

Uniti Group's submission – Scams Prevention Framework

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Non-confidential

1 Overview of Uniti Group

Uniti Group is a core digital infrastructure and solution provider, aiming to create the infrastructure and technology that connects people, business, buildings, cities and things to each other and a world of possibilities. We do this through three arms – building and operating wholesale access networks predominately fibre to the premise, operating a CPaaS (Communications Platform as a Service) business and a retail business providing telecommunications services to consumers and businesses. We are proudly owned by a consortium of highly regarded core digital infrastructure investors, led by Morrison & Co, Brookfield Asset Management and Commonwealth Superannuation Corporation.

Opticomm wholesale access network

Uniti Group includes a number of licensed carriers whom, in aggregate, operate under the Opticomm brand, and build, own and operate wholesale access networks over multiple technologies (including FTTP, HFC, FTTN) providing superfast broadband services. Opticomm is the No. 1 independent provider of fibre network infrastructure for greenfield housing. Opticomm provides wholesale access to its network on open access non-discriminatory commercial terms to over 60 retail service providers (in an equivalent but not identical manner to NBN Co), who use the network to supply consumers and businesses with telecommunications services.

CPaaS Enterprise Services

Uniti Group also operates a CPaaS (Communications Platform as a Service) business under several enterprise brands which deliver intelligent voice, SMS and communication solutions. We design, develop and deliver state-of-the-art network services and communications and analytics solutions to small business, enterprise and government organisations. This includes 1300Australia which licences the use of phonewords.

Retail

The Uniti Group also includes Uniti Retail, a retail service provider of telecommunications services to consumers and small businesses across Australia using the OptiComm network, under several brands including Uniti Internet and Harbour ISP.

Opticomm and Uniti Retail are party to an ACCC approved Functional Separation Undertaking (FSU) for the supply of local access lines (LAL) to residential premises.

2 Uniti Group supports the framework

Uniti Group supports the introduction of a framework to protect the Australian community from scams. However, Uniti Group is concerned that some aspects of the proposed approach may be confusing to consumers and increase the regulatory burden on business in way which is disproportionate to the benefits gained, and these concerns are outlined below.

3 Telecommunications sector already has the TIO as its EDR Scheme

While having one single EDR scheme across the three initial sectors may have some efficiencies, it is likely to cause customer confusion particularly in the telecommunications sector.

In the telecommunications sector customers already have access to the Telecommunications Industry Ombudsman to deal with issues with their services. Having a different entity (AFCA) dealing with disputes relating to scams means that consumers need to make an assessment of who the correct regulator is to deal with a particular issue. This is likely to drive higher costs for

both the TIO and AFCA (which will then be passed on to industry), and longer resolution times for consumers, as complaints are moved back and forwards between the two dispute resolution providers.

In addition, for telecommunication providers like Uniti, the need to register and pay for an additional EDR scheme will increase their overheads and compliance costs.

4 Sector-specific codes will need to align with existing Codes and regulation

While we understand the rationale for having different regulators for different sectors, Uniti is in the position of potentially falling under both the telecommunication providers code and the digital platforms providers code, and as such will be subject to two different regulators. We assume that the ACCC and ACMA will work closely together to ensure that they approach issues consistently and that the Codes which are developed are aligned and not inconsistent.

5 Expected compliance costs

At this stage, without the detail which will be found in the sector specific Codes, Uniti Group is unable to quantify its expected compliance costs, but has called out below some of its concerns in relation to cost. In addition to the types of increased costs listed in the Summary of Reforms paper, Uniti notes that:

- the costs payable to the EDR scheme provider, and the method of calculating those costs, should also be considered. It may not be equitable to charge businesses based on the number of complaints in circumstances where consumers who have been impacted by a scam are likely seek redress against all providers who have any involvement (driving up the volume of complaints) and where there has to have been a third party scammer (acting illegally) in the first place.
- the cost of technical solutions (for example, SMS filters) may be a significant burden on smaller players in the industry, and if they are required to be replicated by each entity who has any involvement in a process (for example, every entity who touches a sms message as it makes its way to the eventual end customer), then this would not be an efficient and cost-effective outcome for businesses.
- the increased costs to comply with this new framework are likely to be passed on to consumers and therefore ensuring regulation promotes initiatives that are efficient and not excessive will seek to minimise the increased cost to business and ultimately consumers.

