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Day 2, Thursday 15th September

11:10-12:20pm: Decide and Conquer

12:20-12:30pm: eSafetyWomen – Empowering Women to Take Control Online

12:30-1:30pm: Lunch

1:30-2:15pm: Connecting the Future Consumer

2:15-2:25pm: Connection as a Human Right

2:25-3:25pm: Hypothetical – Death and the Internet

3:25pm: Sum up by Teresa Corbin, CEO – ACCAN

3:30: Close

TERESA CORBIN: Anyway, we're going to move on to our next session, then. We're having a panel session now, which is going to be moderated by Alan Kirkland from Choice, the CEO of Choice. If I could invite you guys to come up and take your places...

I've just been reminded that we need to keep the mikes close to our mouths when we're speaking. But I don't really have much else to add, except probably also to say that, um, Wayne Hawkins, who was meant to be on this panel – please just take a seat – Wayne Hawkins, who was meant to be on this panel, is an apology – unfortunately, his mother passed away last week.

Microphones...

ALAN KIRKLAND: Thank you. It's good to be back at the ACCAN conference. The purpose of this session is to explore how consumers go about choosing how to be connected, including issues around what consumers need, what tools they use, what sort of tools or information they should have, and who should play a role in providing those resources. So we've got four great speakers to help us through that. From me across, we've got Ian Watson, who's project manager with Queensland Remote Aboriginal Media. We've got Sue Chetwin, my colleague from Consumer NZ, who all of you would have seen speak yesterday. Delia Rickard, deputy chair of the ACCC, and Simon Cohen, who is director of Consumer Affairs Victoria, but of course he's well-known to many of you as the former Telecommunications Industry Ombudsman. So the format of the session – we're not going to do opening statements. We've got a few questions. We're going to start exploring. But really we want it to be as participatory and relevant as possible. So at any point you've got a question, please throw your hand up. We'll get a mike to you. I'll call for audience questions at a few key points but, if you've got a burning question before or after that, please just jump in, 'cause that's what will make it more interesting for everybody else. I guess, to kick things off, to build a bridge to that last session – we only got a quick dip into Paul's research, but it's highly relevant to what we're trying to talk about here. Delia, I might ask you about this. Were you surprised at what Paul found? Was it pretty much as you expected? What would your reaction be?

DELIA RICKARD: Is that mike on...?

>> Push it up.

DELIA RICKARD: Of course, I wasn't surprised, as a regulator, but also having spent way too much of my life on disclosure and financial services – should you be lucky enough that people read what you've produced, short is better, there's no doubt about it. I think the other thing to say, though, around consumer knowledge at the moment is that some of the information that consumers most want – things like information around speed and quality – just isn't available. Which is one of the things that the ACCC is really focusing on at the moment, both in terms of looking at putting forward a broadband monitoring plan so we can find out what the real experiences of the consumers, and also try to work out whether or not it's RSP under-provisioned, their technology, something with the nbn... We're also looking at how we can get better disclosure around speed, because if you look at what's out there now, you might get a picture of a panther, an athlete, very fast... But really, consumers haven't got a clue about what the likely quality is at peak period, during a normal time... So those are all things we're focusing on too to help consumers have a better information source upon which to judge when choosing a provider.

ALAN KIRKLAND: On that specific point, is anybody else doing it well internationally, providing transparency around actual broadband speeds?

DELIA RICKARD: There is some good work being done around the world, and we have – if you get our discussion paper, looked at all of the various models out there. I think even New Zealand is doing some as well. I don't know that anyone's got it perfect, but we've looked at the pros and cons of all of them and come to where we think is probably the best way to go. And Josh can probably tell you the best countries, but I can't remember off the top of my head.

ALAN KIRKLAND:

(LAUGHS)

Simon, you've been active across a range of industries. At CAV, you're looking at the whole spectrum of human problems. How do you think the telco/ISP market compares to other markets in terms of complexity for consumers in terms of understanding the basic terms of an offer and how well industry players go at trying to help consumers through that maze?

SIMON COHEN: Well, I think there's extraordinary complexity across a whole range of different areas, Alan. I think, for example, of the standard building contract that people might enter into when they're getting a renovation or building a new home. Some of those are extraordinarily complex, with no fixed price, with things that are determined as the buildings are created. I think of some of the contracts we see in terms of the sale of real estate. I don't know if anybody's bought one recently, but it's 1cm or 2cm thick of material, sometimes, that people are asked to engage with. Right across the spectrum, of those circumstances where people are entering into contracts that go over periods or terms of time, there is, in our experience, very considerable complexity. One of the things I think – it's very pleasing to hear Paul's research bear this out – is that then the attempts that are being made to provide brief and pertinent information to consumers at the point that they're making their decision, that that's something that's actually having traction is a really positive thing to say. I think an absolute vindication of the work that's been done to make sure that that's occurring. I think that's a lesson that can be applied more generally. But the other part of Paul's presentation that I picked up upon, other than the fact that regulators are the most realistic...

(LAUGHTER)

..was that when you have a look across the spectrum – so for example, non-English-speaking was a particular one that he highlighted – you start seeing differentiation. So I think that's a really key aspect as well. And another area that we particularly find that a challenge in relation to is our people who need things in easy English, and how you provide those sorts of things. I think the telco space is no different to others – that there is an enormous amount of complex information that we expect people to take on board, and I'm really heartened by some of the indications from that research.

ALAN KIRKLAND: I was – I don't know if Paul's still here, but one thing I would have liked to have asked him – there we go! Maybe we can get a mike to you. I wonder, with consumer organisations underestimating how consumers understand the terms of contracts, I wonder whether it's possible that there's a sort of sample bias

issue in that most consumer organisations providing direct assistance tend to focus on the needs of more disadvantaged or can vulnerable consumers, and I was wondering whether your sample is more a general-population sample and whether that might partially explain the gap?

PAUL HARRISON: Yes, and I would agree – it's like judge whose are always exposed to criminals – they think all boys are criminals and don't let their daughters go out with boys. It's the same thing. If all you're being exposed to is complaints from consumers, you are going to have a fairly jaundiced view of it. The sample itself was quite small, as well. The people who did participate didn't know that they were participating in a test that would then look at it across the board. I think that's interesting as well – it would be difficult to run it now because everyone would say, "It's Paul Harrison. He's gonna try and catch us out. We'll be a bit softer on this." Or harder, or whatever. What was interesting was that you had that differentiation, and maybe that's the case is that maybe regulators do have to be realistic that consumer advocates have to be more caring and think that, and telcos have to sell telecommunications products, so they have to think of a way to get through that. I don't want to go into the psychology and put people on couches or anything like that, but there's a lot that would explain these responses, I think.

ALAN KIRKLAND: Yeah. Whatever the case, I think it's a really useful intervention in the debate and to challenge all of our assumptions about how consumers engage with this sort of information, so thank you.

PAUL HARRISON: Exactly. Thanks.

ALAN KIRKLAND: Sue, you've sort of been around for most of the last day and a bit. At a high level, how do you think that we compare to New Zealand? Are we – is it exactly the same? Do you seem to have all the same problems in terms of complexity and confusion? Is New Zealand doing a little bit better or worse?

SUE CHETWIN: Look, I think – is that actually on? I think it is on now. It is?

Look, I think New Zealand does face very similar issues...

..very similar issues to Australia, and I probably haven't heard anything that I hadn't heard, you know, in terms of what is going on at home – the whole, you know, "How do you measure a broadband speed?" and confusing advertising. I think I mentioned yesterday – and I think the confuse-opoly works really well in the telecommunications industry. It is complex, but the telcos make it really difficult for consumers to be able to work out their plans, and I think that that's the importance of comparison sites, which I mentioned yesterday too, is really critical to enable consumers to actually make decisions. And just in terms of contracts, and what consumers think of them, I think one of the problems with all standard-form contracts and telcos are no different – is consumers have very little ability to do anything about it, even if they did read them and want to question them. So they probably do give up. And I think the idea of a 1-pager giving critical information would be great for consumers. Under our consumer law, when businesses are trying to sell extended warranties, they now have to give consumers a simple, plain, 1-page English-written document explaining to them how the extended warranty would be better than their rights under the Consumer Guarantees Act. If that could be applied in the telco plans area, that would be really useful for consumers.

ALAN KIRKLAND: That does bring me to another question which I might throw to you, Delia, which is around, I guess, again comparing across industries. So we've heard a bit about some of the merits of the critical information summaries. Would you say that they're – despite not being perfect, they're one of the leading examples within Australia of trying to do short-form disclosure at the moment? Or are other industries doing it better?

DELIA RICKARD: I think they are one of the leading ones. Financial services moved away from it, and they moved very long, complex documents which no-one reads. You need to have these things highlighted. We've seen telco contracts that are 800 pages long. Having the key points in one thing is a very good thing. Private health insurance have a very similar thing, and they're not working at all well. I think comparative tools and getting access to your data – and the Productivity Commission at the moment is doing a report looking at the Murray Report's recommendations at this whole issue. When consumers can get access to their usage data and in a machine-readable form, we'll see the market respond with really good comparator tools, hopefully, and certainly the ACCC looks at them to make sure they're not biased, et cetera. With really complex products,

whether it's telcos, energy, financial services, health insurance, I don't think it is possible for consumers to do all by themselves, even with some key factors. You might get price rises and you might get that... But how you blend it all together to get the package that you want, I really think it's going to be technology that will help us more than anything in this area.

ALAN KIRKLAND: I'm conscious, in financial services, that it's kind of the hot issue that industry's talking about, this Productivity Commission inquiry about how the banks are going to have to give up all their data to fin tax and how they have to try and block it. How hopeful are you that we'll overcome that level of industry resistance, which I'm sure will be the same across a whole range of industries?

DELIA RICKARD: It's interesting in the UK, where it was actually done on a voluntary basis at first – a lot of industries are providing the information. I think it's an idea whose time has come. And I also think that people like those in the room need to be advocating for it – all of us.

ALAN KIRKLAND: Choice certainly has been, for some years! Even when no-one knew what we were talking about. Ian, let's bring you into the discussion a bit. Maybe, as a starting point – I understand you're one of the stars of the ACCAN grants program. So, as a bit of an intro, do you want to give us a sense of what you've done under the ACCAN grant and how it's relevant to some of the issues that we're talking about here?

IAN WATSON: Yeah, thank you very much, Alan. ACCAN's been a really big supporter of the work that we do. Why did we need to do that work? Well, obviously the situation for people living in remote Aboriginal communities and consumers is very unique. Not just different from your consumer in Sydney, but different from community to community. We recognise that there are a whole load of specific issues for consumers in those communities, ranging from a lack of information to a language barrier, where people in those communities speak English as their second or sometimes third language. A lack of ability to get good information to those communities in a meaningful way. And a lack of channels to convey that information to the consumers who need that information. And then a huge number of cultural barriers which needs significant amounts more research and understanding. In terms of people's ability to raise issues or concerns about the services that they are provided with, and a reticence to be able to get that support and information that they need once they've signed a contract or if they're having problems with affordability or service provision. So, what did we do? We worked directly with a number of remote Aboriginal communities to talk to them about what consumers needed in terms of information. We realised very quickly that we needed that really simple, critical information, but we needed it in a range of different forms. So we produced audio versions of information as well. To start to overcome some of those language and literacy barriers. We also translated into a number of Indigenous languages, and this is something I would like to challenge everyone in this room about – is that, in any consumer information, we would, in Australia, translate almost automatically into a number of culturally and linguistically diverse languages, but we never translate into Aboriginal and Torres Strait Islander languages. So we produce consumer information in Aboriginal and Torres Strait Islander languages. We produced information in audio formats. But importantly, we really produced information that was around trying to connect people with who they could talk to at a community level if they were having a problem. Understanding that people maybe weren't going to ring a service provider and try and resolve those issues. It's about starting – the projects were very much about starting those conversations at a community level, and giving people access points to help resolve problems in a way that they felt they could do at a trusted community level.

ALAN KIRKLAND: And what, um – how resource-intensive is it to maintain the level of information that's required? I can understand you can do a one-off project that produces a bunch of resources, but is there an ongoing effort required at a community level to bridge the gap? And how big is that?

IAN WATSON: It's a really good point. I think, number one, it's worth the investment. Number two, there is a brilliant network of Aboriginal and Torres Strait Islander communications people working within communities who really are committed to addressing these kinds of critical issues within communities. So I think there's significant opportunity to leverage off those networks. Repetition is utterly important, so all of the projects we do are not 6-week campaigns, they're 1-, 2- and 3-year community information projects using radio networks, using local communication networks to reinforce and reinforce and reinforce and update messages.

ALAN KIRKLAND: And I guess that kind of – some of the issues you're raising, I guess, are about, um, kind of telco literacy, in a way. We talk a lot about financial literacy. There's a fairly well-developed conversation around

financial literacy, there are programs through the curriculum, we've got funding sources for financial literacy, there's a group within ASIC that does it... I guess a question to the panel – do we actually need to be having more of a conversation about telco literacy, given that we're talking about a core service? Does anyone want to respond to that?

DELIA RICKARD: I'll say something – I absolutely think we need to. I'm a demographic, I didn't grow up with it, and you still think, "What are they talking about," all the time. You have elderly people and the language is new to them – even things we take for granted, you know, what does 'broadband' mean and a million other things – so, yes, I think we do need to talk to people and teach them how to compare, what are the right questions to ask and where to go for help.

SIMON COHEN: I also think that there is a broader issue about consumer literacy, which covers telcos, but more broadly around educating right from school about what people's rights are under consumer law, about how they should exercise those rights, and I think that's kind of a pretty basic skill-set that can then be applied right across the consumer experience that people have and can then be built on by some of the specialist knowledge that I think people also need to be aware of – particularly where they're making some very significant financial commitments. You know, young people's first or second contract is a telco contract. Australian families are spending 4-5% of their income on their communication needs. These are really significant financial impacts on people – so making sure that they have not just the generic consumer skill-set on top of a financial literacy skill-set but also then some of the subject matter-specific ones. I think that will happen in energy as well – that seems to be a market that is just getting more and more complex by the day, but there are extraordinary opportunities for people if they can actually understand how they can work in that market and reduce their costs.

ALAN KIRKLAND: And who is best-placed to do that literacy development? Simon and Delia, you have experience of it from one perspective and Sue, you are in the media every day talking about consumer literacy and Ian you've dealt with it at a community level. Across your range of experience what do each of you think about who is best-placed to help consumers get that base level understanding around their rights and common products?

DELIA RICKARD: I don't think it's any one party – I think we all have a role to play there. I think consumer groups like ACCAN do a fantastic job with their resources. I think you do need to have regulator information because people trust it and see it as independent. But the party that consumers are going to have the most contact with at the time they're actually thinking about this, which is the time they're thinking about making a decision, is going to be industry. So they also have a role to play, and I guess regulators also have another role to play in making sure they do that in a way that's honest and not misleading and is appropriately fulsome, but not too fulsome, so as to drown.

SUE CHETWIN: I agree with those comments and I guess the number of different organisations that are represented here today is illustrative of the fact that it is horses for courses and that all of the different organisations here have a slightly different need set from their customer base and they are advocating quite well for their people. But, having said that, there kind of needs to be, I think, a level of basic information that we would like everybody to know and it's just how do we – how do we do that? And I guess the best place for that may well be in the education system. But how does everybody get the basic fare?

SIMON COHEN: I think that is an area where ASIC has been very successful in terms of getting financial literacy information into the curriculum and it is an area I know the consumer regulators are having a look at from a consumer literacy perspective to exactly get that information being kind of baked into the curriculum right from the get-go. And I think that reflects, as well. I remember when George Medcraft released some tools for school – he reflected that when he was at school, and it was also when I was at school, my only commercial transaction was a bank book that I used to get stamped every week. And you look at the experience of children today, you know, they do have a mobile phone, they are using debit cards and cards that go in machines and having already such a more complex experience. And so that need to, I think, think holistically that in fact this is a key education need, for somebody to be able to – you know, to effectively interface with our society, I think it's really critical.

IAN WATSON: I agree and I think that high school starting point is really important. For the schools I work in, in Cape York, mobile phones are a necessity for people for a whole range of reasons, from connectivity across

communities to the fact that no-one really has computers and the fact that everything is done with handheld devices to safety issues of people moving around in remote areas. So coupled with that necessity is the fact that these are very low income families. So any information that can be embedded through those high school years around affordability, around cutting down costs, would be really effective. The other thing with that is that I think there needs to be someone within those communities, whether it is councils or specific roles identified, that people can come and ask questions of. So there needs to be an identified contact point where there isn't a service provider in a community for someone to ask questions face-to-face about cost issues and other issues.

ALAN KIRKLAND: That is a very good point. Look, I might throw to the audience at this point. I see Nigel has got his hand up so if we can get a mic in here?

>> G'day, thanks. Nigel Waters from the ACCAN board. The discussion so far on the panel has really reflected the enormous amount of time that we spend at all these conferences talking about this issue of empowering consumers and making it easier for them to operate in a competitive marketplace. Without suggesting that we give up on any of those efforts and in light of the research findings we keep hearing about – today from Paul and yesterday from Michael Fraser – shouldn't we recognise the absolute limitations of the informed consumer model and accept that, to some extent, greater direct regulation of standards and consumer offerings is the answer? Even if that means actually limiting choice in some respects? I know that's unfashionable and it is unpalatable to governments of both persuasions but aren't we really talking about the absolute limitations of competitive marketplaces?

ALAN KIRKLAND: Who would like to take that?

(LAUGHTER)

DELIA RICKARD: Look, I think it's a really difficult question. And the failure of disclosure as a tool to empower consumers, certainly in financial services, has led the debate not so much as to – to really looking at whether some products should be allowed, rather than trying to shape and create products, some things shouldn't be allowed. Most of the parallels I can think of are in the financial services sector and certainly in insurance, for instance, we have had regulation that says, "You must have a basic product and it must have these features". Now, in reality, it has been honoured by just having lists of pages of what it doesn't do and how it deviates from the plan. I can see some attractions, but I can see the arguments you get when you look at regulating anything in this day and age – that it will cripple innovation. And I think this is a sector in particular where that argument is likely to carry a lot of weight. You might want to – I can see tinkering around the edges of a basic product but I don't think we should give up on trying to ensure that we have more effective disclosure. I do think one-pagers are correct there. And if you were going to regulate, I think it would be at the margins, like, you need these sorts of minimum features, rather than anything more at this stage.

SUE CHETWIN: I wonder whether it's about the regulators are using the tools that they actually already have. We had an academic in New Zealand who got – I think I mentioned her yesterday. Her students – she was a law professor and she had her students go through some standard form contracts and all of them contained unfair contract terms. Now, how are businesses able to get away – these are big businesses, they were largely in the telco area and energy, how are they able to get away with these standard form contracts that do contain unfair contract terms? I wonder if we don't – you know, if we don't empower the regulators, give them some more resources, to actually deal with, you know, use the tools that they already have.

DELIA RICKARD: I have to say when we got unfair contract terms in Australia the first thing we did was go through all the telco contracts – but then we worked with them to get them changed. So I agree with you there.

ALAN KIRKLAND: There's another question just here. Oh, sorry, the mic is up the back, we'll start up there, sorry.

>> Hi, my name is Johan from the differently able people's association. My question was originally aimed at Wayne, although he is not here, so I might aim it to the wider panel. Our organisation, just as background, is developing applications and employing people with disabilities to develop and provide data entry into a

smartphone app called Many Minds Link. So basically we are self-serving in the sense that we actually developed a smartphone app by differently abled people to differently abled people. We've noticed that, in the event of this app, that there's some inabilities from some of the smartphone and other device manufacturers to actually provide some of the accessibility features, such as to people who are both deaf and dumb or some other impediments that they may have. Do consumer groups like yours – have they been putting any pressure or querying on behalf of these sorts of groups to smartphone manufacturers to develop better abilities or accessibility features in their products?

ALAN KIRKLAND: Is it an issue that comes through in consumer complaints, Simon? Or the ACC? Whether it is telcos or other areas, general issues about the accessibility of devices or services that are provided by large providers?

SIMON COHEN: No, look, it's not an area where I'm aware that we've received particular concerns about and I expect it's probably an area – because it wouldn't fall under a particular consumer law responsibility – that we probably would look to, for example, some of the specialist human rights organisations to have a role in relation to. It is a very good question, though.

ALAN KIRKLAND: And was there... I had a question here, if we can get the mic here, then we might come over here next. So just the man in the blue shirt.

>> Bruce Babbington, I'm an individual member of ACCAN. We have a situation where someone has overcharged customers compared with what is described as the critical impact statement on their website for those customers. It should be a no-brainer. Referred to the ACCC a year ago today. As of last week, no action. It was referred to the TIO. The outcome was there was no decision at the closure of the case as to whether the customer was or wasn't entitled to reimbursement of the over charge and they said we've just put it in as a system problem and if someone else says something we will do something. Now, an overcharging of thousands of customers reported by one person – surely it should be something we are acting on. It's no good saying it is the consumer's problem if the regulators and enforcers aren't doing something when complaints are made.

ALAN KIRKLAND: I know you can't comment on the specific complaint but on a general level what would be the factors when looking at a complaint?

DELIA RICKARD: The ACCC gets thousands of cases a year and we can run 30 cases a year with our resource, so what we tend to focus on is where we see systemic issues and pick the best of those cases where we'll think we will have the biggest deterrent impact. In that particular case, I don't know the case – I'm happy to go away and follow up for you. That's the sort of case where we may well – depending on where our resources were at – just call them and say, "Get it fixed or else" and hopefully we would get feedback to the complaint but I would say that's not always our greatest strength. Is it still up there? Is it still misleading?

>> No, there have been two reviews of the CIS with price changes since then, which is also a problem, because the investigators now will look at it and say it's not the only one. So they need to act quickly.

ALAN KIRKLAND: So just to repeat that back for the audience, I think the statement has been reviewed several times and so it is no longer on the website.

DELIA RICKARD: Well, it just wouldn't get up with us now if it had been fixed. So, look, I apologise if no-one got back to you but you have limited resources and you have to say, well how can we have the biggest impact in the telecommunications space? What are the issues causing the most widespread detriment and those are the ones we'll focus on.

ALAN KIRKLAND: Just before I go to the next question, while we're talking about the issue of complaints, something I was wondering about earlier when you were speaking, Ian, is how complaint rights play out in communities where you have a monopoly provider? I don't know if you have any reflections on that but do you reckon in remote communities where you don't have the ability to switch, you are completely beholden to a provider, do you think that has any impact on whether people are likely to complain if they have a problem?

IAN WATSON: I don't know if that in and of itself has an impact on whether people are likely to complain. I think one of the big issues we've come up against – and we've done a lot of work for aged care complaints commission, the fair work ombudsman and the Commonwealth ombudsman – is that idea of complaining being something that people are not comfortable with. That the idea of raising an issue almost never happens. That their confidence of ringing someone or actually approaching a service provider, whether it is because you are getting bad food in an aged care home or whether because you feel like you are being charged too much for your phone service or you signed a contract that is not workable – there's some significant cultural issues that I think need more exploration around why people aren't comfortable raising issues and I think it goes way beyond – that monopoly issue would be a part of it but I think it goes way beyond that.

ALAN KIRKLAND: Thank you, and did you have a question at the front here? The mic is just coming in.

>> Hello. We are a research team from University of New South Wales. Actually, what you said just before, I can relate to points. Firstly, you said there is a lot of sample bias when it comes to measurement ISPs. Speaking of that we are now working on a project and we look at this open measurement data coming from the Google platform and from that data we see a lot of sampling bias. For instance, different ISPs offer different speed tiers to their customers. Some customers have higher speed tiers from the ISPs and others have lower and different ISPs have different proportions of such customers. For instance, some have more higher speed customers while others have more lower speed customers. So, with those organisations such as Netflix, they come up with this ISP speed index – they use this single number, the average speed. And by using that, all this bias exists in that number. You don't know from the average number – you don't know which ISP is actually performing better for their customers. So, for instance, there are a lot of messages in our research and I spoke at OSNOC a couple of days ago and a lot of ISPs could resonate with what I said so here I'm just going to say one message from that research, which is, actually how customers turn their own computers can actually affect a lot on their speed. It is actually already well known in the research community that if your computer has low buffer size and you can turn and change that buffer on your computer, depending on the different operating systems you are using, and the different ways you use it, but it's not a rocket science task. Even if you are not IT people, you follow some instructions and you can do it. But just like the panel has said before, you say there is a lot of barriers existing there to prevent customers getting knowledge. This is such a knowledge that should be passed on in the community, not only in the research community but in a community like this. So if that can be passed on to customers to turn your computers to a finer size so you can get optimal ISP performance. Is there any comment on that?

ALAN KIRKLAND: Maybe, Delia, do you have any reflections on, I guess, the complexity of communicating with people? So if we get more transparency about actual broadband speeds is there a risk that it is ultimately not helpful because there are so many other variables that might affect the individual user experience?

DELIA RICKARD: I think what you were just saying is an example of good communication. Because when I think about Money Smart and the financial literacy work, what we have tried to do is to give people clear, practical guidance, like answers to problems, "These are the steps", boom, boom, boom, so you have the tools for them. So it's not just, "Do this with your computer" – I want to know where it is on the computer, find that, what you need to do with it and what else you need to do. So communication should be practical, help with problem-solving or point you to where you can go. It's simple and clear and not waffle for the sake of waffle.

SIMON COHEN: I think I reflect back on the experience, probably about three or four years ago, where there were an increasing number of complaints at TIO about data speed from mobile devices and dropouts and the peeling of the onion of why that's the case, you know, it might be the nature of the device you are using, it might be whether your house has got a tin roof or a tiled roof, it might be how many people are using their device at that particular location. Just the range of things that can sometimes impact upon the experience of a telecommunications user. I think that's really useful for people to understand. But I also, I guess, reflect on that flip-side of that, which is that, as well as that, sometimes people's expectations are really raised by the way products are promoted to them. You know, with leopards and lightning strikes and things that suggest that the experience is going to be perhaps not exactly what it is that the consumer receives and I guess I reflect back more generally, you know, why do people make complaints? Why is people's experience not good? And one of the key things is because they are not getting what they thought they were going to get, and I think that is a really critical element, and I think that sense of it being a shared responsibility – you know, regulators who have got a job, consumer advocates who have got a job, but industry has got probably the key and critical job in all of

that, and in that respect I think there are some strong safeguards that are being put in place, some strong regulatory safeguards to actually really encourage industry to do that as well.

ALAN KIRKLAND: Did you have another quick question? If you could keep it to a question, fairly brief, and then we'll see if anyone else has one.

>> Thank you for your answer. Apart from that, are you aware that, apart from ISPs' own data, actually there are a number of measurement platforms – a global scale – which are including Australia and New Zealand?

ALAN KIRKLAND: You are just talking about other platforms that provide access to this sort of data?

>> Yes.

ALAN KIRKLAND: I imagine that's something the ACCC has considered in this issue – some of the sources of data?

DELIA RICKARD: We have looked at it closely. I am not the expert on it but if you are interested in talking to people from the Commission who have done work on this, Claire and Josh, who are back there, put your hands up, have a chat to them in the break and they can give you that information.

>> OK, thank you.

ALAN KIRKLAND: Do we have any other questions from the audience? I guess one thing I'm interested in, perhaps coming back to you, Ian, and exploring, is whether things are actually getting better or worse for people in remote communities? So as more and more services and richer types of content are used to deliver information and services to people in remote communities, does that actually – you know, does that actually mean that the gap in terms of access to technology and bandwidth, quite frankly, is actually getting worse? So is access improving or is it getting worse?

IAN WATSON: I think it's certainly got massively better from what I've seen in the last few years. I'm not an expert from the technology side of things. In terms of, though, the impact of what has become a huge uptake of mobile phones in the communities that I work in, is this incredible access to information that hasn't been there before. Our first research project for ACCAN – and we published a paper and a report, you can read about this – really started to tease out what that means in terms of some of the opportunities around communication and around important issues such as health, mental health, and other things that are very important in these communities. And what the implications might be for future communications campaigns, et cetera, actually beginning to use this increased access to technology. So I think in terms of the improvements to people's wellbeing, certainly we're already seeing evidence of that and I think that will continue in the future.

ALAN KIRKLAND: That's good to hear. I will just check for any other questions? Yes, just at the front here, we'll just get a mic to you.

>> Hi, Sandra Milligan from ACCAN. I just wanted to respond to that previous question and your answer, because in my perception, everything's getting better in the world. Well, that's what they tell us – everything's getting faster, quicker, more ubiquitous and so forth, but the real problem in Australia, it seems to me, is not that things are getting better, but that they're getting better at different rates for different people. And that the haves are getting better and better and better, and the have-nots are getting better, and that disparity is increasing, to the economic detriment and the personal detriment of those two groups. So I guess, as a question, I would put to the ACCC if that's a real concern – because I do get concerned when I hear how brilliantly everything's going, because I don't think that's the real issue.

DELIA RICKARD: I think you are completely right – I think there is an issue around the digital divide and there are obviously going to be many avenues for looking at that and working out solutions. But the one that's happening right now, which I'm sure many of the people in this room have already contributed to, but if not, it's worthwhile doing, is the Productivity Commission's review into the Universal Service Obligation, which is really the starting point for looking at what kind of assistance is given, so that we do have – reduced the size of that digital divide. Some of it is knowledge, some of it is economic-based. Some of it is location.

ALAN KIRKLAND: Is there a debate about that digital divide in New Zealand, Sue? Is that a concern – that disadvantage may be increasing, or, indeed, decreasing if you are getting it right, because of people's different levels of access to technology and services?

SUE CHETWIN: Yeah, look, I think we are facing the very same issues in New Zealand with the digital divide. We don't have the same sort of remote communities – the same sort of remote Aboriginal communities – but we do have remote Maori communities, although Maori are much more an urbanised community than, say, Aboriginals are in Australia, so it's different. But we are facing those same issues and with older people – so I think it's knowledge, poverty and, I guess, access as well.

ALAN KIRKLAND: A question down the back there.

>> Um, yes, almost good afternoon – good morning, Laurie Patton, Internet Australia again. Just reflecting on the Universal Service Obligation – for those that are not aware, there is an investigation going on at the moment. Internet Australia and a number of others, and I think ACCAN have joined with us as well, in calling for the Universal Service Obligation to be extended to include data – and I think that's a really significant issue and I would really encourage people to support us in having that happen because in the end, for a lot of communities in rural, regional and remote Australia, and for people with disabilities, it's often data that's more important than a phone line and, significantly, of course, if you have data you can use VoIP, so you can get everything you need. The difficulty is that the USO is a fettered issue for the telcos, who, at the moment, are fighting over a limited amount of money from the government and some funding from the sector and, again, our argument needs to be that the funding needs to come from the government. We can't rely on the market.

ALAN KIRKLAND: We'll take that one as a comment – a very useful one, in terms of what we were just discussing. Now, was there another question just at the front here? Over on this side. Sorry, you've got the mic, sorry, just in the second row. If you would like to go?

>> I was going to say exactly what Laurie said – the universal service is in terms of a voice service, not in terms of data. Just to point out, too, one of the other anomalies, and picking up a point that was made earlier, one of the anomalies is that the provision of equipment – particularly, equipment designed for people with disabilities – is a requirement that now falls on Telstra, and not even as the Universal Service Obligation. So, in fact, if we're going to move into a competitive environment, into a digital environment, there are some regulatory changes that are going to be necessary to make that happen, because that's not the way it's framed now.

ALAN KIRKLAND: Thank you. We might come over here. If you can try and frame your contributions as a question that's something the panel can respond to, that would be great...

>> Tim Holborn. So there's two things I was thinking about during your talk. The first was about content distribution networks, where there's large providers such as Akamai, who represent gearing networks, and that has a billing effect where you may have ABC paying more money than, say, Netflix to deliver the same quality of vision or, indeed, YouTube. That then relates, also, to whether or not, within our academic systems, kids who are on broadband connectivity that doesn't allow them to watch a lot of video, as their urban counterparts might be able to spend the day on TED Talks – how that's taken into consideration. And finally, with regard to smart contracts, machine-readable contracts, do you think the industry is going to be reactive or proactive? Will they respond when Google is able to search an index and then associate that to the appropriate laws and encourage people to move to whatever it is? Or will the service providers themselves be proactive about it and try to enhance the choices made available to the local market?

ALAN KIRKLAND: Look, I did want to come back to some of these issues, so that's probably a good segue. In terms of the data issue, Delia, can you talk about where you see the opportunity with some of that work the Productivity Commission's doing? Is it just about machine-readable contracts, or is it about something much bigger than that?

DELIA RICKARD: In terms of the Productivity Commission work and USOs, I think there's been a large number of submissions that have dealt with access to broadband, access to data. I know we've pushed it in our

submission as well, and I think it's one of the obvious reasons why the inquiry's happening – because we realise that data is where it's at these days. What was the second part?

ALAN KIRKLAND: If we segue into the other Productivity Commission work around, um, looking at the potential to open up access to consumers' data, I mean, do you want to just explain a little bit about what the potential of that might be in a telco context?

DELIA RICKARD: The potential's huge in the telco context, because if people can see how much data they use and when, if they can see how many calls, how many SMSs – goodness knows what else you'll be doing over your phone... If you have that and you'll also be able to get word you're making contact with (?) you can, in the way this is envisaged, the idea is that you agree upon a common format for the data to be presented in a way that is machine-readable, you then enter it into a comparator tool – ideally, that would also allow you to set out other preferences, what speed you're on, et cetera, and a bit like you have currently on (inaudible) – most people don't know how much data they've used – you'll get the 20 products you're looking for, in order of quality... It takes the hard work out of decision-making when it works properly. There are good comparator tools out there right now. It's an area that's closely regulated by consumer agency to ensure that you don't have the commercial relationships ending up at the top, being misleading and deceptive. I really think it's going to be the answer for a lot of people. I think there'll be people of some generations who won't be comfortable using it. But I've tracked producers of comparator tools for about 15 years now and looked at the percentage of people who've used them, and the numbers are phenomenal now. In some sectors, about 80% of people have tried one of these tools. So it's an idea people are ready for.

ALAN KIRKLAND: I guess, um, the shift we're talking about there is taking data that telcos currently have and making it available to consumers, potentially via tools. I mean, to come back to the role of providers – I mean, they've got this data now, so they can see if, maybe, somebody's on an inappropriate plan, and the amaysim rep in the previous session was talking about, um, being proactive around trying to help people to make a shift. I guess a question for you and other panel members – should we actually be expecting providers to be more proactive about the way in which they, um, assist consumers now, particularly where they may see that somebody's not on the ideal plan?

DELIA RICKARD: I think it would be ideal. I think there'd be a challenge for them. I know banks sometimes do this. And your first response is, "Why are they doing that? Are they going to charge me more? What's in this for them?" You've got to build the trust relationship at the same time. But if you can build the trust relationship, I think that would be sensible.

ALAN KIRKLAND: Does anyone else have any thoughts on that, the expectations around the role of providers? Sue?

SUE CHETWIN: In New Zealand, the electricity companies – we have a very competitive electricity market, and a lot of switching. The regulator has now compelled, um, all of the providers to make the consumption data of consumers available to them on their request, and they are allowed to request it up to five times a year for free. But what's actually been the outcome of that is that the number of requests – and this is across the whole country – is in the tens. So I think, you know, it is important that consumers are able to get their consumption data, I just think we have to be careful about how much we think they want all that, and how much they do know, and how much we might be expecting the providers to how much resource we expect the providers to put into that if there really isn't a demand for it and that the consumers don't understand it when they get it. I think there's quite a lot of work to be done before you actually decide to go down that track.

ALAN KIRKLAND: Before I go to Simon, it reminds me of the UK experience on energy. They tried to do a similar thing. The first time, they allowed consumers to download an Excel spreadsheet with their data. And surprise, surprise – maybe it was a little more than in the tens, but... Then the government realised they had to take the friction out for consumers – move more to what Delia's describing – you make the data available so third parties can build tools to make it really easy for consumers to then use it. Simon?

SIMON COHEN: I think it goes back to Paul's presentation. If it's not simple, people won't understand it. And therefore they won't be able to get the benefit of it. I guess the other thing, when I think about, um, some of the gains that have been made in the telco sector over the past four or five years, it is about understanding what the

commercial drivers are in that space as well. And how you can play effectively to those. So when, for example, some of the drivers moved away from acquisition of new customers to keeping existing customers, that competitive pressure to make sure that you are continuing to offer a great product to those loyal customers that you have can sometimes be the most effective way to actually make sure they're on the best deal they can get as well. In addition to whatever can be done to make it something that's simple from a consumer perspective, I think those commercial drivers need to be front and centre as well.

ALAN KIRKLAND: I think Rachel had a question at the front here, if we can get a mike down here. Sorry – yes? We can go there first, then come to the front.

>> Malcolm Moore. Private operator. Just bouncing off a couple of pieces there, I was just thinking about the situation where we have an almost-standard system for mobile phones, you could almost have a 1-page standard service agreement – that makes a lot of sense to me. But, going back much further, the USO was set up in 1980. That was five years before optical fibre came in, and optical fibre absolutely capitulated the price into inland call costs, so really, by about 1990, there was absolutely no reason to have the USO. The next question is, we've now got the radio black spots fiasco, and I'll call it that, because there's no forward planning being done to use the optical fibre that's in the ground to fix up the black spots that they should have done 15 years ago. Now we've got a situation where we've got extremely complex service agreements with a massive digital divide, and I just wonder – what's the value in having Telstra and Vodafone and Optus and whatever companies competing with each other with their infrastructure, because that is – it was shown in the previous thing to be at least 400% more expensive than what it would be otherwise. So it's otherwise – it is costing us a fortune where it shouldn't be costing us much at all to provide nearly nothing. Now we've got the nbn in on top of it. So I was really wondering – why are we putting the USO up for grabs? Why are we putting the radio black spots up for grabs? Why have we got the nbn advertising as a private company when it should be infrastructure? You don't know what colour paint you've got on you, you don't know what brand paint you've got on your car, why should you know what infrastructure there is for our Telecoms? Maybe it's just a comment.

ALAN KIRKLAND: Some big issues in there! Does anybody want to comment on any of those?

DELIA RICKARD: I'll start with just the USO. I think the USO is about more than access. And yes, there's the connectivity around the place, but it's also the other issues around the digital divide, about affordability. So I think the Productivity Commission is looking across the spectrum at those issues.

ALAN KIRKLAND: Alright. We might now come to the front.

RACHEL THOMAS: Rachel Thomas from ACCAN. I have more of a personal question than a general consumer question. I was just wondering, everyone here on the panel has numerous years of experience working in this area. Do you have one tip that you have learned in your experience on what you do differently that we could take on board in our own personal lives and make decisions better in telco or other sectors as well?

ALAN KIRKLAND: Who'd like to start?

(LAUGHS)

One simple tip for general consumers – particularly relevant to telcos!

(PAUSE)

I think mine would be... I'll make it easy. I'll give them some thinking time. Mine would be the one about, um, don't undervalue yourself as an existing customer. You know, I actually really hate it when people call it "the lazy tax" because it pushes the blame onto consumers, and I don't think that's right. But it's really easy to not take that step of calling up or threatening to switch or finding a better plan – 9 times out of 10, you find out you could and should be on a better plan.

SIMON COHEN: I have the good fortune of having a partner who's a researcher, so every time we want something, he subscribes to Choice...

ALAN KIRKLAND: Excellent!

SIMON COHEN: ..and is a great researcher, so I guess that's one aspect. But I suppose when I think about my own personal choices, um, the thing that I do try and do before I make decisions is understand what I really – what it is that I really need from the product, you know? So for example, there are things for me with a mobile product, like it being able to operate in regional locations, because that's something that is actually very important for me. I'm not a heavy data user, but I do make a lot of phone calls. So I probably don't need the same plan as my son, who I don't think knows how to make a phone call.

(LAUGHTER)

But he certainly knows how to use a lot of data. So, ah, that, for me, is really trying to understand my own use best – that's something I find really useful.

DELIA RICKARD: Um, this is going to be a "Do as I say, not as I do" tip, which is – don't set and forget. I think most of us put a reasonable amount of effort, or outsource it to partners, which I certainly do, into choosing the first health insurance, the first telco deal, energy, whatever it is, and then we just get on with life. Because, let's face it, there are many more fabulous things to be doing than working out which service provider you want. But I think even if you set a date in your diary every two or three years, just revisit – do a quick shop around, use the comparator tools, call your current provider and say you've found a better deal and ask what they can do for you. Do that refresh every 2-3 or 5 years.

SUE CHETWIN: I was going to say shop around, and do it reasonably regularly. There's no reason why you should be loyal to a telecommunications company if they are not loyal to you.

IAN WATSON: I guess our key one, especially for remote audiences, is to ask lots of questions. With that, what's really interesting is we have to suggest what questions to ask, because people sometimes don't even know what questions they should be asking when they receive a bill or when they're reviewing their contract every couple of years. I just think it's that simple thing of being empowered to ask lots of questions is really, really important.

ALAN KIRKLAND: We can probably do one more question – the gentleman halfway down who I don't think has asked a question before...?

>> John De Ritter. A final tip – a good way to wind up the session! Yes, research is important, and I've found, in some research I've been doing in the last week, that the only thing better than a simple contract is no contract! And my advice to people looking for a smartphone is – don't go on contract. Shop around. Get a SIM card.

ALAN KIRKLAND: That probably is a good point to finish on. So, um, with that...

(LAUGHS)

..and with the tips from the panel, please thank the panel members.

(APPLAUSE)

TERESA CORBIN: Thanks for that session. That was really, really interesting. Wide-ranging! You'll need a rest after this! But lunch is coming