



**TUANZ Submission on the Commerce Commission's  
Draft Report on Numbering Management in New Zealand  
28 August 2008**

## **Introduction**

TUANZ welcomes the opportunity to comment on the Commerce Commission's Draft Report on Numbering Management. We would like to congratulate the Commission for undertaking the investigation pursuant to Section 9A of the Telecommunications Act 2001.

In particular we would like to highlight the point on page 3 of this report that numbers are recognised internationally as a scarce national resource. We note that this is a view supported by the World Trade Organisation.

We agree with the Commission that best practice in numbering administration should include technological flexibility, efficiency in managing demand, effectiveness in meeting customer expectations and capacity to support emergency services.

Although as an organisation, TUANZ strongly believes that industry self-regulation is the preferable option, with regards to numbering, the current situation has failed end-users. We note on page 50 of the report: *"The NAD does not have the right to withdraw numbers. Instead, service providers are only required to relinquish redundant capacity only on their own application which creates the risk of number hoarding."*

A recent TUANZ stocktake into Number Portability revealed that some major users have had difficulty retaining number blocks when switching providers. We consider this reflects an attitude prevalent in the industry that numbers belong to service providers, where, as was stated above, best practice internationally shows that numbering is a national resource.

In this submission we would like to highlight the following points for consideration:

## International Best Practice

As detailed throughout the report, New Zealand is seriously out of step internationally in terms of numbering administration. It stands with Columbia, Burma and Costa Rica as being among the few countries in the world not to have its number plan administered under the auspices of the regulator.

TUANZ welcomes the inclusion of international case studies in this report and notes in particular the way that numbers are administered in Australia, to quote from page 12:

*“ACMA also has the power to delegate the allocation of certain number ranges. The allocation of freephone, local rate numbers and premium rate numbers in Australia is delegated to a non profit company known as the Industry Number Management Service (INMS).*

*ACMA has established a consultative process through the Number Advisory Committee (NAC). Representation is balanced, comprising Government, telecommunications industry, user and vendor sectors.”*

TUANZ suggests that a similar regime could be established in New Zealand, with the Commerce Commission taking the role that ACMA assumes. The Commerce Commission should select, through a contestable process, a suitable non-profit organisation that is respected and independent and is likely to be acceptable to all parties and that this organisation is charged with the operational administration of the numbering plan. The NAD/TCF working party should become the basis for an industry/user/vendor/government stakeholder forum.

Given the close proximity to New Zealand, following the Australian model will provide ready access to their existing expertise and learnings.

## VoIP and Non-Geographic numbering

With regards to the following paragraph on Page 17, TUANZ is not supportive of VoIP providers being given a special numbering designation:

*“In most cases VoIP providers are granted geographic numbers if they operate under the voice service regime (ie voice quality, lawful interception obligations, access to emergency services) and specific number ranges if VoIP providers operated under the “information service” regime (based on best effort practices).”*

While TUANZ recognises that some VoIP services being offered are of dubious quality, many other VoIP services offered by carriers are of a quality indistinguishable from PSTN and mobile calls. In the event there was a need to distinguish between services of different quality for consumer information

purposes this should be achieved through some mechanism other than the numbering system, so as to retain the advantages of portability between VoIP and PSTN numbers.

### **Block sizes**

TUANZ endorses the efficient use of smaller blocks. We believe this enables a more efficient and fair access to numbers by new players. We note the following comment on pages 19-20:

*"Smaller number blocks have been a common approach taken in addressing shortages as shown in Table 5. This also forces service providers to plan the use of their numbering resources more efficiently and not continue practices such as allocating numbers to subscribers based on preferred or attractive numbers."*

### **Short Codes**

The rise of Premium SMS text codes has highlighted a lack of transparency in their allocation. That is mobile service providers who facilitate text-based advertising and content subscriptions currently approach both mobile network providers independently to gain a short code.

TUANZ is concerned that this has the potential to cause user-confusion, especially with the advent of MVNOs and a third mobile network owner. For example, a code on one network for a weather service could be the same code used for an adult service on another mobile network and the user might be unaware of this.

TUANZ therefore supports the basic principle that the same number should apply to the same service and produce the same results on multiple networks. We strongly recommend that shortcodes be placed under the administration of the Commerce Commission, along with the general numbering plan.

### **Freephone numbers**

TUANZ would like to restate concerns major users have over the transparency of 0800 number allocation, and would therefore like to see these numbers become part of the general numbering plan under the administration of the Commerce Commission.

## **Allocation of numbers**

We note the Commerce Commissions assertion on page 51 of this report:

*"Market based allocation methods such as auctions and lotteries are used for number with high value. Besides encouraging efficient use, it is considered an effective mechanism to fund the number administration function and other number related initiatives, such as number portability."*

TUANZ believes there is scope for debate on how to handle the allocation of desirable numbers.

## **ENUM and IP numbers**

While ENUM may become important in the future, TUANZ believes it is too early to make decisions in this area.

## **Conclusion**

TUANZ endorses the view that the NAD has failed to provide transparency, timeliness in numbering allocation and enforcement of rules that would assist in creating a fair and equitable numbering system of benefit to end-users.

We therefore endorse the Commission's view that it should be charged with the overall responsibility of number administration, in consultation with the sector.

TUANZ herewith registers its intention to participate in any process undertaken by the Commerce Commission for the purpose of selecting a suitable organisation to carry out the operational function of number administration on its behalf.

**Ernie Newman**  
**Chief Executive**  
**19 September 2008**