

**Senate Standing Committee on Economics**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Budget Estimates

1 June – 3 June 2010

**Question: BET 301**

**Topic: Premium SMS services**

**Hansard Page: Written**

**Senator Eggleston asked:**

What has happened with the suggestion from the ACCC that there is an opt-in clause to send and receive premium SMS services?

**Answer:**

In September 2009 the Australian Communications and Media Authority (the ACMA) released a consultation paper canvassing two models for barring mobile premium services (MPS) from consumers' mobile handsets:

1. An 'opt-in' model, whereby all mobile handsets would automatically be blocked from sending and receiving premium services until a customer asked their carriage provider to remove the bar (this option was also referred to as '*default barring*').
2. An 'opt-out' model, whereby all mobile handsets would be enabled to receive and send MPS until a customer requested their carriage provider activate barring.

In its 2 November 2009 response to the consultation paper, the ACCC submitted that the 'opt-in' model provided consumers with a superior level of protection.

The ACMA adopted the 'opt-out' model under its Telecommunications Service Provider (Mobile Premium Services) Determination 2009 (No. 1).

The determination came into effect on 1 July 2010, and carriage service providers must now activate MPS barring at a customer's request.