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**WE NEED A HERO. NUMBER WOMAN
IS HERE TO WORK WITH THE TELCOS
TO BRING ABOUT**

FAIR CALLS FOR ALL



accan

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THE ISSUE

Everyone needs to call 1800, 1300 or 13 numbers at some point – whether it's to talk to your bank in an emergency, order a cab, organise a Centrelink payment or speak with the Tax Office. These are some of the most important calls we make. But making that call from a landline or mobile makes a big difference to the call cost.

We need a hero. Number Woman is here to work with the telcos to bring about **Fair Calls For All**.

ACCAN is looking for a forward-thinking mobile network provider to be the first to provide 1800, 1300 and 13 calls from mobiles at the same rates as landlines.

There are many ways you can encourage your telco to commit to **Fair Calls For All**. Go to www.accan.org.au/numberwoman to find out how to help Number Woman achieve fair charges for 1800, 1300 and 13 numbers.

THE STORY SO FAR...

In 2010, the issue of mobile charges for calls to 1800, 1300 and 13 numbers was addressed in an ACCAN, AFCCRA and ACOSS super-complaint and a subsequent Australian Communications and Media Authority (ACMA) inquiry. The industry response was disappointing. Telstra, Optus and Vodafone either argued that there is no problem with the current numbering system, avoided addressing the issue or stated they were unable to provide a solution.ⁱ

The telco industry has indicated that they will not take action. We're determined to change their minds, but we need your help.

We will be asking telcos to commit to providing **Fair Calls For All** by ensuring 1800 numbers are free to call and 1300/13 numbers are charged at a low, flat rate from mobile phones, just as they currently are from landlines.

1800



MEET NUMBER WOMAN

NUMBER WOMAN IS A MODERN-DAY SUPERHERO AND SHE'S DETERMINED TO HELP THE TELCOS FIND A SOLUTION THAT WILL DELIVER FAIR CALLS FOR ALL.

She has the super power of connection and uses 1800, 1300 and 13 numbers to rescue stranded motorists, connect kids with counsellors, let Gran claim her age pension and bring a locksmith to the door.

Number Woman believes that 1800, 1300 and 13 numbers should be charged at the same rates from mobiles and landlines because:

- The cost is too high for the growing number of mobile-only consumers;
- Businesses who want customers to contact them are currently unable to offer a freephone option for mobiles;
- Charges need to reflect the way people use phones in 2011 and beyond.

We're looking for a mobile network provider — Telstra, Optus or Vodafone — to be the first to commit to **Fair Calls For All**, a system that will work for Australian consumers and businesses, regardless of the type of phone a person is calling from.

Telstra, Optus and Vodafone run our mobile network infrastructure; other telcos use their networks to transport your calls. If the three major players make a change, they'll enable other providers to do so.

Number Woman has issued Telstra CEO David Thodey, Optus CEO Paul O'Sullivan and Vodafone CEO Nigel Dews with an invitation to provide **Fair Calls For All** by:

- Committing to offer calls to 1800, 1300 and 13 numbers at the same rates from mobiles and landlines. That is, free to 1800 (no connection fee, no per-minute charge), and the cost of a local call for 1300 and 13 (a single, low, flat fee) from all mobiles.
- Laying out a timetable for the change — i.e. a clear commitment to move to a fair call system within a reasonable timeframe.

EXPLAINING THE RANGE - WHAT ARE 1800, 1300 & 13 NUMBERS?

A freephone number begins with '18' or '1800'. You can call these free from a landline. A local-rate number begins with '13' or '1300'. When dialled from a landline they are charged at the same rate as an untimed local call, a flat fee of about 30 cents. The remaining cost for these calls is covered by the business or organisation you are calling.

The Telecommunications Numbering Plan 1997, the law that governs telephone numbers, says that freephone and local-rate call charge arrangements only apply to standard telephone services, i.e. landlines.

In 1997, taking into account widespread use of landlines and payphones, and the high costs associated with mobiles, it made sense to only offer freephone and local-rate services for landline calls. In 2011, it doesn't.

WE'RE A MOBILE NATION AND WE NEED OUR NUMBERS AND CALL RATES TO REFLECT THIS.

INTERNATIONAL FREEPHONE SYSTEMSⁱⁱ



COUNTRY	CALLS MADE FROM LANDLINES	CALLS MADE FROM MOBILES
USA	Free	Free
The Netherlands	Free	Free
Germany	Free	Free*
Italy	Free	Free*
Spain	Free	Free*
United Kingdom	Free	Chargeable [#]
Australia	Free	Chargeable

* Some service limitations

[#] UK communications regulator is consulting on changing to a freephone system

Mobile calls to freephone and local-rate numbers are charged at a rate set by your service provider. Australia is falling behind international trends — other nations have already modernised to allow free calls from mobile phones on designated number ranges.

International examples demonstrate that a freephone range from mobile phones is affordable, desirable and, most of all, possible.

HOW MUCH DO THESE CALLS ACTUALLY COST?

Thousands of charity helplines, government and essential services such as banks, insurance companies and roadside assistance provide freephone and local-rate numbers so their clients and customers can get in touch with them easily.

One of the greatest advantages of these types of numbers is the simple call rates. From a landline it's 1800 — free, 13 or 1300 — local rate, but do you know how much you pay from your mobile for these types of calls?

Call prices for mobiles are notoriously confusing. 1800, 1300 and 13 numbers are often excluded from plans and charged at different rates to standard calls.

In some cases, a freephone or local-rate call is the only way to access a particular service and can involve significant wait or call times. These calls become really unpleasant when you are charged high per-minute rates when calling from a mobile.

Telcos have the chance to restore simplicity. They can make a free call just that, free.

CHARGES FOR CALLS TO FREEPHONE NUMBERSⁱⁱⁱ



PROVIDER	PLAN TYPE	COST OF CALL
Telstra	Post-paid plan	\$0.22 per minute
	Pre-paid plan	\$0.22 per minute
Optus	Post-paid plan	\$0.22–\$0.44 per minute
	Pre-paid plan	\$0.20–\$1.78 per minute*
Vodafone	Post-paid plan	\$0.70–\$0.90 per minute [#]
	Pre-paid plan	\$0.15–\$0.89 per minute [#]

* Most plans \$0.74 per minute

[#] Plus \$0.15–\$0.39 flagfall

On Telstra, Optus and Vodafone mobiles, local-rate calls are charged anywhere between \$0.20–1.04/minute with a \$0.15–0.39 call connection charge. Using a pre-paid mobile, a ten-minute call to Centrelink's Disability, Sickness and Carers 13 2717 number costs up to \$11.00.



FAIR CALLS FOR ALL CONSUMERS

Since 1997, landline use has steadily decreased while mobile phone use has skyrocketed as it has become more affordable. It makes sense that people on tight budgets have been switching from fixed-line to mobile phones, given the way we communicate has changed. Plus, landlines aren't cheap. Currently it costs a minimum of \$59 to have a Telstra landline connected at your home, plus a \$20.95/month access fee – you will pay a minimum of \$79.95 before you make your first call. Alternatively, you can purchase a Telstra mobile phone with \$10 worth of pre-paid call credit for \$39 and make calls immediately.^{iv}

From 2009 to 2010 the number of Australians aged 14 and over without a landline telephone went from 1.7 million to 2.3 million, which is over 10% of the population.^v



DOES THIS MAKE SENSE TO YOU?

Today, situations arise where, even if you do own a landline, it doesn't make sense to contact certain 'freephone' services from your home. Would you call '1800 LOCKSMITH' from inside the house? Similarly, roadside assistance is rarely needed from the comfort of your lounge room and towing companies meet you at the car, not the front door.

Every consumer is affected.

Students who live in share houses without a landline will have difficulty calling Centrelink for their Youth Allowance. Young people in rural areas without mental health support systems will have difficulty calling Kids Helpline on their mobile – and a 40-minute counselling call isn't something you want to make from your landline while mum and dad are around.

Women affected by domestic violence are unlikely to have a safe and private space in their own homes in order to contact the 1800 numbers for services that can provide them with emergency accommodation and support.

Finding a payphone to make these calls from is getting increasingly difficult as their numbers have been significantly reduced in recent years. In 2010, Australia had 23,218 fewer payphones than it did in 2006.^{vi}

Another frustrating reality is that when an essential call needs to be made, mobile-only consumers on low incomes have no choice but to use up their pre-paid credit waiting on hold with a government agency or other essential service. In the modern age communication is vital for social participation and losing our ability to make calls has numerous ripple effects on our lives.

By switching to **Fair Calls For All**, telecommunications companies will be giving a fair go to all Australians with the greatest benefit going to those who are most disadvantaged.

Sounds fair, right?

IN THE MODERN AGE COMMUNICATION IS VITAL FOR SOCIAL PARTICIPATION AND LOSING OUR ABILITY TO MAKE CALLS HAS NUMEROUS RIPPLE EFFECTS ON OUR LIVES.

A FAIR CALL FOR BUSINESSES & ORGANISATIONS

Businesses and organisations are currently unable to offer a freephone or local-rate phone charge for mobiles callers, even if they want their customers to be able to contact them for free.

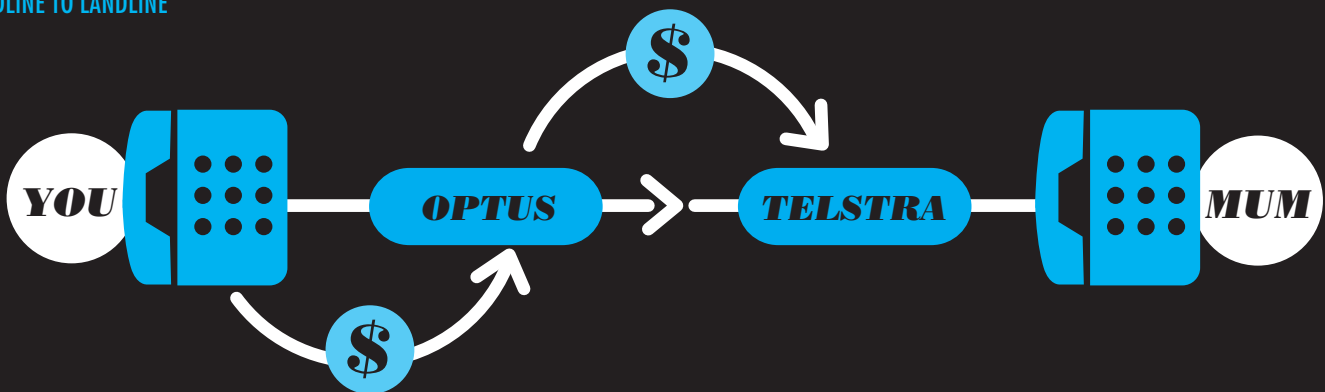
Owners of 1800, 1300 and 13 numbers pay to receive your call and can pay more to receive a call from a mobile. That's the direct cost to businesses, but organisations pay for your call in other ways as well.

Charities use these numbers as a way to provide low-cost access to essential services. Operators will ask a caller if they are calling from a mobile and offer to call them back. Other organisations, such as Centrelink or the Telecommunications Industry Ombudsman (TIO), offer a formal automated callback service. Formally or informally, organisations are absorbing extra costs by paying for a callback service to make it easier for their customers to contact them.

Businesses have invested large sums of money in establishing freephone or local-rate numbers but can't offer genuine access to all consumers. It is clear there is demand for a free or "low-cost to the caller" mobile-phone option.

WHY ARE YOU PAYING?

LANDLINE TO LANDLINE



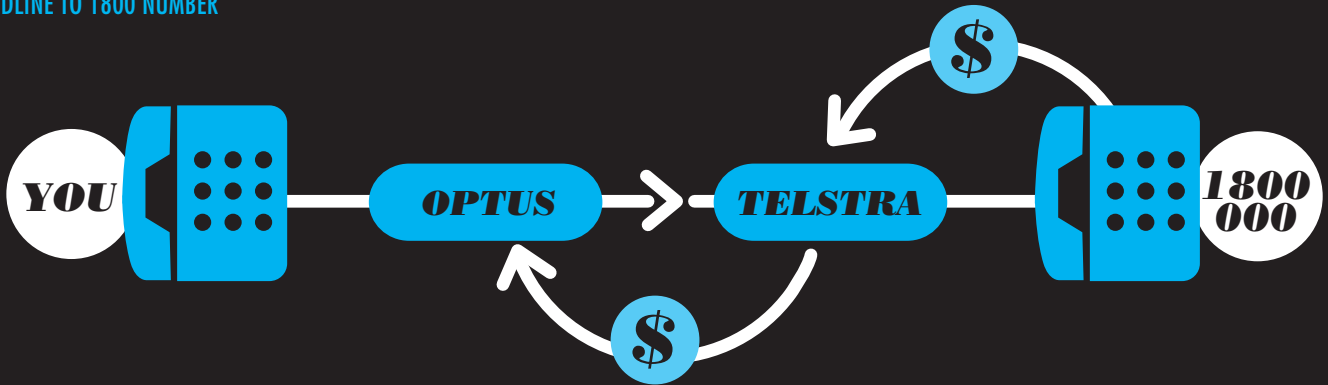
You generally pay for calls from your landline or mobile. This fee doesn't just go to your telecommunications provider; it is shared between every service provider that is involved in getting that call from you to the person on the other end of the line.

The image above shows the parties involved in getting a simple landline call from the caller to the "called party", also on a landline. The call travels from you, through your service provider to the service provider of the called party, in this case, your mum's landline. Your service provider "originates" the call, while the other service provider "terminates" this call.

In this example the originating service provider, Optus, collects a fee from you, and passes a portion of this fee to the terminating service provider, Telstra, for their role in the call. This situation involves more service providers when you are with a company (such as Primus), that might use Telstra's copper-wire infrastructure to carry your call.

Calls to 1800 numbers from landlines work differently. The charges for the call are covered by the company or organisation that runs the 1800 number and fees are passed the opposite way between telecommunications service providers. Again, the situation involves more service providers when you are with a telco that uses another company's network to transport the call.

LANDLINE TO 1800 NUMBER

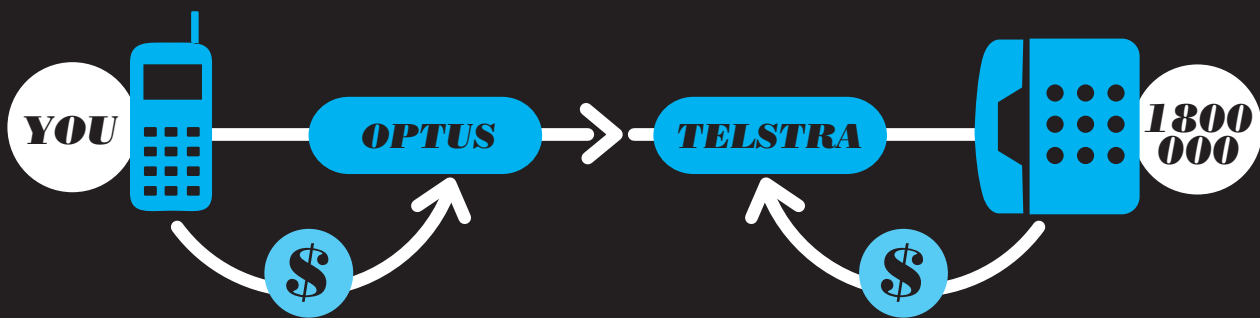


13 and 1300 numbers work in a similar manner from landlines, with the exception that the caller is charged a low, set fee (usually 30 cents) to contribute towards the cost of the call. This is collected by the originating party and taken into consideration when revenue is shared from the terminating to the originating service provider.

For call charges to be shared, service providers have pre-arranged contracts that agree on what portion of the call fee is passed on. Currently, a call from a mobile phone to a 1800 number does not involve the call charge being passed and shared between telecommunications service providers.

THIS HAS RESULTED IN A SITUATION WHERE BOTH PARTIES, THE PERSON WHO MAKES THE CALL AND THE PERSON WHO RECEIVES THE CALL, ARE CHARGED.

MOBILE TO 1800 NUMBER



Genuine free calls from mobile phones are technically possible but not currently an option for consumers or businesses. Mobile telecommunications service providers and freephone telecommunications service providers must come to an arrangement as to how revenue will be shared between the terminating and originating parties. This is not a technical problem but rather a revenue-sharing one – telecommunications companies need to come to an agreement on how to share the cost of a call.

Currently mobile network service providers allow some free calls to select freephone and local-rate numbers. For example, Optus mobiles can contact Kids Helpline for free. They do this by absorbing costs for these calls. By switching to a Fair Calls For All system, telcos would not have to absorb call costs and all calls to important 1800, 1300 and 13 numbers would be accessible for consumers.

With cost-sharing arrangements in place freephone and local-rate numbers could function in the same way for mobiles as they do for landlines. Contract negotiations between telecommunications companies will take time but they have to start now. The current call charging system isn't working well for consumers, businesses and organisations.

THERE ARE MANY WAYS YOU CAN ENCOURAGE YOUR TELCO TO COMMIT TO FAIR CALLS FOR ALL. GO TO WWW.ACCAN.ORG.AU/NUMBERWOMAN TO FIND OUT HOW TO HELP NUMBER WOMAN ACHIEVE FAIR CHARGES FOR 1800, 1300 AND 13 NUMBERS.

ENDNOTES

ⁱ Based on Telstra, Optus and Vodafone responses to the ACMA's 'Numbering: Structure of Australia's telephone numbering plan, Consultation paper number one'. Available online at: <http://www.acma.gov.au>

ⁱⁱ Ofcom, 2010, 'Simplifying Non-Geographic Numbers'. Available online at <http://stakeholders.ofcom.org.uk/consultations/simplifying-non-geo-numbers>

ⁱⁱⁱ ACMA, 2010, 'Numbering: Structure of Australia's telephone numbering plan, Consultation paper number one', pg 45 and www.vodafone.com.au

^{iv} Charges based on rates from www.telstra.com.au, current as of 27 April 2011.

^v ACMA, Communications report 2009-10, pg 14.

^{vi} ACMA Communications report 2009-10, pg 80.

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