

Telecommunication Carriers Forum  
Number Portability Celebration  
Auckland, 4 September 2008

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Number Portability – The 100,000 Milestone

The 100,000 milestone is significant. Number portability has been described by the ITU as a “fundamental pre-requisite for competition in a telecommunications market”<sup>1</sup>: More importantly, the EU has recognised that “in markets where LLU is the only alternative for access, the rate of fixed number portability adoption is directly correlated with the success of LLU.”<sup>2</sup>

As we celebrate this important milestone, it is easy to forget just how long and hard the battle was to introduce number portability in New Zealand.

- Year 0     The saga began back in 1996 when Bell South started negotiations with Telecom for number portability.
- Year 1     Telstra and Telecom reached an agreement in 1997, but BellSouth and Clear objected to pricing and technical terms.
- Year 2     In August 1998, the Ministry of Commerce laid down a December 1998 deadline for industry agreement on number portability. This led to the formation of the Number Administration Deed ( NAD),
- Year 3     In May 1999, the commission authorised the NAD; one of the public benefits was that number portability would, as a result be introduced speedily; whereas without the NZD it would probably take another 18 months.
- Studies were undertaken by the NZD, but the parties could not reach agreement on fundamental issues: Paul Budde described the process as “snarled in inclusive discussions”<sup>3</sup>
- Year 5     This lack of progress led to number portability becoming a regulated service in the Telecommunications Act 2001, but still progress was slow.
- Year 7     In October 2003 the NAD transferred the number portability issue to the Telecommunication Carriers Forum (TCF), which then engaged in the process to develop a code under the 2001 Act.

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<sup>1</sup> *International Telecommunications Users Group, 2001*

<sup>2</sup> *Maximizing the adoption of fixed number portability within the EU: An empirical analysis.* Telecommunications Policy, Volume 31 , Issue 3-4 (April 2007),

<sup>3</sup> Paul Budde – News and Views September 1999

Year8 In August 2004, Telecom was reported in Computerworld that number portability “*should rest until, several years down the track when Telecom instituted its pure IP network*”<sup>4</sup>. Ernie Newman responded in frustration “*Every month since 1999, there has been at least one meeting of the NAD or TCF, which has taken three or four hours and where number portability has been a major topic*”<sup>5</sup>”

In December 2004, to ensure that the terms of the TCF number portability code would be enforceable, parties to the code applied to the Commission for a multiparty determination.

Year9 In August 2005 the Commission released Determination 544 on Local and Mobile Number Portability, and that determination (after several clarifications), came into effect on 1 April 2007.

Year 11 LMNP implemented 10 years and 6 months after initial negotiations commenced.

Since April 2007, progress has been measured in months, not years, on the TCF website. 100,000 have been achieved in 16 months. If present trends continue the next 100,000 will conservatively be achieved in a further 8 months.

That is why this milestone is so important – after the slowest implementation anywhere in the world, number portability is making a significant contribution to the increasing competitiveness of our telecommunications markets. It should not be overlooked that the TCF has played a pivotal role in bringing number portability into being – the first of a growing number of significant TCF initiatives which are rapidly transforming the New Zealand telecommunications landscape.

So I see this as a double celebration – of the success of number portability and the success of the TCF in delivering real and significant change to the industry for the benefit of consumers.

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<sup>4</sup> Computerworld, 10 August 2004

<sup>5</sup> Ernie Newman, TUANZ, quoted in Computerworld, 10 August 2004.