Day 1, 2015 Conference - Affordability for all-The Real Experience

Teresa Corbin: I'm just going to hand over to Chris Dodds, who's going to be chairing or facilitating this panel session. And he'll do the introductions from here.

Chris Dodds: Hi, and welcome to this session. My name is Chris Dodds and I might say that I'm here today as the ACOSS representative and chairperson for Telstra's low income measures and assessment committee. I know it says on my title, 'senior policy officer', but that's what I do but it's not why I'm here today. I certainly have made it very clear I'm not speaking on behalf of, in any way whatsoever, the ombudsman's office.

Look, I've been involved in issues to do with low income Australians accessing telecommunications now for longer than I like to think about. Telstra's low income measures committee was set up eleven, getting on for twelve years ago, and in order to set that up, the discussions from overseas went on for about a year and a half before the committee was actually established and probably the major lesson - there's a couple of major lessons I've learned. I might touch on a couple of the other ones but the major lesson is that there's no one group of low income Australians with one set of needs. We've heard that today but I think it's worth emphasising. And that's the point of today's session. There is a range of different groups in a society that have different telecommunications needs and different affordability issues.

The remote Indigenous community has needs that cost - whose cost is quite different from the mother with three children living in a housing estate in one of the outer suburbs of a major city, whose needs are different again for a person with the range of disabilities that are associated with an illness like multiple sclerosis or AIDS living in an inner city flat in an inner city suburb. And their needs are, again, really different from a woman fleeing domestic violence or a young person fleeing a violent home and ending up living on the streets, to a person with mental health issues. All of these people are different and they have different incomes. They have different telecommunication costs but, more importantly, there's one issue where we really need to think about incorporating into our thinking that they have different costs of living. Fundamentally, at the base of all of the affordability issues, is the inadequacy of income support in this country, particularly for those on Newstart. And that is an issue that affects community groups that are providing assistance to low income Australians. More importantly, it's an issue that affects businesses that are providing the essentials of life - whether that be utilities, energy and water, transport, or telecommunications.

I challenge any industry that has a hardship program to look at the make-up of the people in their hardship program and I'll guarantee you, the bulk of them are there because their income is less than their outgoings and they actually cannot afford to remain involved in society the way the rest of us do. And the challenge before us all is twofold - if we're in a particular industry, telecommunications, then we've got to look at how do we develop and provide products that people on a very low income can afford and that meet their needs? But also, how can we share our experience of those people as customers with the policy-makers who establish the level of income that those people are trying to live upon? So, with those starting words, I'll now move on. Because this session is about trying to identify the real experience.

I'm going to start with Jo Benvenuti, who is chairperson of Consumers Federation Australia, but that's amongst the least of many things that Jo has done and I know many of you in the room would know her. But she has been involved with issues to do with the needs of low income people for a very long time and brings a wealth of experience. So, Jo.

Jo Benvenuti: Thanks, Chris. And the Consumers Federation is the peak body for consumer organisations nationally and we would like to congratulate ACCAN on the theme of this conference, because we also share this concern about affordability for all consumers, but particularly the interests of low income and vulnerable consumers and their access to products and services that allow them to participate fully in society. And without with, we believe, they suffer further disadvantage.

From a consumer policy and advocacy perspective, we consider, just as Chris has referred to, that telecommunications really should be considered as one of the basic utilities now, because it is essential to participation. It's not just important for social communication, but for the links to all of the other important services that all of us consumers need to access - information, education, health services, employment, and more. To participate, we need to be able to access and manage these services. I would say that telecommunications is a future service and, from a policy point of view, unless we regard telecommunications as an essential service for all consumers, and that we address the issues of social equity, we won't get anywhere near the point where Claire Milne was talking about, the kinds of innovations that are being developed in California, but in other places around the world. So I think that that equity perspective is important to our work. And we have heard a lot about affordability and hardship and let's just put that in perspective, in terms of recent ACOS research, which shows that 2.5 million people in Australia are living below the internationally accepted income poverty line. This includes 603,000 children.

These are the future, these are the children of the future, for whom telecommunications is going to play such an incredibly important part, if they're not to be further disadvantaged.

And we know that those on low incomes are battling with the costs of all of those other basic costs - housing and affordability. And every day for people on low incomes, there is a battle of prioritisation. It's, "What can we pay, when"? And they, in fact, end up very often juggling services that they have to go without. We also know that, in addition to those people on low incomes, every one of us in this room could at some point be struck by retrenchment, by domestic violence, by sickness and find ourselves sliding into a crisis that would mean that the things that we have been able to pay for so far become a quickly impossible expense. So, you know, I think that there is a very broad body of people who are affected by crisis and hardship over their lives.

In addition to income affordability issues, many consumers experience the additional disadvantage of vulnerability - and we've heard and we will hear about those circumstances today. I say that they're additional because they are an additional risk of significant detriment in their relations with telecommunications businesses. Because they are very, very complex markets that we're interacting with. So, on the other side of the income/affordability equation is the side of, what is an affordable product or service and how do we connect with that product or service? There is enormous information and symmetry between the providers and the consumers of these services and there are significant, complex transactions and contracts that people need to engage with. And so I think that, for people who are vulnerable, consumers, that issue of how they engage with those complex products is even more significant and we need to give a lot of policy consideration to how we actually bridge that gap.

They are then more likely to find themselves with large bills, exceeding things in their contracts that they didn't understand at the time of making them. So, there are all these things piling up in the equity basket. I suppose I would just make the comment about choice - choice is a great thing. It has wonderful advantages for costs, but choice is also complex. Understanding range of products that are there on offer is not easy and many consumers are not able to choose a product in their own interests.

So, look, the issue of affordability is pretty overwhelming! I didn't bring my magic wand from Melbourne today! I can't fix income security today and I don't think anyone in this room can. But I do think that there have been some fantastic solutions this morning and I would also like to hear about some of those this afternoon. Just the very key ones for me are, what is the role of the regulators in protecting the vulnerable and ensuring that they're not exploited? And should they be playing a bigger role in shaping the market? How are we going to force industry into coming up with better solutions, individually tailored products for the range of consumers that need them, and ensure that they have hardship provisions for when they get into strife.

There are a whole range of services from government that I think are under-utilised and we need to consider what they might be - educations, institutes, schools, towns, cities, there's lots of stuff that happens around provision of free services for tourists and in other cities internationally - a huge scope and I would like to hear some more about that. And finally, the capacity of the community sector. We know that the community sector is trusted by disadvantaged and vulnerable consumers. They are able to deliver face-to-face services. They are able to provide much better access. I'll leave you with this one little innovation - did you know that the Neighbourhood House Network nationally has 14.5 million visits annually? From people who are on low income and socially isolated - 98% of the visits are from people in those groups. Think of the capacity that is there for increasing access, learning, information and other services in that bundle. Thank you.

Chris Dodds: Thank you, Jo. I'm not sure whether they thought we wouldn't be entertaining enough, but this session is broken up into a lot of videos. So we are going to move into a video now with Anthony Gibson.

(VIDEO SHOWN)

Chris Dodds: Alright. That's a good introduction - as Anthony said, farms are small business, but there's a whole range of other small businesses around the country that have changing telecommunication needs and are impacted by the digital economy really significantly. So it gives me great delight to introduce Peter Strong CEO of the council of small businesses Australia.

Peter Strong: Thank you very much, and thank you for the invite, as always it's great to work with ACCAN. Ladies and gentlemen, there's 2.14 million business people in Australia. About 4,000 of them employ another 5 million people. They employ a lot more people than big business, so we're quite important. So to have affordable technology and communication, et cetera, is so important. In my experience, when you have someone who has a disability, in this modern age, there's so much you can get off the internet to help you and them with the work, et cetera. So we really need it, not just from a business, but for a people that work in my business - it is a very important thing. When it comes to affordability, one of the issues, of course, is what's good for my business?

If I'm an independent contractor and I work for the government as a computer expert, I probably don't need something fancy, but I still will need to have access to telecommunications. But, when I had my bookshop, I remember, I bought a printer that was also a photocopier and I spent six months being lectured by my staff about how inadequate it was and how I was a cheapskate because I bought a cheap printer. And they were right - I should have bought a better one. And I think that's the issue we're going to deal with as we talk with people from Vodafone and the other providers about what is best for my business? What do I want it for? Who am I dealing with? Who works for me? And where do I want to go with it?

Now, the other issue for us is people's experience in the past with those who provide expert advice - and I think about a month after Facebook, there were all these experts on social media turning up on doorsteps all over the nation. You think, "You can't be an expert on something that's a month old",

you know? But they're still out there and I'm not sure if there's such a thing as an expert because it changes too quickly. But, of course, they try to make money - the charlatans do, I mean, most people in small business are fine, but the charlatans turn up and saying, you need this system to make you a millionaire and you find out later you could have done better with a $500 machine, for what you had in mind. And this has been around for the last ten years or 20 years, simple smartphones came along, and we've become better at it but what telecommunications are doing is becoming better at what they offer us and being able to explain to us what it is. So coming back to those 2.1 million small business people out there - quite a number, I would have thought, 10%, would be people with disabilities or disadvantages of some sort. 8% of the home-based businesses are women.

Access to telecommunications, when you are working from home, it's vital. Certainly if you're working from home, it's a place where you can get lonely and loneliness does breed mental illness and telecommunications is so important for those people out there in houses, et cetera, who may be looking after children, may be they are there because they can't go out, they have some other issues, it might be a mobility issue, so for them, in this wonderful age, telecommunications is absolutely important. But we've got to get it right and understand that they are part of the marketplace and deal with them as well. As I say, the price and suitability is very important. The history of being too expensive or - it does make a few of my members a bit worried about spending too much money. And that's up to us and up to others to communicate effectively to them.

Now, there are also a lot of people out there - and I know this for a fact - that have a disability and would love to run a business. Right? You don't run a business because you don't have a disability. But 10% of any population in the world, as far as I'm concerned, have this thing deep down inside them - they want to run a business. It doesn't matter who you are. Now, there's a lot of people out there who, as I said before, they can't get out, they've got a mobility problem, there's some other issue that stops people going out and running a business is a great way for them to get some independence, for them to make some money, for them to become part of a broader community. So, again, telecommunications and business just connect with the whole population - not just what some people imagine as a business, which is often a retailer. There's people out there who can do the most amazing things. We have businesses, of course, that are offering services overseas to other countries, in expertise around real estate, for example. And to do that, you've got to have a system that's reliable, and this Black Spot program is so essential that we have this fixed up across Australia, so that if you've got an idea, if you can make some - I've got 20 minutes left? Thank you!

You can make a difference and you can do that. You've got to have a reliable system - you can't be downloading or uploading something and it stops halfway through. That is not business - that is the end of a business. So, again, it's not just the affordability, it's also the reliability which is important - thank you.

(APPLAUSE)

Chris Dodds: Alright, we'll move on to another video, then, with Fleur Brodie.

(VIDEO SHOWN)

Chris Dodds: Our next speaker is Katie Acheson. I don't know about you, but when I look at young people using technology, because I think I know what I'm doing but when I look at them, I know I have no idea of what the potential of some of this stuff really is and, really, when we're looking at low income families, young people are probably the most significant consumers of data within that family structure.So, Katie?

Katie Acheson: Thank you, this is probably the quietest and most well-behaved audience I've ever had, so thank you all for piping down at the back! I'm also surprised there's not a lot of Twittering going on. Most of the time when I speak at conferences you're not really sure whether they're tweeting their friend going, "This is so boring" or whether they are tweeting "This is amazing" all over the place. So I'm happy to see that's not happening because I don't want to be retweeted - or maybe I do. I want to put this in the context of young people. As Chris says, there is this expectation and pre-conceived notion that young people are attached at the hip with their phones. And so as a result, there are some unique issues. I want to put it into the perspective of how large that is for young people. So, of the 4.3 million young people that we have in Australia, 89% of them have a mobile phone, 69% of those are smartphones so obviously we understand what that means. 56% of them use their mobile phone primarily to go online and 72% of them use it more than at once a day.

So none of that is unexpected. We all see young people walking around with their mobile phones and so we expect it. But those numbers are quite high, I suppose, if you are looking at a population demographic. But what's really interesting about young people is that we see them increasingly using mobile phones to access entertainment and communication, but research and information sharing and information giving, as well. We also know that it plays a major role, which you have heard a number of times, in the connectedness and for young people particularly it's really important and mental health, as we well know - 75% of all mental health diagnoses happen before the age of 25. So if you are wanting to address mental health issues, dealing with it during the 12-25, is a great time because you can actually make a significant impact on a person's life forever. But there are unique issues for young people that I want to talk about today.

One is the equity of access and the other one is ethical practice in relation to young people. So, as we know, if mobile data connects young people to each other and to information and to the community, when we remove that access it becomes an equity issue and it's unique for young people because they are so - such prolific users of the internet and of data, particularly. The advocate for children and young people in NSW recently has been consulting young people across the state and found that of the top ten issues that they face, access and internet speeds are in the top five. So you wouldn't think that, if they were worried about, you know, education and transport and things like that, that internet speed would make a difference, but it really does because it creates a divide between them and their peers, them and their community and them and information. So, it's about equity. I think also we need to look at the fact that for young people, wireless hotspots are really important because most young people are twice as likely to be on a pre-paid plan than their adult compadres and, of that, those plans often have very low data usage, so young people rely quite heavily on wireless hotspots.

I had a young person come to me the other day -we were in a group and we had access to free wi-fi and she said, "Free wi-fi! My life has meaning again"! Which seems a bit of an overstated drama, but it was important to her. Her connection to the world was gone and now it was back again, because she had no data on her phone. So all her ability to connect with her friends, to be able to research for her university course, it was all gone until she had free wi-fi.

I also want to talk about issues of ethics. When it comes to young people, because we perceive they're users of their phone so prolifically, that they really understand what they're reading. That's not necessarily true. They're just able to research quicker than you are.

(LAUGHTER)

There's a necessity for us, as telecommunications advocates or people in the industry, to look at how we are giving the information about the hidden costs of what's going on to young people, particularly. We need to translate really complicated contracts and what's going on in the hidden

costs in a simplified way, or else it's really unethical, because basically we're trying to create debt for young people. And that's ridiculous. We actually did a piece on in-app costs. Particularly with things focusing on young people, like Jelly Splash and that sort of stuff - one of the people who responded said that, "My niece and nephew spent $721 on purchases with my Apple ID. $521 of those was spent on a single game, and $110 was spent in a 2-minute window."

That was by a 4- and 6-year-old. So there is a responsibility that providers have to not be targeting young people into debt. I think we need to start challenging - what does it mean for us not to address the issues of equity and the ethical practices that we're seeing with the targeting of young people? Young people are disconnected from their peers when they can't get online. They're disconnected from information. We're also putting them at risk for not being ahead, being able to keep up with their education goals, and not having the skills that they need for the labour force. I think we're also looking at putting young people into massive debt quite quickly, and we're disempowering them from making good choices. It's our responsibility, I think, to start looking at how we are progressing in this and how we are targeting young people. What do we need to do to support them better by utilising telecommunications to basically empower them? Because the more empowered a youth generation is, the better off our country will be. Thank you.

(APPLAUSE)

Chris Dodds: We'll move straight to our next speaker. Matt Wright is the CEO of the Australian Federation of Disability Organisations. Just as there's a wide range of difference amongst all Australians of low income, there's a wide range of difference amongst those Australians who have a disability. Absolutely. I Must say, of all the jobs I'm least envious of, being chair of the Federation of Disability Organisations is probably that - try to bring that disparate group together around such disparate issues - I'm just full of admiration for anyone who tries it. And for someone as successful as you are, I'm even more full of admiration. Matt.

Matt Wright: Let me say, firstly, there is no greater cause than the social movement for people with disability at the moment. Thank you very much for inviting me here today. The Australian Federation of Disability Organisations and its members represent 200,000 people with disability. We're the funded organisation to provide NDIS information to people with disability through our Disability Loop project, and we have the largest employment trial for people in the Barwon region with our Diversity Field Officer project. The issue of affordability is an interesting one, and people with disability have little or no affordability. One in two people with disability are in poverty in Australia, and we rank 28 of 28 OCED countries for this measure.

(CROWD GROANS)

Our workforce participation over the last decade has actually decreased. In 2011, ABS data tells us that only 53% of people with disability participated in the labour force, as compared to 83% of Australians without a disability. PWC investigators described the employment system for people with disability as "broken, big time." No work, of course, means no wages. Therefore, no affordability. An important point to understand is that we people with disability face significant costs to access telecommunications before mainstream affordability is actually an issue. Today, I'm wearing two hearing aids at a cost of $9,000. I have a vibrating watch that alerts me to phone calls coming in at a cost of $500. And a $2,500 amplifier for my meetings - a total cost of $12,000. A good friend of mine had to upgrade his hearing aids just to try and have basic communication.

He estimated that he had spent $100,000 on hearing aids since the age of 18. It's a hearing aid, or a house. With this backdrop, people with disability desperately need telecommunications. We rely more heavily on telecommunications in order to be connected to the world. It's not a luxury - it's a

necessity. Universal design is critical here to make sure that telecommunications is affordable. Apple Phones include voiceover for people who are blind out of the box, and speech recognition like Dragon is also essential. People who are blind require audio descriptions to participate in mainstream popular culture. In my community, the signing Deaf community, the introduction of Messenger and Facebook was revolutionary. We went from an expensive and cumbersome technology in the form of telephone typewriters to being part of the mainstream instantly. The online National Relay Service was another great advancement, where profoundly Deaf people can now make phone calls through a third party from anywhere in Australia.

My wife, who is profoundly Deaf and unable to speak, is able to make calls to doctors, query bills, and talk nigh daughter's childcare teachers over the phone. The biggest problem for Deaf people is that mobile phone plans are not specifically tailored to people with a disability. The Deaf community needs high data plans for calls - the problem is, traditional calls are not set up for data only. For people with intellectual disability, using a mobile can be an important safety issue. If the daily routine changes, being able to make contact with family is a critical issue. However, issues arise with managing complex contracts and then experiencing bill shock from charges that were not expected. People with intellectual disability have difficulty negotiating problem charges, and unfortunately, support services such as the Telecommunications Industry Ombudsman are not well-known to all people with a disability. We need to think more about disability-specific solutions.

In conclusion, there are three major issues that face people with disability. Number one - our income is poor. Number two - accessibility is very expensive. Finally - the mainstream affordability is also an issue as well. Thank you.

(APPLAUSE)

Chris Dodds: Alright. We're now going to move to another video. This time, Ben McAtamney. Alright.

(VIDEO SHOWN)

Chris Dodds: We'll move on to Roland Manderson, deputy director of Anglicare Australia. Roland's been representing Anglicare on Telstra's committee for a long time now. Before you start, Roland, I just want to say, about a month ago I was up in Newcastle looking after my grandchild. I went for a walk with him in the pram on a weekday down through the suburb that my daughter has chosen to live in. It took me back many years, because there in front of the Building Society and across the road in front of the bank was a line-up of people - some older people, some people with disability, some younger people, clearly one or two people that had a drug or alcohol problem, and they were all standing there waiting for the bank to open so they could take their passbook in to get money. I just went... Every day, the world has changed - online access or telephone access, or even plastic card access to get your cash, is something that we just take for granted now. But for a lot of people, they're still outside. For many of those people outside, it's organisations like Anglicare that are doing the hard yards, working with them on the ground.

Roland Manderson: Thank you, yes. I work for Anglicare Australia, which is six people based in Canberra, but we are the peak body for all the Anglicare services across Australia. Like all the other major social service networks, we would be a part of delivering about $1 billion a year worth of social services to a whole lot of people, most of whom are frail, marginalised, disadvantaged, dealing with a whole lot of complexities in their lives. In terms of this issue, I think it's about circumstance. It's about people's circumstances, it's about affordability in a real sense, and as we've said before, nothing is affordable to someone on Newstart or on youth allowance - nothing. It's also about what being connected means to you. For some people, the connections happen in some ways - more and more, for most of us, it's got a digital bit. For some of us, that is so much of our lives.

I think there's also really an underlying question about, where we're going in terms of social change - this technologically-led social change, which I don't think we've got a handle on yet. I thought I'd go through a couple of the population groups that we see. This isn't exhaustive, it's just some insights into different ways that different people use and need the technology. Of the homeless young people that our services see - everybody wants a smartphone, everybody younger - but for young people who are homeless, they've got bugger all. If they had a smartphone, they might end up selling it. Or if they do, they certainly won't have any credit on it. But you can access them through Facebook, 'cause they can go into Apple shops and places like that and check their Facebook. It's just a reminder that people find their own ways into connecting as best they can, given their circumstances.

People in retirement homes and care homes - there's been some interesting work being done about connectivity with iPads and such - not just two families and grandchildren a long way away, but to other people in the same facilities or nearby or connecting to other facilities. Although, sadly, it's not normal for aged-care facilities yet to provide high-quality access in the rooms - it's there for the work. But it's not really there for the residents yet. I'm sure that'll change, but it's pretty frustrating when it's so obvious. Then there's another question for - we are shifting towards delivering aged care in the home. Consumer-directed care - where does that technology connection work? I've got a question about it, which is that, on the one hand, if we get the systems working well, it will be much cheaper and much safer as a way of making sure people are OK, but there are some questions about - do you lose the connectivity of another human being if it is all done through technology? People escaping domestic violence - you know, women so often need a new phone.

They need a new phone that the other people don't have a number for: As do kids leaving care - maybe they need a personal mailbox somewhere, somewhere they can store their digital stuff, which as we know now, is real. And then there's dealing with governments. It's so much cheaper for governments if they can make us do everything online. But people need to have literacy with the internet, as we've said. There are language issues and, continue to be. No matter how much we talk about languages - that includes languages for people with disability as well as people from different backgrounds - language remains a barrier.

Briefly, before I get to my favourite topic, about emergency relief. We, among others, provide huge amounts of emergency relief support for people around the country. Telstra have this (inaudible) in place because, in a way, they began as the national government provider. When they shifted, they moved on to take some responsibility for looking at people on low incomes. They took on some responsibility. Either the NBN should take on that responsibility as the national provider, or all telcos should take on some of that responsibility. It's not acceptable that some people get a some support, because one operation has built it into its approach, and the other ones get away with doing nothing. But I just reflect back again in terms of government and access - if people don't have money to live on, if they are making choices about not eating, then costs to do with digital connection will probably come after food. Probably. It depends.

The other thing I wanted to talk about briefly - I've got a minute - is innovation. I don't think participation is just about responsiveness. I also think it's about creativity. A colleague of mine worked with Aboriginal people in far west WA, remote WA, who years ago were working with mobile phones and laptop computers making films, connecting up to other people around the world as well as to each other and other communities across Australia. They were doing it digitally. They were doing it in a multimode of literacy. Their grandparents couldn't read or write - they couldn't read or write much - and they've skipped that, and developed a whole way of engaging and connecting through their creativity. The service - there was a community-based service there that gave them the access to the equipment and gave them the connections. They weren't going to discover what they could do if there wasn't that scaffolding them to give them the opportunity. But

we've seen around the world that creativity, in connecting to this new technology, has changed how markets are run in India, has changed how money is saved in Africa - it's done huge things around the world, but it's the opportunity to find that creativity and that way of engagement which is the way that we can get people to participate in the new society. Not by saying, "You can get access to your government's service by filling in this bit online" - it's really about a much more creative and engaged way of connecting.

(APPLAUSE)

Chris Dodds: We have one final video from Pat.

(VIDEO SHOWN)

Chris Dodds: Alright. Our session's run to time. Unfortunately, we had a late start. It's in fact time for afternoon tea. I'm looking around the room, and most heads are still up, but without that caffeine break, they won't be for the next session. I'm sure you'll all join with me in thanking Jo, Peter, Matt, Katie and Roland for their contributions.

(APPLAUSE)

Chris Dodds: All of us will be here for afternoon tea. So if you've got a pressing question, pin down the person you want to ask it of and have a chat. Thank you.

(AFTERNOON TEA)