’s role in the supply chain.

**Arrangements for carriers vs CSPs**

Concerns were also raised about where the responsibility and capability lie in determining the scale of an outage. CSPs argued that, given they do not own the network, they are unable to identify number of services in operation that are affected by an outage as that information is held by the carrier – the owner of the network. Some CSPs also argued that the notification requirements for smaller CSPs should not be the same as the larger CSPs and carriers given the significantly lower resources they work with.

**Differentiating between end-users**

Some stakeholders argued that notification frequency and type should differ depending on the end-user (for example, small businesses, large enterprises or members of the public).

**Accessibility**

ACCAN submitted accessibility requirements for vulnerable end-users were inadequate and did not meet the objective of the Minister’s Direction.

**Notification frequency**

Carriers advised their systems will need to be updated to send mass volumes of SMS notifications and email as their current systems are not adequate. ​

​Carriers also advised that notifications every two hours will be too frequent for long duration outages – especially if applied to natural disasters that may last days or weeks. Carriers also argued that SMS notifications risk clogging mobile networks when they are recovering from outages, especially where staged every 2 hours but cannot be sent due to the network outage. This gives rise to the potential for confusion with end users when notifications are received, and the information received may not be accurate.

**How were these submissions considered in shaping the approach to the final Standard?**

These issues, along with editorial feedback from all submissions, were considered in shaping the approach to finalise the Standard. Notable changes to the current drafting of the Standard include:

* Significant local outages inclusion in the Standard has been deferred to a later date to allow for due consideration of the appropriate definition (these rules do not have to be determined until 30 April)
* Changes were made to the definition of major outages to reduce the threshold that constitutes an outage from 500,000 services to 100,000
* Obligations on CSPs and Carriers regarding the identification of outages and notification requirements have been differentiated and clarified
* Clarification on accessibility requirements for end-users receiving notifications has been included
* Notification frequency was amended.

# What is the best option from those considered and how will it be implemented?

## Option 2 – Direct regulation (Industry Standard)

Option 2 to make an industry standard is the best option with the highest net benefit of the options considered and aligns with the Direction. This option most effectively and efficiently addresses the identified deficiencies in the voluntary Guidelines relating to telco communications with customers during an outage. It ensures that telcos appropriately prioritise keeping customers informed during outages without delaying the restoration of services. The costs associated with implementing an industry standard are low because telcos already have appropriate mechanisms in place to communicate with customers via various channels.

An industry standard with directly enforceable obligations has the potential for positive impacts, including ensuring customers impacted by an outage are reassured and armed with enough information to enable them to manage and plan while temporarily without telecommunications services. A consistent and clear industry approach to customer communications during outages is also likely to enhance consumer confidence in the telecommunications industry and improve customer relations for CSPs, potentially yielding reputational benefits.

Clear and directly enforceable obligations incentivise compliance, potentially reducing complaints to the TIO, the ACMA, and CSPs and carriers relating to outages and associated costs. They ensure consistent practices, enabling the ACMA to monitor and enforce compliance more efficiently.

Consultation and engagement indicate support for customer communications requirements to be codified from government, consumer groups and industry.

## Implementation

Key milestones to implement Option 2 are:

* Friday 8 November 2024 – Second Pass Impact Assessment cleared by the Office of Impact Analysis
* 11-12 November 2024 – Authority consideration of draft instrument and making amendments
* Wednesday 13 November 2024 – instrument registered on Federal Register of Legislative Instruments at [www.legislation.gov.au](http://www.legislation.gov.au)
* The instrument will commence operation on 31 December 2024.

The Industry Standard will be implemented as outlined in Option 2 and in accordance with the Direction. The final decision point under this option will be made by the ACMA at an Authority meeting scheduled for week commencing 11 November 2024. If the Authority approves this option, the *Telecommunications (Customer Communications for Outages) Industry Standard 2024* will be registered on the Federal Register of Legislation and be made available at [www.legislation.gov.au](http://www.legislation.gov.au). The Standard must be determined by 14 November 2024 and commence no later than 31 December 2024.

There are risks to the implementation of this option. Procedurally, the approval and registration of regulatory instruments is a standard process for the ACMA. In the circumstances, given the unusually limited time available to design and consult on the draft instrument, there is an inherent risk that this could result in an unworkable or poorly drafted instrument that does not meet stakeholder needs or expectations and that is not in line with the objectives of the Direction. This risk has been mitigated via engagement with stakeholders before, during and after the formal consultation period to understand the challenges and test ideas.

In addition, the short timeframe to commence the new requirements gives rise to a risk that industry may not have time to prepare for the additional regulatory burden and make any required changes to systems and processes. The consequences could involve resistance to compliance, affecting the success of the Standard.

To mitigate this risk, the ACMA has, and will continue to, employ a collaborative approach, engaging in regular and transparent communication with industry to address concerns constructively. Stakeholder engagement will remain pivotal. The ACMA intends to engage with Communications Alliance to ensure that industry is aware of and understands the new obligations.

## Alternative options

*Option 1 - Status Quo*

This is the least preferred option to achieve the policy objective.

Continuing to rely on the voluntary Guideline does not sufficiently protect consumers. A lack of clear rules means that telcos will continue to apply a discretionary approach to customer communications during outages. This likely means that future major outages will result in similar confusion and distress amongst end-users as seen amongst Optus customers and the public during the November 2023 outage.

*Option 3 – Direct Regulation – Amend the ECS Determination*

Amending the ECSD is not preferred as it deals with the obligations of carriers and CSPs in relation to the emergency call service and has a much narrower focus. Amendments to the ECSD could only deal with outages that impact the ability to make an emergency call to Triple Zero and could not, for example, apply to specific outages where data services may fail, but voice services do not. Nor would amending the ECSD align with the requirements of the Direction.

*Option 4 – Co-regulation*

Developing an industry code is not preferred because it would be less effective at addressing the identified issues. While the ACMA can provide feedback and set expectations for the requirements to be included the code, the content of an industry code is determined by the representative industry body. There may be protracted negotiations before an acceptable draft code is developed. An Industry Code would also provide less effective deterrence against non-compliance because a telco must be found non-compliant twice before the stronger enforcement actions available under the Act can apply.

Given the immediacy of action required, with the Minister’s direction stipulating a Standard be determined by 14 November, amending the Code is not the preferred option. Industry Codes typically take a minimum of twelve months to be developed through the Communications Alliance industry body, public consultation to be undertaken and registered by the ACMA.

In order to take enforcement action, the ACMA is required to direct a carrier or CSP to comply with the code before it can require compliance with the code. This requires the ACMA to conduct an investigation into the requirements of the code, which can be a time-consuming process, requiring procedural fairness and natural justice considerations. In comparison, option two would determine an Industry Standard and have immediate regulatory effect requiring compliance by carriers and CSPs. Option 2 would also enable the ACMA to enforce compliance and enforcement action immediately after a breach of the standard is found.

Options 1, 3 and 4 would also not satisfy the Ministerial direction, leaving the ACMA non-compliant.

# How will you evaluate your chosen option against the success metrics?

The ACMA will monitor and evaluate the implementation of the Industry Standard to ensure it aligns with the objectives and success metrics outlined in Question 2 and gauge its effectiveness. In its evaluation, the ACMA will assess the following key questions:

1. Did the Industry Standard achieve the intended outcome?
2. What were the key activities involved in implementing the chosen option?
3. Were there any other unintended impacts from the Industry Standard?
4. How well was the Industry Standard implemented? Are there any improvements that could be made to the design or delivery of the instrument?

*Intended outcome*

The objectives of the ACMA’s chosen option are to place clear obligations on carriers and CSPs to prioritise customer communications during outages and to ensure that:

* communication with end-users in relation to outages will:
  + be timely and up-to-date
  + accessible and made through a mix of public and direct communication channels
  + identify, as appropriate, methods for end-users to seek a real-time or near real-time update or assistance
  + inform end-users and the public about the status, scale, cause, and estimated timing for rectification of the outage
  + provide prompt notification when services are restored.
* carriers and CSPs share information about outages with each other and relevant stakeholders to enable effective communication with end-users affected by the outage.
* carriers and CSPs make information about their process for communicating about outages publicly available and easily accessible.[[25]](#footnote-26)

Success will be measured by how the CSPs and carriers respond to major outages including:

* analysis of the reduction in complaints received by the TIO from consumers affected by outages compared to complaints received following the Optus outage
* assessment of the accessibility of information about processes for communicating about outages from carriers and CSPs
* assessment of information carriers and CSPs experiencing outages share with other carriers, CSPs and relevant stakeholders about the outages.

*Key activities*

In the post-implementation phase the ACMA will actively evaluate the effectiveness of the Industry Standard against the success metrics by:

* auditing carrier and CSP websites to ensure that information about their processes for communicating about outages is publicly available and easily accessible
* monitoring complaints received by the TIO following outages
* monitoring carrier and CSP public communications during outages to assess compliance and identify potential areas of concern.

*Unintended impacts*

The ACMA will request information from providers about any difficulties that may be experienced with upgrading systems to ascertain if there are improvements in processes, information sharing or regulatory arrangements that may assist to meet the policy objectives.

The ACMA will also monitor closely difficulties experienced during outages such as congestion and will undertake desktop audits to check that providers are providing information about outages to communicate with the public. The ACMA will consider appropriate compliance action where these policies have not been updated.

*How well the Industry Standard was implemented*

This will be the subject of ongoing evaluation and monitoring through a combination of a measurement of success of reaching the intended outcome and unintended impacts.

Should the Industry Standard prove ineffective, we may consider regulatory reform or advice to government about implementing further rules or amending the Industry Standard to address any regulatory gaps. An opportunity for amendments will be available also for when circulating the draft proposed standard for significant local outages.

The above program of work will be undertaken by the Telecommunications Safeguards and Numbering Branch of the ACMA within existing resource allocations. The ACMA will work with industry to receive reporting against key metrics when outages occur. We anticipate major providers will provide relevant information voluntarily, but the ACMA can rely on formal powers in the Telco Act to require providers to give information and data if necessary.

# **Attachment 1:** Table of major telecommunications network outages in Australia from 2012 to 2024

Each of these outages meet minimum trigger of impacting 100,000 customers and consumers impacted for more than 60 minutes.

|  |  |  |  |
| --- | --- | --- | --- |
| **Date of outage** | **Company** | **Details of outage** | **Reporting of outage** |
| 26 June 2012 | Vodafone | Duration approximately 3 hours with 3G mobile network voice and data outages. | [https://www.itnews.com.au/news/vodafone-suffers-near-nationwide-3g-outage-306421](https://aus01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.itnews.com.au%2Fnews%2Fvodafone-suffers-near-nationwide-3g-outage-306421&data=05%7C02%7CPaul.Nicholas%40acma.gov.au%7C8dd8fa4acb7e4d83f03e08dcf9256ce0%7C0dac7f39d20c4e718af371ee7e268a2b%7C0%7C0%7C638659186351577089%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C0%7C%7C%7C&sdata=0T67ZNzC74COVxHUx2SrWA7fIWdNfKgPXix6FahaDUg%3D&reserved=0) |
| 9 February 2016 | Telstra | Mobile voice and data networks outage for 3 hours due to ‘human error’ by Telstra staff. | ['Embarrassing' human error behind national Telstra outage - Telco/ISP - iTnews](https://www.itnews.com.au/news/embarrassing-human-error-behind-national-telstra-outage-414836) |
| 17 March 2016 | Telstra | Outage of Telstra 3G and 4G networks. Customers unable to make or receive calls or use data. | [Telstra outage forces another free data day - Collaboration - Telco - Networking - CRN Australia](https://www.crn.com.au/news/telstra-outage-forces-another-free-data-day-417110) |
| 22 March 2016 | Telstra | Victoria and Tasmania. Caused by card failure in a media gateway in Victoria prevented calls from working. | [Third time unlucky for Telstra after yet another outage - Tech Guide](https://www.techguide.com.au/news/third-time-unlucky-for-telstra-after-yet-another-outage/) |
| 20 – 23 May 2016 | Telstra | 375,000 NBN and ADSL customers offline for as long as four days. Caused by software update. | [Telstra still struggling with fourth big outage this year - Telco/ISP - iTnews](https://www.itnews.com.au/news/telstra-still-struggling-with-fourth-big-outage-this-year-419906) |
| 30 June 2016 | Telstra | Started 2pm. Impacted business and enterprise customers. Telstra announced rectification at 956pm. | [Not again! Telstra suffers another outage - Telco - CRN Australia](https://www.crn.com.au/news/not-again-telstra-suffers-another-outage-429984) |
| 25 September 2016 | Vodafone | Voice and data did not work for 8 hours from 5pm Sunday night. Intermittent issues continued until 1030pm on Monday 26 September. | [Vodafail: Vodafone customers slam network after nationwide outage](https://au.news.yahoo.com/vodafail-vodafone-customers-slam-network-194501548.html?guccounter=1&guce_referrer=aHR0cHM6Ly93d3cuZ29vZ2xlLmNvbS8&guce_referrer_sig=AQAAAD66r_EgH7PzH1Q1I2rXE2qTWUDlEaXd0yNw9L_4pYpie_YtrRAe-uZ7MA9dZaMLqSh8pc_cPwh4Wwq7JW2Kr7QW0_shDwvmDXMUOfmjMokG-DEQU_T2WTiMdwwortjOrEYhXxI4-DSiSGeGpRcnpqt98DNd-qq_llpfnjxkfGm5) |
| 3 and 4 May 2018 | Telstra | Intermittent voice calling for 8 hours caused by Infrastructure damage then subsequent impacts. | [Investigation Report into the Triple Zero Service disruptions of 4 & 26 May 2018](https://www.infrastructure.gov.au/sites/default/files/investigation_report_into_the_triple_zero_service_disruptions_of_4_26_may_2018_1.pdf) |
| 26 May 2018 | Telstra | Two hours impact to voice calls. | [Investigation Report into the Triple Zero Service disruptions of 4 & 26 May 2018](https://www.infrastructure.gov.au/sites/default/files/investigation_report_into_the_triple_zero_service_disruptions_of_4_26_may_2018_1.pdf) |
| 2 July 2021 | Optus | Nationwide outage of mobile and internet services from 1030am. 4G and 5G services restored by 350pm, but 3G continued | [Optus outage affects mobile and internet customers across Australia | The Chronicle](https://www.thechronicle.com.au/technology/online/mobile-and-internet-customers-reporting-optus-outage/news-story/d82911b9946f4c453bf37aa4632e127b) |
| 18 October 2022 | Telstra | Started 6am, finished 930am, calls on mobiles failing. | [Telstra outage hits Australians, as Sydney, Melbourne users unable to make calls | news.com.au — Australia’s leading news site](https://www.news.com.au/technology/online/telstra-outage-hits-australians-as-sydney-melbourne-users-unable-to-make-calls/news-story/6d3c1930b7d27dfc61f7fc227134eb98) |
| 14 March 2023 | Vodafone | Duration approximately 4 – 530 pm. 200,000 customers in Sydney and Melbourne impacted. Unable to make voice calls or text. | [Vodafone outage: Australian customers report issues with mobile service](https://www.9news.com.au/national/vodafone-australia-mobile-outage/38de389f-d442-4505-8470-f39eff973bae) |
| 9 May 2023 | Telstra | Outage from 10pm mainly in NSW and QLD, resolved around 10am next day. Voice calls | [Telstra outage update: Telstra apologises to customers after outage left them unable to make or take calls](https://www.9news.com.au/national/telstra-outage-some-telstra-customers-unable-to-make-or-take-calls-amid-network-outage/0ed1d86f-4fd2-4f31-929d-59d9e9a258a4) |
| 8 November 2023 | Optus | Nationwide outage from 5am until 4pm impacting the Optus mobile network and fixed-line networks. | [Optus outage updates: Services 'gradually' restored as experts warn outage exposes serious vulnerabilities in Australian networks — as it happened - ABC News](https://www.abc.net.au/news/2023-11-08/optus-outage-live-blog/103076996) |
| 14 April 2024 | Vodafone | Outage to mobile services nationally impacting voice calls for several hours. Data and text messages and calls to 000 continued to work. | [Vodafone resolves national outage impacting voice calls | The Nightly](https://thenightly.com.au/australia/vodafone-national-outage-leaves-some-customers-unable-to-make-or-receive-calls--c-14332231) |

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2. <https://www.aph.gov.au/DocumentStore.ashx?id=2ed95079-023d-49d5-87fd-d9029740629b&subId=750333>, accessed 21 August 2024. [↑](#footnote-ref-3)
3. <https://www.aph.gov.au/DocumentStore.ashx?id=2ed95079-023d-49d5-87fd-d9029740629b&subId=750333>, accessed 21 August 2024. [↑](#footnote-ref-4)
4. <https://web.archive.org/web/20231108030028/https:/www.afr.com/technology/chaos-as-optus-crashes-nationwide-20231108-p5eid1>, and <https://www.abc.net.au/news/2023-11-09/how-the-optus-outage-played-out/103079768>, accessed 21 August 2024 [↑](#footnote-ref-5)
5. <https://www.aph.gov.au/DocumentStore.ashx?id=bb403a80-115f-44d6-818a-5900073c38f4&subId=750366> and <https://www.tio.com.au/sites/default/files/2024-02/Data%20Insights%20Q2%202023-24.pdf>, accessed 21 August 2024 [↑](#footnote-ref-6)
6. <https://www.infrastructure.gov.au/sites/default/files/documents/review_into_the_optus_outage_of_8_november.pdf>, accessed 21 August 2024. [↑](#footnote-ref-7)
7. [Communications Alliance - G663:2022 Telecommunications – Emergency Communications Protocol (commsalliance.com.au)](https://www.commsalliance.com.au/Documents/all/guidelines/G663), accessed 27 August 2024. [↑](#footnote-ref-8)
8. <https://www.infrastructure.gov.au/sites/default/files/documents/review_into_the_optus_outage_of_8_november.pdf>, accessed 21 August 2024 [↑](#footnote-ref-9)
9. See Attachment 1 [↑](#footnote-ref-10)
10. [Investigation Report into the Triple Zero Service disruptions of 4 & 26 May 2018](https://www.infrastructure.gov.au/sites/default/files/investigation_report_into_the_triple_zero_service_disruptions_of_4_26_may_2018_1.pdf) [↑](#footnote-ref-11)
11. <https://www.legislation.gov.au/F2024L01060/asmade/text>, accessed 27 August 2024. [↑](#footnote-ref-12)
12. <https://www.infrastructure.gov.au/sites/default/files/documents/review_into_the_optus_outage_of_8_november.pdf>, accessed 27 August 2024. [↑](#footnote-ref-13)
13. <https://www.infrastructure.gov.au/department/media/publications/australian-government-response-bean-review-final-report-review-optus-outage-8-november-2023-april>, accessed 27 August 2024. [↑](#footnote-ref-14)
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21. Associate Professor Mark Gregory, [Submissions – Parliament of Australia (aph.gov.au)](https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Environment_and_Communications/OptusNetworkOutage/Submissions) [↑](#footnote-ref-22)
22. [www.abs.gov.au/statistics/industry/industry-overview/australian-industry/latest-release#data-download](http://www.abs.gov.au/statistics/industry/industry-overview/australian-industry/latest-release#data-download) [↑](#footnote-ref-23)
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24. 8165.0 Counts of Australian Businesses, including Entries and Exits, Jun 2018 to Jun 2022 and [www.abs.gov.au/statistics/industry/industry-overview/australian-industry/latest-release#data-download](http://www.abs.gov.au/statistics/industry/industry-overview/australian-industry/latest-release#data-download) [↑](#footnote-ref-25)
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