



THIS EDITION:  
**RISING TO THE CHALLENGE**

AFFORDABILITY AND  
THE PROMISE OF  
COMMUNICATIONS FOR ALL

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**Broadband Prices**

What do NBN Retailer Exits Mean  
for Consumers?

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**Triple 0**

The Importance of Accessible  
Emergency Services

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ACCAN is the peak organisation representing all consumers on communications issues including telecommunications, broadband and emerging new services. Our mission is to ensure that communications are trusted, inclusive and available for all Australians.

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## Our CEO: Teresa Corbin

**W**elcome to the summer edition of the ACCAN magazine. In this edition, we explore the theme of affordability and telecommunications. As we head into an election year in 2019, conversation will inevitably turn to what promises each side will make to the Australian public. In our Feature article, we explore the affordability of communications services and the need for further scrutiny, especially for low-income Australians. We will be examining this further in 2019.

Also in this edition, we shine a light on how the Triple Zero service could be made more accessible and more reliable in our Spotlight article. This follows the release of the Department of Communications and the Arts (DoCA) and the Australian Communications and Media Authority (ACMA)'s reports into the service disruptions to Triple Zero in May 2018, which left 1,433 calls to emergency services unanswered.

In Members News, we chat to Rita Battaglin from Financial Counselling Australia about the launch of their "a day in the life of a financial counsellor" campaign, and uncover what factors are still contributing to bill shock for telecommunications consumers.

At the ACCAN Annual General Meeting in September, we thanked Ryan Sengara who left the ACCAN Board after completing two terms (2012-2018). We were also pleased to welcome our new and re-elected board members; RMIT's Julian Thomas joined the ACCAN Board for the first time, and Chris Dodds and Heron Loban who have returned for a second term.

On behalf of ACCAN, I would like to wish you all a very happy holidays and a safe New Year. We look forward to sharing an exciting 2019 with you as we continue to work for trusted, inclusive, and available communications for all Australians.

For all the latest ACCAN updates, follow us on Facebook ([facebook.com/accanau](https://www.facebook.com/accanau)) or Twitter ([twitter.com/ACCAN\\_AU](https://twitter.com/ACCAN_AU)). The ACCAN website has lots of useful information, tip sheets and guides for communications consumers. As always, if you have any comments, suggestions or feedback, please email [ceo@accan.org.au](mailto:ceo@accan.org.au) or call me on **02 9288 4000**.

Warm regards

**Teresa Corbin**

ACCAN CEO



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## ACCC Vodafone / TPG Merger Investigation

ACCAN has made a submission to the Australian Competition and Consumer Commission (ACCC) on its investigation of TPG Telecom Limited (TPG)'s proposed merger with Vodafone Hutchison Australia Pty Limited (VHA).

We are supportive of the proposed merger as we believe that it is likely to lead to more sustainable competition with a positive effect for consumers in the Australian telecommunications market.

ACCAN is of the view that the merger is likely to lead to an improvement in competition. Competition improves consumer outcomes by providing incentives for service providers to offer

consumers greater choice of services, at lower prices and provide better customer service. We are concerned that there is unlikely to be any new mobile providers due to the high cost of providing services. This is less of a concern in the fixed line market where there is the NBN as the wholesale provider.

Without a strong and sustainable third mobile network operator, Telstra and Optus could potentially increase prices. Australian consumers experienced less competition when Vodafone was weakened following its substantial network issues and subsequent customer losses.

## ACCAN Welcomes Telstra's Refunds to Customers Misled About Third-Party Billing

The ACCC announced in September that Telstra has refunded \$9.3 million to 72,000 customers who were misled about third-party billing charges under its 'Premium Direct Billing' (PDB) service. ACCAN welcomed this announced, however, argued that further consumer safeguards are needed to prevent bill shock and consumer harm from occurring in the first instance.

"We are pleased to hear that 72,000 Telstra mobile customers will be refunded for content such as games and ringtones that they unknowingly purchased. We have seen that unexpected charges continue to be an issue for Australian mobile consumers and contribute to mobile bill shock," said Teresa Corbin, ACCAN CEO.

"While we are pleased that Telstra's announced it would cease offering third party subscriptions in mid-2017, other telco providers still continue to offer similar services. This means that there is still potential for consumers to be negatively affected."

In October, Optus was also caught out for their third party billing service, known as 'Direct Carrier Billing'. The telco has refunded approximately \$12 million to around 240,000 of its customers over the service, which ceased operation in August this year. Third party providers refunded an additional \$19 million to Optus customers. The ACCC has also launched Federal Court proceedings seeking a \$10 million penalty against Optus.

As the peak body responsible for representing all Australian telecommunications consumers, ACCAN has played a key role in the current review of the Telecommunications Consumer Protections Code. As part of the review, ACCAN has called for the inclusion of rules that give consumers more control and transparency over their access to and expenditure on third party services billed via their telco.

### Among the key recommendations that ACCAN has put forward are:

- Telcos must be responsible for handling and resolving complaints from customers about third party charges
- Consumers must activate third party charges via an opt in arrangement before a telco can bill for them
- Consumers should be able to apply a spend limit for Third Party Charges to their account
- Billing for Third Party Charges must cease if the consumer has sent a STOP request to the third party service

ACCAN hopes that these recommendations will be carefully considered by the TCP Code review so that consumers are further protected from misleading third-party billing.

## Telcos Need to Improve Customer Service, TIO Complaints Show

In October, Telecommunications Industry Ombudsman (TIO) announced in their annual report that consumer complaints risen yet again. While ACCAN acknowledges the positive trend that emerged in the final quarter (April to June 2018), with complaints dropping by 17.8 per cent, it is important to note this is the third consecutive year that

consumers have voiced discontent with the services provided by their telco. This demonstrates a clear need for improved customer service and consumer protections.

As Australia's peak body responsible for representing telecommunications consumers, ACCAN is concerned that 167,831 residential and small business consumers have had significant enough issues with their retail service provider that they have felt the need to reach out to the TIO to mediate the process.

"We've seen a 6.2 per cent increase in complaints to the TIO from the previous financial year. Although the last quarter has shown improvement, this is the third year in a row that the complaint numbers have climbed. It is time to draw a line in the sand – consumers deserve better from their telco providers," said ACCAN CEO, Teresa Corbin.

It is predicted that the improved results can be attributed to the government directed introduction of the Australian Communications and Media Authority (ACMA)'s new complaint handling standard and record keeping rules for NBN services (introduced 1st July 2018). Should this be the case, we would expect to see this continue in the release of the TIO's six-month update in 2019.

"Customer service continues to be an ongoing issue for Australia's telco providers. On behalf of Australian telco customers, we will continue to work with the industry and regulators to push for better outcomes such as reduced timeframes to resolve issues and increased first contact resolution," ACCAN CEO, Teresa Corbin said.

## ACCANect 2018 - Conference Recap

On the 12th and 13th September 2018, ACCAN held our annual conference - ACCANect. Revolving around the theme of 'Confidence in the Connected World', attendees were treated to two days full of informative talks and discussion panels from the telco industry, government bodies and academics.

Affordability for personal and small business consumers was a key theme highlighted throughout conference, including in the 'Ask the Telcos' session. In particular, the telcos were asked about watching out for customers who may not realise they were signing up for products and services beyond their means.

ACCAN's Accessible Telecoms was also previewed at this year's ACCANect conference. Headed by Wayne Hawkins, Director of Inclusion at ACCAN and Helen Abric, Operations Managers at IDEAS, Accessible Telecoms will provide information about the accessible features of mainstream and assisted telecommunications products to people with a disability.

"Accessible Telecoms is going to be a one-stop service for providing essential information for people with a disability," said Wayne Hawkins. "It will provide consumers with the confidence they need to get connected and stay connected."

Accessible Telecoms will launch at the end of the year.





# Rising to the Challenge: Affordability and the Promise of Communications For All

**WRITTEN BY** GARETH DOWNING

**Communications are an essential service for consumers and play an increasingly important role in accessing private and public services. Access to communication services ensures that individuals can remain socially connected, engage with health and emergency services, as well as educational and employment opportunities.**

However, access to communications more often than not, is conditional on individuals and households being able to afford the services that they seek. Affordability, more than a mere barrier to access, has become a brake on the exceptional promise of communications services to be a transformational force in promoting improved and more equitable outcomes across Australia through access to education, tele-health, new employment opportunities and economic development.

Despite a decade of record private and public investment in communications infrastructure, the promise of modern communications services has not been fulfilled for many facing digital exclusion due to the cost of these services. Although the quality and variety of communications services on offer in Australia have increased significantly over time, and there have been improvements in affordability of products and services more generally, affordable communications continue to be a challenge for many consumers on low incomes.

## **The lower your income, the more of your income you spend on communications**

For consumers on low incomes, the cost of communications services can represent a significant proportion of their total



- Individuals and couples on the Age Pension; (2.5 million)
- Indigenous Australians on low incomes; (132,000)
- People experiencing homelessness; (116,427)
- Families below the poverty line (1.5 million).

For individuals and families relying on financial support payments, significant financial stress is a part of everyday life and the increasing cost of utilities including communications is a significant contributor. ACCAN believes that all consumers irrespective of their financial situation should be able to afford the services that they and their families need.

### **Communications services: the great equalizer**

Communications services allow individuals convenient access to a variety of essential government services, as well as access to educational and economic opportunities that would otherwise be impossible to access due to physical or financial constraints. Access to communications can compensate for many of the obstacles that individuals face in everyday life, and can help to bridge the divide between city and country residents, and those on high income and low incomes.

Access to communications services is important for everyday life. For low income Australians in particular, it allows them to engage actively with educational and employment opportunities, and remain connected to their communities. For children living in poverty access to communication services provides them the same educational opportunities that their contemporaries have. This is a key step in helping to level the playing field between disadvantaged children and their more fortunate counterparts.

### **Steps forward on the road to affordable communications**

Achieving affordable communications for consumers will not occur overnight, and concrete targets should be set to ensure that progress is being made on the path to affordable communications for all consumers. ACCAN considers that the average expenditure of 3.5% on communications is an appropriate starting point for affordability.

The achievement of affordability for all will require a considered approach about how best to support consumers to access the services that they need. For some this will mean targeted financial support, the provision of direct supports for hard to reach groups (such as individuals experiencing homelessness), and for others it may entail providing more relevant and useful information about what services available within the market are most suitable to their needs and budget. No one approach will suit all consumers, and as part of ACCAN's ongoing work, we will continue to advocate for positive policy measures and pricing changes to support affordable communications.

income. Households in the lowest 10% and 20% of earners on average pay just under 10% and 6% of their disposable income on communication services respectively. This is well in excess of average household expenditure on communications, which accounts for approximately 3.5% of disposable income. The above statistics reflect the exceptionally regressive and inequitable nature of communications expenditure and the significant affordability challenge faced by consumers on low incomes.

### **Which consumers are facing affordability challenges?**

Although a wealthy country by international standards, Australia is characterised by significant inequality which leaves certain groups within the population facing considerable challenges in affording access to communications services. ACCAN has undertaken research into which groups face the greatest affordability challenges and identified the following groups as being particularly vulnerable:

- Individuals and families with members on Newstart payments; (747,000)
- Individuals and families on Disability Support Pension payments; (760,000)
- Individuals on Youth Allowance payments; (243,778)
- Families on Parenting Payments; (342,889)





# What Do NBN Retailer Exits Mean for Consumers?

**WRITTEN BY** TARA D'SOUZA

**As the NBN retailer market continues to shift, it highlights the challenging NBN wholesale pricing arrangements for these providers. However, it can also be argued that the dynamic and competitive nature of the market helps to keep retail prices low for consumers.**

In October, Amaysim announced that it would no longer sell NBN services. In an interview with industry publication CommsDay, Amaysim CEO Peter O'Connell said that "the decision to exit broadband was not easy and was made in light of unsustainably high wholesale costs, intense competition and the need to allocate the company's capital appropriately."

In the following weeks, Amaysim announced that they had sold their customer base to regional telecommunications specialists Southern Phone Company. Southern Phone is one of over 170 NBN retail service providers (RSPs). This number continues to grow due to the relatively low barriers to entry for retailers to register with the NBN. This ever-growing market place means that there is intense competition, as referenced by Mr O'Connell. While this helps to apply downward pressure on retail prices for consumers, it makes it difficult for RSPs to stand out in this crowded space.

Shortly after Amaysim's announced exit from the NBN market, Vocus (the fourth largest NBN retailer by market share) announced that it was unsure if it would remain in the NBN consumer market.

In an interview with CommsDay on the 31st of October, Vocus CEO Kevin Russell described the NBN consumer segment as challenging.

"It is highly competitive and the economics associated with NBN mean there is very little margin...much of our input costs lie outside of our control with the NBN."

Mr Russell's comments again highlight that the wholesale pricing framework may be discouraging some operators. In fact, the Australian Competition and Consumer Commission (ACCC), who regulates a lot of NBN's activities, recently said that it had concerns with NBN Co's pricing model.

In response to repeated criticism of high wholesale prices, NBN Co introduced temporary discounts, including the halving of the wholesale price of its 50Mbps plan. While this helped retailers recoup a proportion of their costs in the short term, discounts such as these offer no certainty to retailers for longer term contracts. Without certainty as to the prices they will have to pay to NBN Co, it is difficult for providers to plan ahead. This can result in RSPs pulling out of the market entirely as we have seen with Amaysim, resulting in fewer choices for consumers.

The discounts have also been designed to encourage retailers to focus on higher speed plans that are more expensive. As a result, the ACCC is concerned that this may reduce the range of offers for lower speed plans that may be more desirable or affordable for some consumers.

For consumers, the best market place is one with a wide variety of service providers, products and price-points to best suit their needs. If service providers continue to withdraw entirely, as Amaysim has done, or lessen the products on offer then consumers will undoubtedly be worse off.

ACCAN is dedicated to working with NBN Co and RSPs to advocate for affordable entry level plans and positive policy measures to support affordable communications.

# Accessible Emergency Services (Triple Zero)

**WRITTEN BY** MEREDITH LEA

In October, the Department of Communications and the Arts (DoCA) and the Australian Communications and Media Authority (ACMA) released the findings of their respective investigations into the service disruptions to Triple Zero in May 2018. A Telstra service outage on the 3rd and 4th of May and a separate incident on the 26th of May affected calls to Triple Zero, with Telstra failing to ensure that 1,433 calls were appropriately carried through to the operator.

In its report, the ACMA found that through their service failure, Telstra breached its obligations as the Emergency Call Person (ECP) under section 22 of the Telecommunications (Emergency Call Services) Determination 2009. The ACMA also announced that it would be reviewing this ECS Determination to ensure obligations regarding access to the emergency call service are robust and consistent. This review was also recommended by DoCA in its investigation report.

ACCAN made a submission to the ACMA's review, in which we offered recommendations about how the Triple Zero service could be made more accessible and more reliable. ACCAN has been dedicated to working alongside the disability community, particularly with Deaf and hearing and/or speech impaired consumer groups, to advocate for greater accessibility of Triple Zero. Emergency services, and the means by which they are contacted, must be universally available to everyone who requires access to the essential service it provides.

## **Greater accessibility**

Currently, people who use a teletypewriter (TTY) are able to contact Triple Zero through the text-based, fixed-line 106 emergency number. Dialling 106 from a TTY connects the caller to a relay officer who relays the conversation with the relevant emergency service. The current accessibility options for accessing Triple Zero, even through 106, do not

fully provide the same level of reliability and safety for people who are Deaf or have hearing or speech impairments. Many people with disability still cannot make reliable contact with Triple Zero. There are gaps in the current emergency call service system, and greater accessibility and reliability can – and must – be achieved to ensure equity of access.

Increased accessibility can be achieved by modernising the Triple Zero service to include and reflect the different devices, apps and technologies that Australians use to communicate. This must include the ability to contact Triple Zero by SMS, web or video call, instant messages, or from SIMless handsets, for instance. Expanding the ways through which people can seek assistance will help to ensure that all people, including people who are Deaf or have hearing or speech impairments, have consistent and appropriate access to Triple Zero and emergency services.

## **Improved reliability**

Additionally, improved reliability can be achieved by eliminating existing single points of failure within the Triple Zero system. For example, as seen in the May 2018 service disruptions, in the current system a Telstra service outage in one location could potentially affect all individuals trying to contact Triple Zero, regardless of who their carrier or carriage service provider was. Introducing diversity and redundancy measures into the emergency call service system would help to protect against single points of failure, and would likely in turn provide greater reliability for people who are attempting to contact Triple Zero.

Finally, it is important that a reliable and accessible Triple Zero system is maintained by clear, strong and enforceable safeguards. Strict obligations must be placed upon carriers and carriage service providers to protect consumers, and to increase the transparency of the Triple Zero service.





# FCA - A Day in the Life of a Financial Counsellor

**WRITTEN BY** MELYSSA TROY

**The sight of bills arriving, whether through our inboxes or mail boxes, is never pleasant. While for some it may invoke an exasperated sigh before reaching for a wallet, for others it can be the catalyst to an overwhelming rollercoaster of emotions. For some people, seeing their bills beginning to pile up leads to shame ('How did I fall behind on payments?'), anxiety ('How am I going to pay for this?') and even catastrophizing ("If I don't pay the car repayment tomorrow, I'll lose the car, then my job, then my entire life will fall apart"). For those in financial difficulty, financial counsellors can be a lifeline out of a debt spiral.**

Financial counsellors provide free information, support and advocacy to assist people in financial difficulty. These specialists have an extensive knowledge of consumer law and policy that they use to help those in need to stabilise their financial lives.

Financial Counselling Australia (FCA) is the national peak body supporting the financial counselling profession. In June, they launched a new campaign called "A Day in the Life" which provides a unique opportunity for federal politicians and the heads of government departments to witness first-hand what financial counsellors do, and to help them understand the challenges that people face when they're struggling with bills and debts.

Rita Battaglin, Project Manager at FCA shared that the campaign was launched to counter misconceptions about the role of financial counsellors and to demonstrate the importance of the service to Members of Parliament (MPs)

"We know that there is still confusion as to what financial counsellors do, and the scope of their role. Some people mistakenly assume that they are the same as financial advisors, who advise people about how to grow their wealth," Ms Battaglin said.

"In reality, financial counsellors work with people who are facing financial difficulty by providing them with free advice, support and assistance to work with their creditors. They aim to prevent people from falling into increasing hardship and work with them to get their finances back on track."

Since the beginning of the campaign, FCA has seen over 40 MPs from across the country and political spectrum sign up to take part in the experience.

Ms Battaglin said that agencies have experienced an increased demand for financial counselling, which she attributes to people from a wider socio-economic base falling into hardship.

"Financial counsellors are a great resource for MP's who may have constituents in their area who need a helping hand," she said.

"We encourage any MP, Senator or head of government department who is thinking of taking part in our 'Day in the Life' initiative to get in touch."

Participants have the option to listen to calls on the National Debt Helpline, or tour a financial counselling agency in their electorate to hear from locals on the ground and the financial counsellors helping them regain control of their finances.

**For more information, email [projects@financialcounsellingaustralia.org.au](mailto:projects@financialcounsellingaustralia.org.au)**







## Connectivity & Affordability in Remote FNQ

**ACCAN has been working with James Cook University to shine a light on the reality of internet connectivity and affordability in remote agricultural communities in Far North Queensland.**

Dr Amber Marshall has been working with Northern Gulf Resource Management Group to talk to cattle property owners and workers about their experience of bush internet and how it enables and constrains their lives. To get an in-depth knowledge of the day-to-day needs of these communities, Dr Marshall has been shadowing Kathy Rowling in her role as Drought Ambassador, attending events and visiting properties across the Northern Gulf.

The research builds on findings from the Australian Digital Inclusion Index which shows that Far North Queensland is one of the least digitally included areas in Australia. This means that there is a large gap within the region of effective access to digital and information technologies when compared to the wider nation. The project aims to help understand how low levels of digital inclusion – which is particularly apparent in the farming sector – impacts individuals, families and communities across all aspects of life: business, social life, education and health.

Dr Marshall recently shared some preliminary findings with representatives from industry, government, education and community

sectors at the Australian Regional Development Conference in Tweed Heads, NSW. Contrary to her expectations, Amber has found that the most disgruntled consumers are not necessarily those that live in the most remote areas.

The research suggests that consumers on the cusp of urban areas are the most frustrated. These consumers “layer-up” on several services in the hope that one of them will work at any given time. This means people are paying for three or more unreliable services, including Telstra/Optus mobile, NBN fixed wireless, a landline, satellite phone services and others (e.g. two-way radio). On the other hand, in very remote areas where there is no promise of mobile service, consumers seem to be relatively content with NBN SkyMuster satellite, notwithstanding data caps and slow down/upload speeds.

It is hoped that the findings of this research will help inform government and industry policy at local, state and federal levels regarding provision of affordable internet access. It will also advocate for funding and programs to support remote consumers to access and use the internet to their advantage.

This research is funded under the ACCAN Grants Program and is also supported by QUT’s Digital Media Research Centre.



# ACCAN Grants Scheme

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A koala is shown sleeping peacefully on a thick, light-colored tree branch. The koala's fur is a mix of grey and brown, and its eyes are closed. The background is a clear blue sky. The image is framed by decorative gold borders at the top and bottom, featuring intricate floral and scrollwork patterns. The text "Happy Holidays" is written in a red, cursive font across the top of the image.

*Happy Holidays*

accan

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