# Day 1, 2015 Conference – Mapping affordability research

Teresa Corbin: Look, we've got the panel session now, headed up by Dr Tony Eardley, who's going to moderate. If I could invite the panellists to come up and take their seats... Just, while you're all doing that, um, I just wanted to note that there's quite a diverse group of people that are actually here, so we've got people from government departments and we've also got people from local and state governments, as well as the Federal Government. We've got the ACCC and the ACMA, people from the TIO, and obviously also ACCAN staff, but I particularly wanted to point out the ACCAN staff, the ones that are in the room. I know you don't like to do this, but just to draw a bit of attention to you for just one second, if you could all just stand up so that people can identify you - it just makes it easier if you do want to talk to anybody from ACCAN while you're here - if you can look around, you can see who they are, 'cause I know that we all want to talk to you.

So definitely make an effort to come and have a chat to us. We've also got some representatives from media and a lot of academia, and also from various telcos and industry associations, so we're really pleased about all of that. And an awful lot of ACCAN members have made the effort to come along, which is great too. With that, I'm going to hand over to Tony.

Tony Eardley: Thanks, Teresa, and good morning again, everyone, and welcome to this third panel - the third session of the conference, which takes the form of a panel discussion focusing on mapping affordability research. My name's Tony Eardley. I'm currently more or less retired, but I used to work at the Social Policy Research Centre at the University of New South Wales. A few years ago there, I was involved with some other colleagues carrying out a review of research and literature on some of these affordability issues related to two telecommunications on behalf of the Telstra low income cement measures, or LIMAC. One of our broad conclusions at the time was there really wasn't enough research focusing on unpacking the idea of affordability, and how it applied to different sections of the community, and across different technologies, and particularly that the rapid change in technologies and developments were well ahead of our ability to grasp what was really going on for different parts of the community with those different forms of technology.

So this is a very welcome kind of session to catch up on these issues some years later. And to discuss our main point today, we have a very highly qualified panel, who I'll introduce as we go along in the session. But the basic format is that they will each talk for 7-8 minutes and then there'll be just a few minutes for cross-panel, interpanel discussion and questions in between. Then there'll be time at the end of the session for a Q-and-A with the audience, between the audience and the panel. I would like to introduce our first speaker, Professor Julian Thomas, the director of the Swinburne Institute for Social Research in Victoria. Julian has been involved in a large new research study on the digital divide in Australia, and he's going to talk about some of the findings of the study and some of the implications. Julian?

Julian Thomas: Thanks, Tony. It's too early to talk about findings, but I will talk about a new project that we're working on. I hope that, coming first with this panel, I could do a little bit of scene-setting around the research landscape on the issues we're discussing today to talk about the context of research in the area, the way in which the field, the way in which the definition of the field has evolved and changed a bit over time. And rather than doing what we researchers always do, which is to complain about the lack of research in this space, actually talk a little bit about, as Tony said, what we think is a very exciting new project we're working on, which we hope will generate some useful knowledge in this space. Just to look at the research context quickly, as I think you all know, for long time, researchers approached the issue of the uneven social distribution of internet access in terms of a particular metaphor - especially the metaphor of the digital divide. And as we and others tracked the digital divide over years and decades, we saw that it gradually narrowed. The gap between those who were connected and those who were not changed as more and more were connected and fewer were not. But as that has happened, we've also found this metaphor that we've been working with, getting less and less useful. The divide has indeed narrowed in terms of the numbers of people without access, but at the same time - and I think we've been talking about this this morning - we've all seen that the consequences of not being connected have become much more serious. If you think about the costs of not being connected to the internet or not being connected to adequate communications services 15 years ago, in general, these were not dramatic. But now, when you think about who needs to be connected, it's really only a small group of former High Court judges.

(LAUGHTER)

..who are among the very few of us who can pursue their professional work unimpeachably, without being able to resend their emails. So we were noticing that this digital divide metaphor, if that's where it ended up, wasn't particularly helpful. And especially because, as Malcolm Turnbull said in his introduction, we're now all working in a digital economy to the extent where that adjective is practically redundant. We're living in an emergent digital society. We're relying on government information and services that are all online, and our education services increasingly depend on online skills and participation. So we've moved the language a little bit. We're now talking more about what we call digital inclusion in the research space. We're talking about how to capture the opportunity and the imperative to participate more broadly in those issues of education, the labour market, civil and social life, in these circumstances where digital technologies are embedded in every aspect of everyday life. So affordability is clearly an important element in digital inclusion, but we see it as a necessary but not sufficient precondition for inclusion. And we see it, also, as something which, as we've been saying today, really needs to be desecrated and broken down, and requires a better understanding.

Participation depends on more than just affordability. It depends on other sorts of factors. The kinds of things we've been talking about - a certain set of skills, the broader competencies of digital literacy, as Heron was saying, and on the availability of services that are relevant and accessible. Claire talked about the importance of understanding the interaction between affordability and the other barriers to uptake, and we think that the idea of digital inclusion helps us get at that. This is I think where the research is going in our space, but it's important that we don't overclaim it. Digital inclusion, according to most of the work that we know about, is probably not a driver of upward social mobility, although in some circumstances it can enable that. Our sense is the debate about digital inclusion is probably now more about an effort to avoid increasing inequality rather than reducing it through a single leaver. As a colleague at the Swinburne Institute says, "Digital inclusion is more likely to be about keeping up than going forward." So, hence the new project I wanted to tell you about today and which I think you'll hear more about. This is the Australian digital inclusion index, which we at the Swinburne Institute are working on, together with partners in Telstra and the centre for social impact at the University of New South Wales, and at our own university at Swinburne.

What we're doing is developing an aggregated measure of digital inclusion, and we're doing this because we think it has the potential to be a genuinely useful simplification of what is a complex, multidimensional issue that is not, in itself, well captured by single measures or metrics of uptake or use. We've been very interested - inspired, I think - by the uses to which indexes of financial inclusion can be put, and for example, also, the recent work of the EU on building a digital economy and society index across member states there. So the point of the project I'm talking about is to produce useful knowledge in some key ways. We hope that the process of consultation which we're planning with all the stakeholders involved will help frame and structure debates, and draw attention to the issue. That's really the heart of the project. We hope we can defragment some of the research which is currently very isolated in this space. And we think that a systemic review of the data and the indicators can help narrow down what we think is really important. So what are the aspects of affordability that are most critical? We think that the project can help focus attention on where the gaps are, and also on what we can all do about it, whether from government, industry, community sectors, or universities. And we're also hoping that we can build a scalable, extendible project which can be comparable with others, which can be reproducible across regions and locations. In your special bags, you've got a little flyer which is about it all. I hope that you are interested in it. If you are, please register your interest. We'd love to talk to you about it if you are interested and, with my colleague, Scott Ewing, who's also here today, we'll come and pester people over the next day or two. We hope that's a useful contribution.

Tony Eardley: Thank you very much, Julian. Um, just one point I'd like to raise with you is one of the issues you raised while you were doing work on this topic, and also Claire mentioned in her presentation is the fact that, quite often when you ask people whether they're using various kinds of technology - broadband in particular - you find that quite a lot of people are not using it, and the reason is because they're not interested or they don't necessarily cite affordability itself or even a lack of skills as the prime reason. I'm wondering whether your research has been able to unpack that response a bit, in some ways. It sometimes seems me that that response itself is sort of covering up a number of other, more complex issues about the interface between people and technology itself.

Julian Thomas: Tony, thank you. I think, invariably, it is covering up a more complex situation, of which affordability may be one element. Really, all the research around this suggests that uptake is a fairly complex and contingent kind of process for those sorts of people. I suppose one of the clearest indicators we think we can get at through a larger range of questions and a more systemic research approach is to get at, say, "What are the network dynamics of uptake?" People often talk about communications on the internet as proximity technologies - the closer you are to them, in a social sense, the more likely you are to use them. These are the sort of issues you can get at, with some more questions, which can uncover people's distance from the internet rather than an issue of, "Are you interested in this? Why aren't you using it?" ..and that kind of thing. MM.

Tony Eardley: Thank you very much. Our next speaker is Linda Caruso, the executive manager of the strategy and research branch at the Australian Communications and Media Authority, ACMA. She's responsible there for leaving ACMA's research program. She's going to talk a bit about some of the work commissioned in this area.

Linda Caruso: Thank you. I've got a few slides that I was just trying to click through. I think I need a clicker. But I will start. I'm representing a regulator, and one of the reasons that we actually do research is for our own decision-making purposes. We have some particular regulatory responsibilities in relation to fixed-line services, but more generally it's our role to understand the performance of telecommunications industry in the supply of services and understanding consumer satisfaction benefits and qualities serviced. That's the context for which I'm going to be talking about some of the research that we have done about telecommunications consumers. Today, I want to mention two aspects of affordability. One area that we've looked at is - what are the things that influence access to services, and where do affordability concerns feature amongst a range of potential barriers to access?

Once access is satisfied, what are the types of strategies and behaviours that consumers are adopting that's helping them manage affordability concerns? I might just touch very briefly at the end on some of the international research that we've seen in this area that might provide pointers for additional areas we could look at in Australia. The first slide - this is a big picture - looking at reasons that people are not online. We've found, in past studies, that there's about 1 million Australians that are not yet online. We understand that that million figure came from last year. We came across recent work that suggests 1 million - there's more 50,000 less who are not online. So the figure itself is coming down, but it shows some of the demographics of who's who is not online.

We find the primary reasons for that seem to relate to both income and of age. About 11% of those earning less than $30,000 per annum who are not online, in comparison to 3% earning more than $80,000 per year. One in five of people over age 65 are not online, compared with their younger counterparts. What we also find is that the take-up of new technologies is also slower amongst lower-income groups.

We've seen that in relation to early on with mobile phones, more recently with tablets, and the use of tablets to access the internet. Also amongst this older age group, for those that are over 65 - and they don't have an internet connection - some of the reasons that we find that they don't want to take up that connection - it's not necessarily about cost, it does go to some of these other barriers, that some of the other speakers have mentioned this morning. Perceived lack of need, and a lack of understanding. Some of it also goes to - people express it as "I don't know how to use it. It's too complicated." So it's that expression of the lack of skills that hinders their ability to access new technologies. The other thing that we find is, particularly for lower-income groups, we see that those which also use a lot of locations other than the home to access the internet - that's a really important feature for some groups of people in accessing the internet. We've seen it particularly amongst homeless groups. People earning less than $30,000 - not the homeless, but people earning less than $30,000 - are significantly more likely to access the internet from public places and shared places like libraries, wi-fi hot spots, or using other friends' homes and locations to access the internet. So the friends-and-family network is also really important for people in satisfying access where cost is a real barrier to that access. I want to just turn to where affordability concerns feature amongst other sets of concerns in accessing services. Here we go - another slide, I hope... I'm not very successful... Here we go.

We've been tracking, for a number of years, consumer satisfaction and consumer benefits in relation to communications services. That's given us a lot of good information over time. Sorry, I'll go again. One further. A lot of the information, over time, about how core costs are perceived by people as barriers to access. We're finding most recently that the highest level of dissatisfaction is now being associated with some aspects of service pricing - line rental cost for fixed services, and call costs associated with mobile services. Funnily enough, the highest satisfaction is then seen with billing information. What are these data sets telling us about affordability? We're seeing that, for older people generally, they have higher levels of satisfaction in relation to home internet services, et cetera. For younger-age-group people, their areas of dissatisfaction are really in relation to mobile phone calls. Not surprising, when you think about people's communication patterns. I just wanted to turn briefly and look at financial hardship.

In the past, we have done more detailed studies about telecommunications consumers facing financial hardship. We know that there are, for a significant portion of consumers, that they it have a lot of difficulty in paying bills. On this next slide, it's just giving a bit of information that, in the past couple of years, we've found there was about 14% of Australian bill-payers who had experienced some form of financial hardship in the last 12 months. That was much higher for younger age groups in particular. Again, income is a key factor - that shows in incidence of difficulty in paying bills. Turning to some of the strategies that people adopt to manage their services - once they've got access and they're trying to keep things under control, we've been tracking the effect of some of the more recent interventions that have come under telecommunications consumer protection code. In particular, the use of spend management tools - the spend alerts that people are receiving. In soon to be published data, what we're finding is that, overall, the incidence of bill shock has been coming down quite significantly over time. People are getting a lot of benefit out of the spend management tools, and they actually like and are using the alerts systems.

We're finding that about 81% of people in our studies have used spend management tools in the past period. This is one of the key ways at the moment that people are getting information from their telco providers. They're using it. And it's really helping them in the daily management of the service costs. Just turning now to look at internationally, where we're seeing some of the potential areas of information gaps that might be might provide some insights for Australia and where we want to look in the future. We're aware of the really good studies that the Pew Group has done in the US about looking at reasons that people do not access technologies - I think Julian, I know, is aware of a lot of that work. It's not an area that we've explore in a lot of detail here in Australia. Really unpacking those barriers to access - that's a potential fertile area to look further. We are also looking at the work in the UK at supporting the poverty premium. This was mentioned by other speakers earlier this morning - people on pre-paid plans actually are paying more per call cost for their services. How that impacts them on the long term - there's been detailed studies in the UK looking at that. We're aware corresponding studies haven't been done here in Australia, that we're aware of, that have tried to understand the impact of that poverty premium on particular consumer groups in Australia and how that affects their telecommunications service experience. I'm just offering those as a couple of threads that might be useful in further discussion as you think about where some of the information gaps might be. So, thanks, everyone.

Tony Eardley: Alright. Thank you very much, Linda.

(APPLAUSE)

One question. I seem to remember some years ago there was some sort of speculation, or even some evidence, that age was becoming, over time, less of a barrier to take up some of the technologies, and that there was an idea that older people were actually catching up, to some extent, with their younger counterparts as these technologies became, generally, more familiar within the community. Is there any evidence currently that that is the case, or are they still really lagging behind in the same way?

Linda Caruso: I don't necessarily see them as lagging, necessarily, but we just do see that there's a continual, I guess - older age groups are just slower in the take-up of newer technologies. Some of the things that we see that helps that is when people are around them using the technologies and they can see the benefits of that. That's one of the threads Julian mentioned earlier - what are the kinds of things in people's networks that provide the impetus for people to take up new technologies or understand the benefits of using technologies. Some of the things we've seen from some of our research - it's the informal networks of family and friends using or helping people. That really can be useful in overcoming some of the barriers to actually having a go.

We've found that the having a go meant a lot to some of the older age groups, but I wouldn't see it as - the number of people who are not online, that's been coming down over time. The older-age cohort is part of that group... Just to add, Tony, I think a lot of those users are what we typically call "proxy users". Their relatives and friends are doing things online for them, so they know what's going on, they know what platforms they need to use. They know when they need to book a trip or something like that, they can do that online, with someone else's assistance. I think that's a different sort of problem from those who are, to use that language of the sort of "proximity" to the net, or communications, who are further away, who do not have those people who support them and help them do it. I think there's a big difference between non-users and proxy users, especially in that older age group.

Tony Eardley: We have Dr Greg Ogle, from the South Australian Council of Social Service, who is a policy and research analyst. And he will talk about SACOSS' experience of carrying out a recent cost of living update on telecommunications and the implications of this for the affordability policy.

Greg Ogle: Thanks. As a peak welfare body, SACOSS is a bit of a novelty in terms of telecommunications standards, so what I'm bringing today is a bit more of an outsider perspective. But what we did essentially was to use the tools we use to look at cost of living measures in low income households across the board, and apply them to telecommunications, which we did in our last quarterly update. We developed, over the years, a speciality in energy and water advocacy and looking at hardship and affordability issues there and so, for the first time this year, we included telecommunications in that, because again we think there is a useful ness in seeing how the tools apply across a broad range of areas. I guess what we found and underpinning our approach was that the basic concepts that we used were fairly easy to apply to telecommunications. Telco expenditure is essential, it is a significant part of the household budget and it is regressive in that we know that low income households spend proportionally more on telecommunications than higher income households. And that's the same for the other utilities like water and electricity and gas.

Unfortunately, though, the data - getting hard data now is a bit difficult, because the base of a lot of - and the best and most authoritative source of household expenditure data is the household expenditure survey, but there's several difficulties in it, in that telecommunications isn't a simple category in the household expenditure survey. My quick look is there was eight different line items spread across three or four different categories, so mobile phones are next to power tools but the mobile phone plan is in the household service category somewhere else and that is a different category from the internet charges, which are in recreational and educational services. So you've actually got a fair bit of piecing together to do from the household expenditure survey to figure out what the telecommunications expenditure might be and, in any case, the data is pretty seriously out of date. The last one was 2009/10. They happen every six years. But when you have such a rapidly changing market like we have in telecommunications, in that time since the last survey, I think other ABS stats show that internet downloads have increased eight-fold in that time.

You can't make serious guesstimates - even using indexing you would do with other commodities, you could just index the prices. I can't actually tell you, using the key ABS tools of household expenditure and CPR, exactly what's happening with household expenditure and if people are spending more or less on telecommunications and, if they are spending more, what are they substituting it for? And that is a pretty crucial thing I think where there is a gap in the literature. The purpose-built surveys that others might do around telecommunications expenditure don't give you that important information about, well, if people are spending more, are they spending less on food or are they spending less on recreation? You know, that's pretty crucial. We also did some micro-level stuff, noting those gaps at the macro-level data. We looked at a range of prices - and issues around price, because unlike energy and water, for instance, whereas we all know from our own experience, prices are skyrocketing and we know that telecommunications prices in real terms have come down. But the price structures are fairly similar.

There is, in effect, a supply charge built in, even if it is not upfront or itemised on your bill. If you are paying 20 bucks a month for a mobile phone and it gives you almost no phone calls and very little data you've effectively got a supply charge built in there. And we know that supply charges are regressively impacting proportionally more on low income households. We looked at a few other premiums on property, which Linda referred to and I think that is another area of research that needs a lot of ongoing attention, those sort of, you know, asking poorer people to pay more for the service because they can't afford to buy more of it. I guess the one thing, I think was a bit different that came ouch our research, partly because we took our welfare approach it, rather than a sort of more experienced telecommunications approach, in a sense, but we went straight to the question of income and income support for telecommunications. And concessions in particular. And I think that's a key area that we need to focus more on and focus our advocacy and our research on. I mean, if you look at energy and water, state governments all across the countries, state and territory governments, offer substantial concessions for low income earners to assist and ensure that people stay connected for electricity and can pay their water bills.

Substantial concessions. If you look at telecommunications, we've got an out-dated and rather bizarre telephone allowance for some Centrelink recipients and it's only really where there's kids or people with disability involved, it's not actually for all - because it's based on a notion of emergency, rather than essential service. And it's hopelessly inadequate - $27 a quarter or something. Don't spend it all at once! So I think, as a couple of the speaker have highlighted, income and that concessional support for telecommunications is an important area that might be missed if we're just focusing the telecommunications debate and research on spend management tools and what's happening in the telecommunications market itself. That stuff is clearly really important, but alongside that, as Heron mentioned, the sort of MILC acronym, we need to talk about income, you know. So I think an important part of the affordability agenda must be about looking at the adequacy of income supports in Australia.

Tony Eardley: Thank you, Greg.

(APPLAUSE)

I think it was interesting you raised the question about the sort of concessions and low income support directly. One of the issues which arose when we were doing our work some years ago was the question of whether, in a changing market, if you like, around technologies and telecommunications, whether it should be partly the role of the wider industry, rather than just the - as it has been - the main carrier at the time, you know, Telstra, to provide some kind of supported concessions to low income people as they have done through the LIMAC scheme and all of that, which has primarily been a Telstra scheme because of its particular role within the industry, which is now, to some extent, rather outdated in its own right, given that there are many other players and carriers in the field. What's your view about that in terms of an approach to direct support and concessions and that kind of thing? Do you think the wider industry needs to have a larger input?

Greg Ogle: Yeah, I think the model is outdated in that sense. But I think there's a prior question, which is, to what extent is it industry's role to provide concessions and to what extent is it the government's role? I think the first stop would be, you know, in terms of a universal support structure, I think that rightly belongs with government, rather than the market. In a sense, the market - removing other barriers that might be particular to the market and that can be done by regulation. But I don't think any market should be called upon - I don't think it should be put upon any particular market player. But I would be cautioning not to forget the role of government.

Tony Eardley: OK, well, thank you. And our final panellist for this session today is Diane Carmody, who is the acting Telecommunications Industry Ombudsman and her comments are going to draw, I believe, on some of the data collected by the ombudsman's office by their work with feedback and complaints.

Diane Carmody: Thanks, Tony. If my fellow panel members will excuse me, all of a sudden, I wanted to become a researcher, I thought, "This looks like a lot of fun"! So we did look at some OECD data which said that 14% of Australians live on less than $480 a week and in the past 25 years, the spend on telecommunications services has increased and it is now more than 3% of the household expenditure. And I guess this data is just supporting what our previous panellists have said - that higher expenses in this area, which is greater than in other utilities like water and energy, is regressive, because the lower the income you have, the higher the percentage that you are spending on this particular service. And I think affordability, though, is more than just about those in financial hardship, which is certainly something that we do see through our data. When I thought about it, I think, really, affordability of telco services is a combination of disposable income, but also the need that a particular group or sector have, and then the price range that's available there in the market for those particular needs.

And what we see through our complaints is that not everyone does have the same telco needs. So, for example, a newly arrived migrant may require a range of telecommunications services to enable them to keep in touch with their family overseas and also to allow them to access support services they are going to need in order to survive here in Australia. An elderly person, though, who is trying to live independently, they may require different telco services altogether. They may require a landline service, again to keep in touch with family, often, but also for medical purposes and I could go further and say, if they were elderly and remote, then, of course, the needs then for telecommunications services again are different. If you are a self-supporting student, again, the needs are really different, the telecommunication needs, because you may need to access your university lectures, you may need research abilities and also then telecommunication vehicles in order to submit assignments and pass the course. So I think my observation is that affordability is not a one-size-fits-all and that recognising and that our research - and perhaps this goes to future research if it is not happening already - that understanding what basic needs for different sectors are is quite important. Anyway, that was my little bit about being a researcher!

So what can we see through the complaints that come to the TIO about affordability of telecommunications services? And I think we can look through two lenses. One is complaints about payment, billing and payment issues, and the second is complaints about credit management themselves. And credit management and complaints about people who are having difficulty making payment arrangements or they may actually fall into another category of saying, "I am in financial hardship, I want to pay but I can't", due to whatever change in circumstance that there may have been, and the third category, those who are financially overcommitted in that they just cannot afford the product or the cost of whatever they've got. And the caveat on all of that is that it doesn't necessarily mean that there's a lack of affordability. It might be that people have overstretched - that they actually want more than they can afford and they don't need. And I have to say, there's something very seductive about telecommunications services and everyone wants the latest iPhone, everyone wants the latest apps, everyone wants the latest games, and so on. So there's a real, probably, drive, if you like of people to get into and use services and products that may not necessarily be in their needs.

I think in the research, this understanding between what are needs in order to succeed in whatever aspect of the life you are engaging in, versus what you would like to have is probably another sort of distinction. I don't know. Anyway, just a few figures that we've got here from our studies. And when I talk about these figures, it needs to be seen in the context of, over the last four years, the TIO has seen a 40% reduction in the number of complaints, new complaints, that we're receiving. And this is an indication, really, again, of the industry responded, being much more responsive either to customer needs - panellists have mentioned spend tools. Giving people other tools to actually, if you like, manage this thing, so they don't get into difficulty. In any event, billing and payments, over half of the new complaints that the TIO has received over the past two years do have a billing or payment issue. And so now we're talking there - the numbers are really quite big, even though I'm talking about this drop. We're still talking to over 60,000 complaints a year. So, it probably does suggest that there's something there to do with affordability or to do with the ability to pay.

In relation to credit management complaints, we've got repayment arrangements, 1.7% of new complaints in the last quarter. That's about 560 complaints in the last quarter have related to people not being able to properly negotiate a repayment arrangement, which may indicate affordability issues. In a more serious category, people who say that they're in financial hardship - that's 1.5% of complaints, that's about 500. So about 560 people couldn't manage the last quarter repayment arrangement, just a sort of variation, and another 500 people said, "We are actually in financial hardship, we would like to pay but we can't and we would like to organise something with our provider". The bigger group, though, about 800 in the last quarter, said that we actually have something we cannot afford, we can't pay for this.

Now, that 800 a quarter is a drop over the past two years from 3,100 a quarter. So, again, it's giving you a sense of a big decline, but they're still substantial numbers. So what are providers doing? Again, what we see from the work that we're involved in, certainly some providers are using analytics to match pre-paid options to their consumer use and others have low dollar plans, fixed line a diversification of costs, bolt-on, you know, you can pay an extra $10 to get extra data downloads so you know you are not really going to have to pay huge excess data charges. Their running plans are things called "Data workouts". So there are a whole lot of things that are happening within the industry that are trying to help people manage. But I'm not sure whether that's really going to address - I think the researchers here at the table are trying to assess and understand, do people who need particular services have them at a price point that they can afford? And immediately, I must say, I think of schools. I think of children in schools, in low socio-economic areas and think - and I'm just picking up again, people in these areas usually do not have the services at home, they have to use telecommunication services publicly. So therefore, how do we help these young people have access to services so that they become completely literate, digitally literate, in order for them to really be successful as they grow up? So, thank you.

Tony Eardley: Thanks very much, Diane. OK, now the overall session is running a bit late, getting towards lunch, but I still want to allow some time for questions and discussion from the audience. So, all the panellists have been admirably well on time and succinct, so I would like to move straight into the Q&A session now, if we can. So does anyone have any questions they would like to raise? There's one here and then at the front.

Sandra Milligan: Hello, Sandra Milligan. I would like to follow up Diane's point about the schools example, but direct the question to Julian, because one of the things about affordability in indexing is to figure out what the cost of access is. The other thing might be to figure out what the cost of avoiding residualisation is. And I think they're actually different and you see that in schools a lot, because you just need half a class of kids who haven't got access to the internet at home and that limits the whole class from having the internet in the home as part of their curriculum. So, I wanted to know if, in your indices, you've got the question of residualisation, rather than just access, because I see them as different things.

Julian Thomas: Thank you. It is a terrific point and I think it really gets to the complexity of the situation we're in now, where we've got sort of key groups with very uneven access and costs that are - we can't really necessarily sort of track easily for everybody, actually. So that's not yet in our index because we have not yet built our index! But we would like to include it, we would like to find a way of doing so. I think we are really looking for ideas about the best way of included or bringing in that sort of problem and clearly that means being able to look at specific populations of people, the sort of school-aged groups are particularly under-researched in Australia, in terms of this sort of area. The really standout study has been Lelia Green's, from Edith Cowan University in WA, working with colleagues at LSE. We developed an Australian component of a Big Kids EU online study and that was very interesting but it is now a couple of years old. So we will certainly be looking at ways in which we might be able to get something useful on there.

Unknown speaker: My name is (inaudible) and we're dealing with people connected respectively, but many people probably assume that they wouldn't be using broadband and in fact they love broadband, they would love to use even though they may not be able to (inaudible) they still can't get on there.

And they are at a stage where they're actually encouraging those people to learn to live by themselves, so we provide a lot of tools and we try to train them on how to live independently, how to budget for themselves, and so on. What we do is actually they're paying for the services but we're giving them back when they've become productive in the data. So that's where we concentrate. So we did that four years ago for disability services and especially people in connected cities to search anything they want just near their homes. The one thing that I noticed with the roaming app (inaudible) was to give them face-to-face lectures on how they prepare the news and things like that, so they can see what they're doing. So with that, the data will be used in that. Would that be the case?

Panellist: I think we might need someone from a telco, do you think? It's a really bad price point, isn't it and I think they were just really asking a question about price. (Inaudible) NBN conditions will actually with their own network... to produce much ability for people with disability especially, you know? Unless the government wants to give the disability people a lead-up for price reduction. I think a good question for tomorrow because we have a person from the NBN coming then. So we will raise it tomorrow. Do we have another question?

Bruce Bebbington: I'm from Bridgetown in Western Australia, and regarding regulatory and controlling communication - in regard to the Network Reliability Framework, the NRF, three faults in 60 days, four faults in 60 days in which Telstra is the only one required to report. I've gone to ACMA and said, are we a cluster that has been reported with 80 faults in 14 months. And the response is, "We can't tell you". But it's a consumer safeguard that ACMA monitors to ensure quality of service and compliance with repairs. You won't take a complaint, you won't investigate a complaint, and they do not want to know anything about whether the information provided by Telstra and the customer matches. So, are you doing your job?

Linda Caruso: I'll happily talk to you after about your experience. I'm happy to have that question - we do monitor under the Network Reliability Framework, but let me take your question and we'll deal with it after.

Tony Eardley: The question at the back here?

Keith Besgrove: Keith again. First I would like to thank the panel, it has been a very interesting presentation. There's a bunch of people in this room who are involved in developing the TCP code. Linda, it's so nice to hear that it actually might have had some impact! Thank you! Well, we're tracking the impact. And thanks to the panel. It certainly sounds like some aspects of the problems that ACCAN has been seeking to address over the last few years are getting somewhat better and I'm much encouraged by Diane's presentation of the reduction in some of the aspects of hardship cases, for example. I guess I would be interested in the panel's views about what more needs to be done? What remains to be addressed in terms of trying to solve some of the issues that have vexed this industry for such a long time?

Panellist: I think that is a very good question to end our session on. So, if we can get responses from each of you. Well, I'll start if that's OK and others can chip in. I think we still do have an access problem with individuals being able to access some technologies and then make good use of those technologies. So I think it's a couple of things. So I think there's still a group of people who are not yet online who are not able to access the benefits of being online and communicating with others in that way. For others, when they're online, it's issues about affordability or it's issues about reliability of service and other things. So I do think that we do have some big challenges and even - because technology has changed, people are finding new ways of doing things all the time. I think just up-skilling is just a perennial issue of how do people get the best use out of what they're doing, and that's both information and understanding what they're doing, as well as an element of technical proficiency and skill levels but also about access to the underlying technologies. And we have different issues with different groups of people across all of those three elements, I think. Greg?

Greg Ogle: I guess I'm concerned about all of the people that - you know, if you look at the code, for instance, it's very much based on providing to an informed consumer. There are a certain group of people who, for reasons of financial literacy, telco literacy, language disability, whatever, they're just never going to conform to that model of an informed consumer. So I think there has got to be attention paid to that group so that they don't fall further behind. I guess the other issues that I think still need to be addressed are the ones that we don't know about. In this panel ten years ago, not having a clue about the issues that were that there were going to be in ten years. We know this is one of the most fast-changing parts of the economy and society, and so it's going to throw up a few issues all the time. And I don't know what they are, but...

I think one of the things is we've become so dependent on our technology that if, in fact, the service is interrupted, it can be disastrous. We've become so reliant that any interruption causes great disruption and can cause financial impacts as well. So sort of that reliability of the services bit is going to have a bit more pressure to make sure that it is almost there all the time. The other thing is, I think we're using this technology - it's got ahead of us. I don't think really we understand what's happening to our data. How much we're giving away about ourselves, and I might be of an age where I'm the only one worried about this! But I think young people don't. I think young people don't realise how persistent this information is, they get on Facebook. And then they want to take a position later in life and someone can dig up somewhere from when they were 18 and I think that is a tragedy, really, because we've all done silly things when we were 18.

So the whole privacy thing and what happens to our data and how that is being stored is another big issue. It is a massive issue, but thanks, Keith, for the great question and I agree with what we've all been saying, I think, that there still is a really significant problems around access. It's not a problem we yet completely understand, but we are getting there. In a way, the larger issue is that there's, I think, a rather low awareness of the costs of people not being connected for themselves and for everyone. And so what we are trying to do is find ways to raise the profile of that issue and to drive a more productive policy and industry debate because we think there are things that everyone can do about it - not just government, but the industry as well, and organisations like ACCAN.

Well, like, I'm sure you all want to get your lunch now and we need to finish off. So will you all join me in thanking all the panellists for a very interesting session.

(APPLAUSE)

Teresa Corbin: Thank you, Tony! If you haven't had a chance to introduce yourself to somebody new, find somebody new at lunchtime and say hello to them, please. And also, congratulations to Telstra and Swinburne on the digital inclusion index research - I'm really looking forward to it. It's great.