# Regional Telecommunications Review 2011

Submission by the Australian Communications Consumer Action Network to the Regional Telecommunications Independent Review Committee

December 2011

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**About ACCAN**

The Australian Communications Consumer Action Network (ACCAN) is the peak body that represents all consumers on communications issues including telecommunications, broadband and emerging new services. ACCAN provides a strong unified voice to industry and government as consumers work towards availability, accessibility and affordability of communications services for all Australians.

Consumers need ACCAN to promote better consumer protection outcomes ensuring speedy responses to complaints and issues. ACCAN aims to empower consumers so that they are well informed and can make good choices about products and services. As a peak body, ACCAN will activate its broad and diverse membership base to campaign to get a better deal for all communications consumers.

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# Introduction

We thank the Regional Telecommunications Independent Review Committee (the Committee) for the opportunity to make a submission to the Regional Telecommunications Review. We welcome this review and the important opportunity this review provides for people living and working in regional, rural and remote Australia to raise their telecommunications concerns, with a particular focus upon equitable access to telecommunications services.

Equitable access to telecommunications services is particularly important in the context of Australia's human rights obligations. In January 2011, Australia was reviewed for the first time by the United Nations Human Rights Council under the Universal Periodic Review (UPR) mechanism. This is a peer review undertaken by United Nations member states and focussed upon Australia's human rights record and its work in the promotion and protection of human rights.

Several of the recommendations made called for the development and/or strengthening of a comprehensive poverty reduction and social inclusion strategy.[1] Australia presented its formal response to the United Nations Human Rights Council in June 2011, accepting the UPR recommendations relating to social inclusion in part.[2] The government has committed to implementing the UPR recommendations through the National Human Rights Action Plan.[3] Ensuring all Australians have accessible, affordable and available communications services that meet their needs is an important part of social inclusion.[4]

ACCAN's methodology for gathering input into this submission includes undertaking online consultations, telephone conversations, gathering case studies through customer contacts and speaking with consumers and consumer advocates at conferences and seminars. We received and have incorporated responses from ACCAN members and non-members, with feedback received from most states and territories. Respondents included a significant number of small businesses, disability advocates, community legal centres and financial counsellors, Aboriginal and Torres Strait Islander organisations and interested individuals, including pensioners. Some of these comments are represented in boxes throughout this submission. This was supplemented with additional research, including incorporating the findings of several research and grants projects commissioned by ACCAN.

ACCAN's submission examines three key issues in detail: mobile coverage, the communications needs of Aboriginal and Torres Strait Islander persons and communities and consumer issues. We briefly discuss two other key issues: small business, and health and education opportunities. A summary of recommendations is provided below.

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[1] United Nations Human Rights Council, *Draft report of the Working Group on the Universal Periodic Review Australia* A/HRC/WG.6/10/L. 8, 3 February 2011,Recommendations 86.32, 86.33, 86.63 accessed on 15 December 2011 at: http://lib.ohchr.org/HRBodies/UPR/Documents/Session10/AU/Australia-A_HRC_WG.6_10_L.8-eng.pdf

[2] United Nations Human Rights Council, *Report of the Working Group on the Universal Periodic Review Australia Appendum, Views on conclusions and/or recommendations, voluntary commitments and replies by States under review* A/HRC/17/10/Add.1, 31 May 2011 at 5, accessed on 15 December 2011 at: http://c742005.r5.cf2.rackcdn.com/files/Australias-Formal-UPR-Response.pdf

[3] Hon Robert McClelland MP, *Address to the NGO Forum on Human Rights*, Canberra, 22 June 2011 accessed on 15 December 2011 at: http://www.ag.gov.au/www/ministers/mcclelland.nsf/Page/Speeches_2011_SecondQuarter_22June2011-AddresstotheNon-GovernmentOrganisationsForumonHumanRights.

[4] See ACCAN, *Response to the Draft Human Rights Baseline Study*, September 2011 accessed on 15 December 2011 at: http://accan.org.au/index.php?option=com_content&view=article&id=368:submissions-template&catid=143:your-rights&Itemid=182

We note that some issues raised during our consultations and discussed in this submission are being addressed through other mechanisms and we refer the Committee to these other mechanisms. For example, respondents raised the need for plain English documents to outline the key features of telecommunications products and plans; the need for effective spend management tools; and the banning of confusing language like 'cap' and 'free'. These issues are addressed in the Australian Communications and Media Authority's (ACMA) Reconnecting the Customer recommendations. ACCAN refers the Committee to the *Reconnecting the Customer Report (RTC)*[5] and *Summary of Proposed Solutions*[6] that follow the lifecycle of a consumer's relationship with a telecommunications service provider from advertising, to point of sale, through to customer service, credit management and complaints-handling. The ACMA has warned 'if the industry doesn't develop a code that addresses the ACMA's concerns, the ACMA will mandate changes through direct regulation.' Industry has been given until February 2012 to incorporate the changes into the revised *Telecommunications Consumer Protection Code*.[7]

The cost of calling so called 'free call' 1800 and local rate 1300/13 numbers from a mobile was also raised as an issue of concern. Many services offer 1800 and 1300/13 numbers, including counselling, support or free legal services and essential government services such as Centrelink rural services and basic utilities. These numbers are generally offered to ensure everyone who needs the service can access the service, including people in regional Australia. This is an issue that ACCAN has been campaigning on for over 12 months.[8] We refer the Committee to the ACMA's recent proposal that free calls be free and local calls be charged at a local rate.[9] The ACMA has recognised that setting uniform charging arrangements for freephone and local rate calls from mobile and fixed-line phones reflects the legislative intent of the *Telecommunications Act* and the Numbering Plan.[10]

Finally, there is the issue of access to telecommunication services by persons with a disability. ACCAN firmly supports the right of persons with disability to enjoy functional equivalence – this requires, for example, access to a Video Relay Service,[11] Captioned Telephony Service,[12] equipment (including mobile and broadband), emergency calls, information and training. It also requires accessibility of websites, product information and contracts. These issues are being addressed in the Department of Broadband, Communication and Digital Economy (DBCDE)'s *Review of Access to Telecommunications Services by People with Disability, Older Australians and People Experiencing Illness.*[13]

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[5] ACMA, *Reconnecting the Customer Final Report*, September 2011 accessed on 3 December 2011 at: http://www.acma.gov.au/webwr/_assets/main/lib310013/rtc_final_report.pdf
[6] Summary of final proposed solutions, accessed on 3 December 2011 at: http://engage.acma.gov.au/reconnecting/wp-content/uploads/2011/09/RTC_Summary-of-proposed-solutions.pdf
[7] ACMA, *Reconnecting the Customer*, September 2011, accessed on 3 December 2011 at: http://engage.acma.gov.au/reconnecting/
[8] For further information about ACCAN's Fair Calls for All campaign see: http://accan.org.au/index.php?option=com_content&view=article&id=221&Itemid=274

[9] ACMA, *Numbering: Calls to freephone and local rate numbers - The way forward*, October 2011 accessed on 11 December 2011 at: http://www.acma.gov.au/WEB/STANDARD/pc=PC_410184
[10] Reference: ACMA, *Numbering, freephone and local rate numbers: the way forward*, October 2011 at 7-8, accessed on 13 December 2011 at http://www.acma.gov.au/webwr/_assets/main/lib410119/ifc37-2011_numbering-freephone_and_local_rate.pdf
[11] See: http://www.aceinfo.net.au/index.php?option=com_content&view=article&id=5&Itemid=16
[12] See: http://aceinfo.net.au/index.php?option=com_content&view=article&id=6&Itemid=17
[13] See ACCAN's submission: ACCAN, *Review of Access to Telecommunications Services by People with Disability, Older Australians and People Experiencing Illness*, September 2011, accessed on 12 December 2011 at: http://accan.org.au/index.php?option=com_content&view=article&id=361:review-of-access-to-telecommunication-services-by-people-with-disability-older-australians-and-people-experiencing-illness&catid=142:access-for-all&Itemid=178

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This submission makes the following recommendations:

*Mobile phone recommendations:*

1.  **That mobile phones be included in the new USO requirements.**

2.  **That strategies be employed by government to expand mobile coverage in regional Australia such that:**
    - o **regional centres have more than one mobile service provider providing services; and**
    - o **national roaming operates in all rural areas; and**
    - o **there is adequate mobile phone coverage on all major highways even in remote areas;**
    - o **and that the government provides commercial incentives for service providers to offer adequate mobile coverage in regional areas.**

3.  **That different technologies that can improve mobile coverage and internet bandwidths in regional Australia be explored. This should include the further testing of Ngara technology in a customer pilot program.**

*Communications needs of Aboriginal and Torres Strait Islander persons and communities recommendations:*

4.  **That the government undertakes benchmarking, for example, by way of an annual survey to measure the impact of the changing telecommunications landscape, particularly upon disadvantaged and vulnerable groups within regional Australia and that this benchmarking commence as soon as possible.**

5.  **That telecommunications service providers implement cultural awareness training for their staff and offer culturally appropriate services.**

6.  **That telecommunications service providers' financial hardship policies be benchmarked against financial hardship policies of other industries, with a particular focus on how telecommunications service providers approach vulnerable communities, including those experiencing multiple disadvantage.**

7.  **That low-income measures for broadband that replicate the low-income measures in place for a phone service be introduced.**

8.  **That the Committee in the context of the regional telecommunications review examine the Draft Payphone Instruments proposed by the Department of Broadband, Communications and the Digital Economy as a matter of urgency and provide feedback before the instruments are finalised by the Minister.**

*Consumer Issues recommendations*

9.  **That a consumer education program that raises awareness about consumer's rights be incorporated into existing financial counselling programs and that adequate funding be made available for such a program.**

10. **That the RTC recommendations be implemented in full.**

11. **That the TIO be encouraged to publish demographic information with their complaints statistics to help identify gaps in access to the TIO.**

12. **That government funding bodies must recognise 'brokering ICT' as part of the critical role non-profit organisations play in providing services to disadvantaged and vulnerable consumers.**

13. **That free, accessible and culturally appropriate training in digital literacy and what the National Broadband Network can bring, be provided in regional Australia.**

14. **That technical assistance be readily available either free of charge or at a low rate in regional Australia to encourage effective use of the National Broadband Network and to promote social inclusion.**

15. **That demographic information, combined with data about the speed, reliability and affordability of consumers' internet services be collected at timely intervals in order to measure equitable access to the National Broadband Network.**

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## 1. Mobile Coverage

The report by the 2008 Regional Telecommunications Independent Review Committee (the *Glasson Report)* found that 'concerns about mobile coverage were the most frequently raised issue before the Committee.'[14] The *Glasson Report* further noted it was argued that regional consumers 'pay more for mobile services due to the increased frequency of call drop-outs and missed calls that result in the user having to make additional calls or access messaging services.'[15] Additional expense is also incurred because of flagfall which is generally charged each time someone makes a call from their mobile. ACCAN has been calling for the abolishment of flagfall.[16] Inquiries and reports since then have also continued to raise the issue of lack of mobile coverage in regional Australia.[17]

During ACCAN's consultations for the 2011 regional review, the issues of lack of mobile coverage, cost and reliability have been frequently raised. Many individuals and organisations have commented upon lack of coverage, black spots, drop outs, long periods with low or no coverage, intermittent or no coverage at all. Those with satellite have commented upon its limited reliability, for example on a cloudy day, and concerns have been expressed that satellite cannot deliver sufficient upload bandwidth. As one farmer commented, 'lack of services impacts on your ability to work from home.'

A sample of comments are included below in Box 1 about lack of mobile coverage and Box 2 about the cost of mobiles.

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**Box 1: Lack of mobile phone coverage**

Lack of coverage along the Oodnadatta Marree and William Creek. *Oodnadatta Traders Pty Ltd*

Lack of Mobile coverage in certain areas effects small business in the tourism sector as tourists will not come unless they have some coverage. *Rawnsley Park Station, South Australia*

I am a farmer and we have no access to mobile phone. Sometimes if I go to the window of our bedroom I may be able to have mobile accessibility. *Farmer*

Availability of network coverage is a significant barrier to participation. Remote areas: sparse, patchy. *David Nixon, Desert Knowledge Australia*

Phone calls dropping out in majority of areas in Tasmania and north west and west coast especially. *Denise Lloyd*

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[14] *Regional Telecommunications Independent Review Committee Report - Framework for the Future, (The Glasson Report),* Australian Government, September 2008, Finding 2.1.1 at 129.

[15] *Glasson Report*, Note 14 at 129.

[16] See, for example, ACCAN, *Submission in response to the Draft RTC Report*, July 2011 at 15, accessed on 13 December 2011 at: http://accan.org.au/index.php?option=com_content&view=article&id=344:reconnecting-the-customer&catid=143:your-rights&Itemid=182

[17] For example, 89% of submissions to the *Inquiry into telecommunications availability in rural and regional Communities* discussing mobile phones raised the issue of coverage (at 25(13)). For further comments about mobile coverage see Standing Committee on Broadband in Rural and Regional Communities *Inquiry into telecommunications availability in rural and regional Communities,* Sept 2010 at 28-31 (16-19) accessed on 12 December 2011 at: http://moore.org.au/senh/2010/2010%2009%20%20NSW%20Are%20You%20Connected.pdf ACMA commissioned research in 2009 found that 76% of non-metropolitan consumers who had expressed dissatisfied with their mobile phone gave the reason of limited mobile reception coverage or drop outs. Cited in ACMA, *Communications Report 2008-2009,* Melbourne 2009 at 71(70) accessed on 11 December 2011 at: http://www.acma.gov.au/webwr/_assets/main/lib311252/08-09_comms_report.pdf

Our organisation is 30 kilometres from Kempsey on the eastern seaboard and yet we receive no signal for mobile phone. *Physical Disability Australia*

There should be both competition and coverage. In some rural communities only one phone company has adequate coverage. It is essential that consumers are warned about inadequate coverage before buying a phone using a particular provider. *Consumer Credit Legal Centre*

We use satellite but find the service intermittent, unreliable and expensive, particularly when using Skype. *Farmer*

Mobile coverage is intermittent…. Unable to receive or send SMS/MMS or voice calls in some areas of Victoria, particularly in areas of South West near coast. [There needs to be] more towers to enhance reception or allow equal access or satellite coverage. *Hank Wyllie, a person who is speech impaired.*

In Coober Pedy, we lose coverage as soon as we enter our homes, as we live underground, or if we go around a corner and a hill stops our coverage, can this be addressed in some way? *Consumer*

There is no or little reception in most areas here. Stroud – nil, Allworth, Booral, Limeburners Creek Girvin Clarencetown, Bucketts Way – spasmodic, if at all and then generally only one bar signal. *Private user*

Coverage along the Stuart Highway. *Small business*

No service in our area Pichi Richi Pass, Quorn *Pichi Richi Park*

With no NBN access, perhaps should be more focus on internet availability through increased mobile coverage in regional Australia. *Small business.*

Intermittent coverage – constant drop outs. [There are] long periods of low or no coverage – generally days and sometimes weeks*. Waltja Tjutangku Palyapayi Aboriginal Corporation*

Inconsistent service when travelling beyond a township. *Small business*

**Box 2: Cost of mobile phones**

Cost of installation of mobile phone towers/antennas in remote Indigenous communities is prohibitive for communities and local governments to pay for – require assistance from the government. *West Arnhem Shire Council*

As a community service the top issue is access to our service for our regional, rural and remote clients particularly with 1300 numbers. 1300/1800 numbers should be costed as per landlines. This would create better access to community services for people in rural regions. *Northern Rivers Community Legal Centre*

Competition to drive competitive pricing in telco services in regional Australia. *Consumer Credit Legal Centre*

As mobile coverage increases, so should competition which would potentially reduce prices*. Small business*

Free access to all general enquiry numbers such as 1800, 13, 1300 numbers from mobile phones, irrespective of location. *Uniting Care Community, Queensland*

If limited to a mobile phone … and you are trying to get a certain team from an organisation and no facility for call backs, in 5 minutes people will hang up or will be disconnected when

there credit runs out. *Salvation Army, Murray Bridge*

Reluctance to trial alternative access technologies, ie VOIP. *Mark Sutton, Office for Outback Communities Authority*

We also note the issue of lack of mobile phone coverage has been raised in other submissions to this review.[18] We further note the TIO recently reported a 609.6% increase in complaints about poor mobile phone coverage and a 482.8% increase in complaints about dropouts in 2010-11.[19] While the TIO report did not include information about where complainants were geographically located, ACCAN submits this would include complaints made by people living, working and travelling in regional, rural and remote Australia.

## 1.1    Health and safety

A number of small businesses and others also raised health and safety issues arising out of lack of mobile phone coverage during our consultation. In particular, there are some instances in which a mobile phone may be a person's only form of communication – for example when people are out on their property, driving on long stretches of road and also for tourists. See Box 3 below for comments.

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**Box 3: Comments raised about safety and lack of mobile coverage**

Limited signal along the major highways. You can be uncontactable in excess of four hours. From a business angle this is inefficient and from a personal angle also unsafe. *Mission Australia, Katherine*

I would feel much safer if I knew I could travel the Bucketts Way from home to Raymond Terrace or Medowi and be able to use my phone if necessary – for example if there was a mechanical breakdown or accident. *Private user*

We live in a region with no mobile coverage. Tourists come to stay on our station. We are located about 35 kilometres from Hawker. We believe there is an issue of visitor safety in a major tourism region. Since Spring 2011, there have been three incidents where tourists have injured themselves and it has taken 1.5 to 2 hours for someone from their party to walk back to alert us to contact the emergency services because there is no mobile coverage. While these incidents were not life threatening, it will only be a matter of time. Telstra is looking at putting in a repeater tower which will provide mobile coverage. There would be a small cost to install a small antenna which will pick up the signal in Hawker and retransmit in Rawnsley Park. *Rawnsley Park Station, South Australia*

Workers in organisations out of contact in some areas … represents OH&S issues and emergency/crisis issues. *Anonymous*

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Safety issues due to limited communications options are also raised further in section 4.7 on payphones below. We note that such concerns were also raised in the *Glasson Report*.[20]

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[18] For example: The Council of the Shire Of Bourke; Hatfield and Clare Communities located within the Balranald Shire Council in South West New South Wales; NSW Farmers Association; South Australian Farmers Federation; Western Australia Farmers Federation; National Farmers Federation; Isolated Children's Parents' Association of WA.

[19] *TIO Annual Report 2011* at 8 accessed on 23 November 2011 at:
http://www.tio.com.au/__data/assets/pdf_file/0003/28470/TIO_2010-11_AR.pdf

[20] Safety concerns and inadequate mobile coverage, see *Glasson Report*, Note 14 at 51, 58, 95-96, 136. Safety concerns and the need for payphones, see *Glasson Report*, Note 14 at 203, 206, 208.

## 1.2     Mobile phone and USO obligations

The 2008 *Glasson Report* recommended that mobile phones should be included as part of a new framework to replace the universal service obligations.[21] It is essential that people have access to telecommunications services. As discussed in Section 1.2, mobile phones (as well as pay phones) can often be the only means to communicate in regional Australia when you are out on your property, or out on the road or when you do not have a landline.

The need to recognise mobile phones as an essential standard phone service is further supported by recent ACMA research which found that mobile phones are emerging as the main communications device for nearly half of consumers, with 14% of consumers using a mobile phone as their sole communications device.[22]  The NSW Farmers Association has also made submissions that they believe it is reasonable to assume that mobile phones should now be considered an essential standard phone service.[23]

> 1.  *ACCAN recommends that mobile phones be included in the new USO requirements.*

## 1.3     Representations about mobile coverage

Telecommunications services providers' selling practices, with respect to representations about mobile coverage, is of concern.  This is discussed further in section 4 below.  In response to the recurring theme of the mismatch between service expectations and actual service availability in regional and rural communities,[24] the NSW Parliament's Standing Committee on Broadband in Rural and Regional Communities undertook an inquiry in 2009-2010 which included a term of reference about the 'advertised service availability and consumer experiences of service levels'.[25] The Committee referred to the *Glasson Report* which found that 'the extent of handheld terrestrial mobile phone coverage [which] is not high in regional areas stands in stark contrast to the impression given by marketing campaign which argue that coverage is' – for example 'in excess of 98% of the population'; 'everywhere you need it'.[26]

Further examples of this kind of marketing have also emerged. For example, a recent headline advertisement claims '100% mobile coverage, wherever you go' though clicking further into the website warns 'you just need to make sure you have a clear line of sight to the satellite while in satellite mode' and 'the service cannot always be guaranteed, as you might experience user or technical issues related to the mobile device, unavoidable and extreme weather or solar conditions (e.g. a solar flare), certain impenetrable natural or geographical features and certain man-made obstructions (e.g. a high-rise building, bridge or

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[21] *Glasson Report*, Note 14, Recommendation 3.1.1 at 277.

[22] Cited in ACMA, *Numbering: Implications of research into consumer issues, Consultation paper 4*, May 2011, at 16.

[23] NSW Farmers Association, *Issues Paper Mobile Phone Blackspots for ACMA CCF meeting*, February 2011 at 2 accessed on 11 December 2011 at: http://www.acma.gov.au/webwr/_assets/main/lib410020/ccf_meeting_12-item11_mobile_phone_coverage-uso_and_the_nbn.doc Also see NSW Farmers, *Telecommunications Issues in Rural NSW 2011 Survey*, August 2011 at 6 accessed on 13 December 2011 at: http://www.nswfarmers.org.au/__data/assets/pdf_file/0017/75221/Telecommunications_Survey_-_Final_Summary_-_13_December_2011.pdf

[24] This issues was previously raised in Standing Committee on Broadband in Rural and Regional Communities, *Beyond the Bush Telegraph: Meeting the growing communications need of rural and regional people,* Report no. 2/54, New South Wales Legislative Assembly, Sydney, NSW, March 2009; *Progress Report on the Committee's activities: Meeting rural and regional communication needs,* Report no. 3/54, New South Wales Legislative Assembly, Sydney, NSW, March 2010.

[25] Standing Committee on Broadband in Rural and Regional Communities, *Are you Connected? Inquiry into telecommunications availability in rural and regional Communities*, Report no 4/54, New South Wales Legislative Assembly, Sydney, NSW, September 2010 at v (7) accessed on 11 December 2011 at: http://moore.org.au/senh/2010/2010%2009%20%20NSW%20Are%20You%20Connected.pdf

[26] *Glasson Report*, Note 14 at 126.

overpass).'[27] While warmly welcoming an increase in the number of service providers servicing regional Australia, ACCAN questions the practice of headline advertisements which include numerous exclusions and limitations.

ACCAN refers the Committee to the ACMA's *Reconnecting the Customer* Inquiry and in particular to recommendation one relating to improved advertising practices. In addition to banning confusing and misleading terms, telecommunications services providers are also required to be able to substantiate representations about network coverage and broadband speeds.[28] ACCAN submits it is very important that RTC recommendations are adopted in full.

Additionally, as the Consumer Credit Legal Centre.NSW, commented during ACCAN's regional telecommunications consultation: 'it is essential that consumers are warned about inadequate coverage before buying a phone using a particular provider.' This is consistent with the recommendation made in the *Glasson Report* that at a minimum telecommunications providers are required to 'consistently, clearly and accurately inform consumers, at time of purchase, of hand-held land mass or geographic coverage.'[29]

## 1.4    Expanding adequate mobile phone coverage

ACCAN acknowledges that Australia is a large country and that 100% mobile coverage may not be possible. However, ACCAN recommends more work needs to be done in the area of national roaming.  We note the government's rejection of the 2008 *Glasson Report* recommendation that 'the Australian Government request the ACCC inquire into the merits of mandated terrestrial inter-carrier roaming in single carrier coverage areas in Australia to enable consumers to have a choice of provider.'[30] The government's response stated this was partly rejected on the basis of 'announcements by mobile phone carriers in 2008 of commercially negotiated roaming arrangements and of extensions to networks coverage across Australia.'[31] While welcoming these announcements, as discussed above, several inquiries since have highlighted the ongoing issue of mobile coverage.  Additionally, several people responding in ACCAN's consultation have called for further work in national roaming.

2. *That strategies be employed by government to expand mobile coverage in regional Australia such that:*
   o *regional centres have more than one mobile service provider providing services; and*
   o *national roaming operates in all rural areas; and*
   o *there is adequate mobile phone coverage on all major highways even in remote areas; and*
   o *that the government provides commercial incentives for service providers to offer adequate mobile coverage in regional areas.*

We propose this graduated approach as a long term solution.  However, in order to achieve this solution, pathways need to be set in government policy now.  ACCAN notes there are few if any commercial incentives for telecommunications service providers to offer adequate mobile phone coverage in regional areas. ACCAN believes that the government needs to look at providing commercial incentives for service providers to offer adequate mobile phone coverage in regional areas, for example, tax breaks for those who build mobile networks in regional areas, subject to public interest criteria.

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[27] See: http://nomoreblackspots.com.au/  (accessed on 11 December 2011)
[28] ACMA, *RTC Report,* Note 5 at 91(83).
[29] *Glasson Report*, Note 14, Finding 2.1.3, at 143
[30] *Glasson Report*, Note 14, Recommendation 2.1.2, at 143
[31] DBCDE, *Regional Telecommunications Review: Government Statement of Response*, March 2009 at 12 accessed on 11 December 2011 at:
http://www.dbcde.gov.au/__data/assets/pdf_file/0007/108682/Regional_Telecommunications_Review_v1.pdf

## 1.5 Use of alternative technologies and systems

In the *Glasson Report*, the Committee commented that it believed, due to the investment in backhaul needed to improve regional infrastructure to support high-speed internet services and the National Broadband Network (NBN) driving such investment, there 'is significant potential for the costs of extending or improving mobile coverage to be substantially reduced in the next few years.'[32]

Additionally, ACCAN endorses the Western Australian Farmers Federation's request that the Review Committee 'review the opportunities that exist to share communication technology and infrastructure with other regional based businesses, such as mining, police/defence and local government authorities.'[33]

In addition to this, ACCAN also recommends other technologies to improve mobile coverage and internet bandwidths in regional Australia be explored. For example, the CSIRO has been identifying and developing new communication technologies, CSIRO's Ngara technology, that could increase the internet bandwidths available to people in rural and regional areas of Australia. CSIRO's Ngara technology uses both access and backhaul technologies by using existing broadcasting infrastructure and UHF spectrum.[34] If introduced, these would have the effect of allowing more consumers, particularly in outer regional areas, to access higher speeds than are currently being planned for the NBN wireless rollout.  The CSIRO notes they are in the trial stage, having conducted a field trial in Tasmania in December 2010 and another field trial is planned for Armidale in December 2011.[35] In March 2011, CSIRO Director, Dr Opperman commented he believed they are about two years away from a commercial solution.[36]

3. *ACCAN recommends that different technologies that can improve mobile coverage and internet bandwidths in regional Australia be explored. This should include the further testing of Ngara technology in a customer pilot program.*

# 2. Small business

During ACCAN's consultations, small business expressed concern about reliable and affordable mobile coverage. They also raised OH&S concerns about inadequate mobile phone coverage, as discussed above. Other comments relate to the need for fast upload speeds, affordable and reliable internet and access to appropriately skilled technicians. (See Box 4 below). As one farmer commented, 'lack of services impacts on your ability to work from home.'

Many of these issues are cross-cutting in that they are also relevant to the communications needs of Aboriginal and Torres Strait Islander persons and arise as general consumer

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[32] *Glasson Report,* Note 14 at 128. The Standing Committee on Broadband in Rural and Regional Communities also found that the rollout of the NBN presents an opportunity to provide some of this associated infrastructure, such as roads and power sources. See Standing Committee on Broadband in Rural and Regional Communities, *Are you Connected? Inquiry into telecommunications availability in rural and regional Communities,* Report no 4/54, New South Wales Legislative Assembly, Sydney, NSW, September 2010 at 32-33(44-45)

[33] Western Australian Farmers Federation, *Submission to the Regional Telecommunications Review*, 1 December 2011 at 2.

[34] CSIRO http://www.csiro.au/Portals/Media/Rural-broadband-wireless.aspx

[35] Tim Lohman, CSIRO to trial Ngara wireless in Armidale, December: Commercialisation efforts for wireless over analogue TV spectrum project continue, *Computerworld,* 21 February 2011 accessed on 11 December 2011 at: http://www.computerworld.com.au/article/377390/csiro_trial_ngara_wireless_armidale_december/

[36] Dr  Oppermann, Going wireless in the bush: the revolution will be televised, CSIROPod, 22 March 2011 accessed on 11 December 2011 at: http://www.csiro.au/en/Portals/Multimedia/CSIROpod/Going-wireless-in-the-bush.aspx

issues.  Affordable broadband is discussed in section 4 below. The need for skilled technicians is discussed in section 5 below.

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**Box 4: Telecommunications priorities for small businesses**

Lack of services impacts on your ability to work from home. *Farmer*

Fast upload speeds. Small business needs to be able to send things to other businesses. *Westwood Spice*

Cost of calls, ICT networks and connection costs. *West Arnhem Shire Council*

Local service support is lacking in many areas. *Small business*

Access to appropriately skilled technicians. *Uniting Care Community, Queensland*

Remoteness accentuates all of the stresses on the equipment and manpower. The entire system (from phones to cables, towers, telco staffing etc) needs to be so robust as to be almost failsafe and with effective design redundancy. Environmental factors work against durability of equipment and speed of remedy. The physical difficulties and true cost of fixing any breakdown (direct & indirect) work against a prompt repair. There is a disproportionate inefficiency impact on operations in remote areas when even the simplest breakdown occurs. *Mission Australia, Katherine*

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## 3. Health and educational opportunities

We received favourable feedback during our consultations regarding the potential improvements in health and education as a result of improvements in technology, particularly with the roll out of NBN. As Box 5 below indicates, people in regional Australia are commenting upon the significant difference that medical appointments by video conference will make - significantly reducing costs for people in regional Australia with respect to time and travel and accommodation expenses.

The ongoing issue raised with respect to educational opportunities is the need for greater bandwidth and speed. We refer the Committee to the submission of Isolated Children's Parents' Association of Australia and Isolated Children's Parents' Association of Western Australia for further information.

We note that concerns have also been raised in the context of satellite coverage under the NBN about whether there will be adequate upload and download speeds, for example, for real time videoconferencing.  See Box 5 for further comments.

Furthermore, consumers highlight the need to ensure access to this technology is affordable for all and that there is adequate, free training provided to encourage people to use the technology. The need for local technical support was also noted. These issues are discussed further in Section 5 below.

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**Box 5: Changes required to improve health and education**

Need adequate upload speeds (as well as download speeds) to make e-health and real time video conferencing possible. *Central Land Council*

Video conferencing should be made available in remote settlements, or at least several central locations, where Health Service can have access to face 2 face medical advice.

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> Many Indigenous people travel many kilometres to attend appointments in an urban location with a specialist. They are required to provide accommodation, the cost of travel etc to make this journey & many have to remain in the urban centre for extended periods of time in order to have enough money to go home. *Waltja Tjutangku Palyapayi Aboriginal Corporation*
>
> Planning! Regional governments yet to engage in developing digital economy strategies due in part to paucity of information about NBN roll out schedule in remote areas. Timing of infrastructure roll out/ digital literacy training in 1st release sites appropriate but training should ideally precede roll out in remote areas due to low literacy & numeracy starting point. *David Nixon, Desert Knowledge Australia*
>
> Provision of free web-based health advice and online education opportunities. *West Arnhem Shire Council*
>
> Access to a dedicated and local support network. *Mark Sutton, Office for Outback Communities Authority*
>
> Appropriate training to be provided about the equipment that is used and installed and more staff to be available 'on the ground' to address issues instantly and support new users to the equipment. *Denise Lloyd*
>
> Free internet hubs of more than one or two computers in remote and regional communities. *Uniting Care Community Queensland*

# 4. The communication needs of Aboriginal and Torres Strait Islander people and communities

The recurring communication issues affecting Aboriginal and Torres Strait Islander persons and communities raised during ACCAN's consultation on the regional telecommunications review include: telecommunication service providers selling and debt collection practices; the need for broadband low income measures; and the vital importance of maintaining working pay phones and community phones, particularly in regional, rural and remote areas. Participants also raised a general lack of awareness and understanding on the part of carriage service providers of cultural, literacy and numeracy issues for Aboriginal and Torres Strait Islander persons, including that for many Aboriginal and Torres Strait Islander persons, English may be their second, third or fourth language.[37]

## 4.1    Inappropriate selling practices

At the time of the last regional telecommunications review, the Federal Court of Australia in *ACCC v EDirect Pty Ltd* was highly critical of the misleading and deceptive conduct in the telemarketing and sale of mobile phones to Aboriginal and Torres Strait Islander people living in remote and regional areas across Australia.

Justice Reeves commented:

> [26] ...*the most egregious aspect of EDirect's conduct was in its selling its mobile phones and service plans to people living in remote areas of Australia, including remote Aboriginal communities, when the slightest enquiry on its behalf would have disclosed that those mobile phones could not connect to the Optus GSM network because that network did not provide coverage to those*

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[37] ICAN, *Unconscionable Conduct and Aboriginal and Torres Strait Islander Consumers,*2010, at 5 accessed on 2 December 2011 at: http://ican.org.au/wp-content/uploads/2010/07/ICAN-Research-Report-2010.pdf;

*remote areas of Australia. Similar observations could be made about EDirect's conduct in publishing statements and maps on the VIPtel website which clearly conveyed the impression that Edirect was able to provide mobile phone coverage to almost all of the Australian land mass. Again, the slightest enquiry would have revealed to Edirect that this representation was quite untrue.*

*[27] This egregious conduct was compounded when EDirect fobbed off complaints from some of its customers living in these remote areas that they could not connect to the Optus GSM network on their new mobile phones provided by EDirect.[38]*

ACCAN member, the Indigenous Consumer Assistance Network Ltd (ICAN), is located in Cairns, Yarrabah, Palm Island and Thursday Island in Queensland and provides consumer education, advocacy and financial counselling services to Indigenous consumers across the nation. ICAN has commissioned several research reports that examine poor selling practices, including of mobile phones, to Aboriginal and Torres Strait Islander Consumers and issues around financial literacy, causes of debt and money management.

In *Unconscionable Conduct and Aboriginal and Torres Strait Islander Consumers,* ICAN provides additional case studies of their clients being sold mobile telephone plans for which there is no coverage.[39] Pilbara Community Legal Service also reports instances of this practice occurring in Newman, Western Australia.[40] Further examples of inappropriate selling practices are included below in Boxes 6 and 7.

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**Box 6: Inappropriate selling practices**

The way mobile phone services are sold continues to be a problem. We have clients who are still being sold phones in areas where there is no coverage. The sales people tell them they will have coverage, then they buy the phone and they don't have coverage. The TIO recently made a visit to Wilcannia and people raised this issue with the TIO.

*Source: CentaCare Wilcannia-Forbes*

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**Box 7: Inappropriate selling practices**

I contacted a broadband provider. I kept asking if their service was available in the area that I lived. The sales person stated that I would have access even though she thought Alice Springs was in Queensland. When I kept repeating my location, adding that Alice was in the NT, the sales person kept asking me for my bank account details until I threatened to hang up & approach another service provider. After informing this sales person where Alice Springs was, she informed me that the service provider could not provide the service I was asking about but could offer me dial up, which is not what I wanted. She then continued to demand my bank details, I had to hang up.

*Source: Consumer contact in Alice Springs*

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Notably, unconscionable conduct targeting Indigenous communities is not limited to the selling of telco products. Recently, there have been reports of salespeople selling so called 'free' first aid kits to Indigenous people in the Pilbara that have not been free.[41] More needs to be done to address this behavior.

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[38] *ACCC v EDirect Pty Ltd* [2008] FCA 65, accessed on 14 December 2011 at: http://www.austlii.edu.au/cgi-bin/sinodisp/au/cases/cth/FCA/2008/65.html?stem=0&synonyms=0&query=title(EDirect%20)
[39] ICAN, *Unconscionable Conduct,* Note 37, Case study 2 at 14.
[40] Interview, Pilbara Community Legal Service, 29 November 2011.
[41] ABC, *Peddlers rattle Pilbara community*, 10 November 2011 accessed on 6 December 2011 at: http://www.abc.net.au/worldtoday/content/2011/s3361145.htm

ICAN's research also raises another concerning selling practice which involves telemarketers calling Aboriginal and Torres Strait Islander persons to sell mobile phone plans and requesting the contact numbers of family members. The telemarketers then generally contact these other family members and try and sell them mobile plans.[42] As ICAN's research report notes, 'this is particularly concerning, in view of the extent and proximity of extended families of Aboriginal and Torres Strait Islander people in remote communities.'[43] The report also raises the issue of gratuitous concurrence in transactions, that is, the tendency of Aboriginal and Torres Strait Islander persons to agree.[44] This makes the practice of requesting the names and contact numbers of family members all the more concerning.

While acknowledging the success of the Do Not Call Register, with the ACMA noting in November 2011 that seven million numbers have been listed on the Do Not Call Register,[45] ACCAN believes that more needs to be done to raise awareness of this register, particularly among Aboriginal and Torres Strait Islander communities. This is discussed further in section 5 on Consumer Issues.

During the ACMA's *Reconnecting the Customer* Inquiry, Financial Counselling Australia (FCA), the peak body for financial counsellors in Australia, raised concerns about inappropriate selling practices, noting 'Indigenous communities are particularly vulnerable and selling practices in some remote areas continue to be unconscionable.'[46] An additional concern raised by FCA is that many clients often do not understand the contracts they have signed and some clients 'clearly did not have capacity.'[47] This was also raised in the ICAN research[48] and during our consultations (See Box 8 below).

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**Box 8: Inappropriate selling practices**

We're aware of some service providers cold calling Indigenous clients in Newman and offering them so called 'free' phones that aren't free. They seem to target elder Aboriginal women who don't understand the contract. Our clients want a 'free' phone, but they are not able to keep up payments or they lose the phone. In some cases the phone has never been activated and used but they still incur huge bills.

*Source: Pilbara Community Legal Service*

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We also note the TIO's case study 2 in their Submission to the *Public Comments Draft Telecommunications Consumer Protection Code.*[49] This case study outlines the experience of an Indigenous consumer living in remote Australia on a disability pension. An unsolicited phone call was made to this consumer and she was offered a mobile phone despite there being no coverage where she lived. She had limited understanding of commercial transactions and the telco could provide no record of the verbal contract. The client used the service in Darwin, but subsequently threw the handset away believing it didn't work. The consumer continued to be direct debited and when she cancelled the service, received a

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[42] See for example ICAN, *Unconscionable Conduct,* Note 37 Case 5 at 16.

[43] ICAN, *Unconscionable Conduct,* Note 37 *at 19.*

[44] ICAN, *Unconscionable Conduct,* Note 37 *at 5,19.*

[45] ACMA, 'Seven million numbers and counting - Do Not Call Register reaches new milestone', *Media Release*, 3 November 2011 accessed on 3 December 2011 at: https://www.donotcall.gov.au/news.cfm

[46] Financial Counselling Australia, *Response to the Reconnecting the Customer Draft Report*, 1 August 2011 at 1 accessed on 3 December 2011 at: http://www.acma.gov.au/webwr/_assets/main/lib410037/financial_counselling_aust-response_to_rtc_draft_report.pdf

[47] FCA, *Response to RTC Draft Report*, Note 46 at 1.

[48] ICAN, *Unconscionable Conduct,* Note 37, Case 7 at 16-17; Case 11 at 18; 19-20.

[49] TIO, *Public Comment to Draft Telecommunications Consumer Protection Code*, 25 November 2011 at 36 accessed on 6 December 2011 at: http://www.commsalliance.com.au/__data/assets/pdf_file/0007/32389/C628-2011_11-Telecommunications-Industry-Ombudsman.pdf

demand for $1500. The North Australian Aboriginal Justice Agency assisted the client to resolve the issue through the TIO.

ACCAN and many ACCAN members and supporters have also raised concerns about misleading and confusing language used in the marketing of telecommunications products.[50] The *RTC* recommended to prohibit the use of terms such as 'free', 'cap', 'unlimited', 'no exclusions' and any similar terms.[51] Throughout our consultation for this review, several organisations raised concerns about the use of the term 'free'. See, for example, Box 8 above.

ACCAN warmly welcomes the Australian Competition and Consumer Commission's (ACCC) recent comments on *Lateline* that they will be increasing their presence in remote Australia, with a particular focus on information and education for Indigenous people on their rights and ensuring earlier detection of potentially unlawful behaviour towards Indigenous people.[52] The implementation of the *RTC* recommendations should also make a significant difference for consumers. ACCAN recommends that the government undertakes benchmarking to measure the impact of the changing telecommunications landscape*.* This benchmarking should commence as soon as possible. It could take place by establishing an annual survey conducted with communities in regional Australia identified at risk of unconscionable selling practices. The survey should also address the impact of the implementation of the RTC recommendations, including, changes regarding misleading and confusing language, the introduction of the critical information statement, the impact of spend management tools and improvements to complaints-handling, including awareness of the TIO.

4. *ACCAN recommends that the government undertakes benchmarking, for example, by way of an annual survey to measure the impact of the changing telecommunications landscape, particularly upon disadvantaged and vulnerable groups within regional Australia and that this benchmarking commence as soon as possible.*

## 4.2 Lack of effective credit assessment and spend management tools

Bill shock, that is, higher than expected bills, relating to telecommunications products, has been an issue raised by ACCAN members and supporters over an extended period of time.[53] Notably, the RTC recommends mandatory and effective spend management tools, including notifications at 50% and 80% expenditure/usage points with an alert at 95% expenditure/usage point and information about the consequences of exceeding your limit. As a transitional measure, carriage service providers unable to offer spend management tools

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[50] ACCAN, *Submission to the ACMA's Reconnecting the Customer Consultation*, 2010 at 17; Financial Counsellors' Association of Queensland, *Submission to the ACMA's Reconnecting the Customer Consultation*, 2010 at 3;Financial Counsellors' Association of Queensland, Response to Draft RTC Report, July 2011 at 2; Brotherhood of St Laurence, *Submission to the ACMA's Reconnecting the Customer Consultation*, 2010 at 6-8;
[51] ACMA, *Reconnecting the Customer Report* at 89, 93.
[52] ABC, 'ACCC targets rural phone contracts', Lateline excerpt, 9 November 2011 accessed at: http://www.abc.net.au/news/2011-11-09/accc-targets-rural-phone-contracts/3653720?section=nt See also Rod Sims, Competition and Consumer issues in the top end, Presentation Darwin, 8 November 2011 at: http://www.accc.gov.au/content/item.phtml?itemId=1016174&nodeId=57ca58d57ac12e61cd64e624f8ade30a&fn =Competition%20and%20Consumer%20issues%20in%20the%20top%20end.pdf
[53] ACCAN, *Submission to the ACMA's Reconnecting the Customer Consultation*, 2010 at 17-18; Brotherhood of St Laurence, *Submission to the ACMA's Reconnecting the Customer Consultation*, 2010 at 9; Consumer Credit Law Centre, *Submission to the ACMA's Reconnecting the Customer Consultation*, 2010 at 2; ACCAN, *Response to the Draft RTC Report*, July 2011 at 33-37; Financial Counselling Australia, *Response to the Draft RTC Report, August 2011 at 1-2; See also:* Footscray Community Legal Centre Inc, *Taking Advantage of Disadvantage Case studies of refugee and new migrant experiences in the communications market*, ACCAN, Sydney, March 2011 accessed on 12 December 2011 at: http://accan.org.au/research_full.php?id=33

are required to impose a hard cap on all plans that would prevent a consumer incurring charges beyond 50% over the minimum monthly spend specified in the plan.[54] All RTC recommendations must be fully implemented.

While telco debts are not unique to regional and rural Australia, we raise this issue in this review because it appears that Aboriginal and Torres Strait Islander persons are often deliberately targeted with a view to entering a contract that does not meet their needs. See Boxes 7, 8 and 9 and the TIO case study above.

The 2011, ICAN commissioned *Evaluation of Yarrabah and Palm Island Money Programs* found that the average debt in the Money Management Project communities is $3000 per individual.[55] A common issue raised in our consultations is that post-paid plans are effectively unlimited lines of credit which are provided with little or no credit assessment or checking of a consumer's capacity to pay. (See Boxes 9 and 10 below).

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**Box 9: Telco selling practices to Aboriginal and Torres Strait Islander persons**

Having a telecommunication service is an essential service that everyone should be able to access, including people on Centrelink payments and those living in rural and remote areas.

Despite the obligation on service providers to either perform a credit assessment or provide a restricted service, often credit assessments are perfunctory – provided the person does not have a debt with the service provider they want to obtain a service from, the person is often given what appears to be unlimited credit simply on the provision of 100 points of identification. This can lead to large debts that the person lacks the capacity to repay.

People are also often sold products that are not suitable for their needs, even when the provider is aware they are receiving Centrelink payments, a low income earner, or live in a remote community with limited mobile phone coverage.

For example, a client went to the Telstra shop in Alice Springs to obtain a pre paid mobile phone for his son, who was moving away to boarding school. The client, from a remote community, has a landline phone, and wanted a way for he and his son to remain in touch. Our client left the store with two iPhones on capped plans, and says that Telstra told him this was better value for money, and a better option than the pre paid. Our client had never owned a mobile phone before, and did not understand about call costs, minimum spends, and data usage. Our client's son used his iPhone to access the internet, and as a result incurred large data usage fees on our client's account. Our client was shocked by the size of the bill and annoyed with Telstra because it lead him to believe that the plan would be a cheaper option than the pre paid.

In addition to adequate credit assessments, more effective credit management tools are required.

In our experience, often service providers do not instigate credit management action at the appropriate time and the debt inevitably increases.

Often the service provider becomes aggressive in the collection of the debt without looking at why the person is in debt in the first place and considering whether the service

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[54] ACMA, *RTC Report*, Note 5 at 110-111.
[55] J. Robertson & A. Clough, *Evaluation of Yarrabah and Palm Island Money Programs,* ICAN and James Cook University, April 2011 at 24 accessed on 3 December 2011 at: http://ican.org.au/wp-content/uploads/2010/11/JCU_MMP_Evaluation.pdf

provider has contributed to the debt by failing to properly assess the person's capacity to meet the financial obligations of the service, or failing to take appropriate credit management action.

Often, credit management action consists of sending reminder notices and bill statements and when no response is received from the customer, suspending or cancelling the mobile phone account.

For example, one of our clients accrued $10,000 in mobile phone charges in a four month period, at which time the account was suspended. The only credit management action that had been undertaken by the provider was the issuing of reminder notices and bill statements. Our client lives in a remote Aboriginal community, does not read or write English, has limited capacity with spoken English, and had little understanding of the terms of the contractual arrangement into which he had entered. It was not until the service was suspended that our client became aware of just how high the account balance had gotten.  No steps were taken by the carrier to limit our client's exposure to this debt.

In another example, one of our clients accrued $1500 of mobile phone charges before the service provider started to take action. Usually we have to go to the TIO for the issue to be resolved.  This requires a high degree of intervention and time - there should be a better systemic approach.

Telecommunications debts that arise from the above issues – inadequate credit assessment, misselling and or inappropriate credit management – can also prevent a person from accessing a telecommunications service in the future. People may be prevented from getting a post paid service altogether or be restricted to an inbound call/emergency call only service. This is of particular concern in areas where there is effectively only one service provider.

Clients often choose prepaid plans so they can better manage their credit but this may not be best value for money – service providers should have effective mandatory spend management tools to help people manage their spending.

*Source: Northern Territory Legal Aid Commission and Central Australian Aboriginal Legal Aid Service*

This is further supported by ICAN's research.[56] Combined with a lack of understanding of the contract, the use of confusing terms such as 'cap' and ineffective spend management tools, including suspending of a service which was then reactivated without notice, it is very easy for debt to quickly accumulate.[57] 'Michelle', a participant in the ICAN research, expressed surprise that her debt was allowed to accumulate and she was not contacted by her service provider earlier to suspend her service. She had agreed to pay $200 a fortnight and her first bill was $800, her second $1200 and her third $2000.[58] Similar concerns are raised in Box 10  below.

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**Box 10**

On one day I saw 18 clients in the small remote community of Kowanyama, Queensland. Two of these clients presented with very high telco bills.  One client had a telco bill for $10,000, the other client a telco bill for $19,000.  Both had at least two mobile phones from the one provider.

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[56] ICAN, *Unconscionable Conduct,* Note 37 at 20.
[57] See, for example, ICAN, *Unconscionable Conduct,* Note 37, Case 7*at 16-17.*
[58] Ibid.

The clients had not been issued with any warning, restriction or suspension notices, but had been allowed to keep accumulating debt. We were surprised that they weren't given any notice or warning about how to manage or address their debt and that it was allowed to accumulate to such an extent.

If this was the case for 2 clients who saw us that day, how many more people are affected but don't know to come and get help?

There need to be better spend management tools such as notifications when approaching your limit and customer nominated limits that cannot be exceeded without expressed consent. The onus should also fall to the telco provider to take action earlier to question unusually high debts and not allow these to accumulate to such an extent.

*Source: Financial Counsellor, Indigenous Consumer Assistance Network*

ACCAN advocates that telecommunications is an essential service which everyone must be able to access.[59] ACCAN questions a practice of carriage service providers giving consumers *unlimited* credit without checking their capacity to pay. The TIO has also raised the issue of over-commitment in a number of their submissions.[60] Significantly, over-commitment issues recorded by the TIO due to inadequate service provider controls, inadequate advice or problems with credit control tools or usage meters, have increased by 241.5% in 2008-09 compared to 2007-08 and increased by a further 57.5% in 2009-10.[61] The TIO Annual Report 2011 indicates complaints about over-commitment have further increased by 119.8%.[62]

ICAN also reports instances of clients having telco debts waived but a permanent note made on the file kept by their service provider which prevents them from getting another post-paid service with that service provider. ICAN reports this being particularly problematic in rural and remote Australia where there is often a lack of choice of providers. See Box 11 below.

**Box 11**

Some of our clients have accumulated debts with their telco provider which the telco provider has agreed to waive as they recognise what they call 'an incapacity to contract'. We welcome this. However, we've been told that a monetary amount is listed against the client, that is, they have an uncollected debt.   No end date on the monetary amount listed is recorded. In our experience, this prevents our clients from getting a postpaid service with that telco provider indefinitely.  This is a problem because our clients often cannot afford a prepaid service because while they might be able to afford the prepaid plan, they don't have the money to buy a handset. Also, in remote and rural areas in particular, there is a lack of competition and so our clients have no where else to go to access a post-paid service. This means our clients are prevented from accessing important services like internet banking which they do through their mobile phone.

Where an uncollected debt is recorded in whatever form it is recorded on a person's file, we would like to see an end date relating to that debt entered on the person's file.  We suggest this date should be a maximum of 2 years as people's circumstances can change in this time – for example people can go from being unemployed to employed. This means that after a

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[59] ACCAN, *Reconnecting the Customer submission*, September 2010 at 5 accessed on 13 December 2011 at: http://accan.org.au/index.php?option=com_content&view=article&id=112:reconnecting-the-customer&catid=143:your-rights&Itemid=182
[60] TIO, *Reconnecting the Customer submission,* September 2010 at 32 accessed on 6 December 2011 at: http://www.acma.gov.au/webwr/_assets/main/lib311946/telecommunications_industry_ombudsman-reconnecting_the_customer.pdf ; TIO, *Public Comments Draft Telecommunications Consumer Protection Code* at 25, 38-39;
[61] TIO, *Reconnecting the Customer submission,* September 2010 at 32.
[62] TIO, *Annual Report 2011,* at 8-9 accessed on 6 December 2011 at: http://annualreport.tio.com.au/TIO_2010-11_AR.pdf

> maximum of two years has passed, a person with an uncollected debt listed should be able to again access a post-paid service.
>
> We also believe that either affordable post-paid products for low income consumers should be available or low cost handsets should be available that meet the needs of the community. We also believe there need to be customer nominated limits on post-paid services that cannot be exceeded without expressed permission. This will help our clients manage their spending and limit debt. This in turn will also benefit the telcos who won't have to spend so much time chasing debts that cannot be paid.
>
> *Source: Financial Counsellor, Indigenous Consumer Assistance Network*

ACCAN has confirmed that Telstra does keep a permanent record of what is termed 'unresolved debt', but this is not considered when providing a fixed line service to consumers. 'Unresolved debt' can, however, be one of several factors of a credit risk assessment considered when determining whether or not to provide a consumer with a mobile service. We understand that Telstra is reviewing this practice.

## 4.3    Debt collection practices

As raised above, ACCAN has been informed of instances in which telco debts are incurred, often due to inappropriate selling practices and inadequate credit assessment. In the examples provided by Northern Territory Legal Aid Commission and Central Australian Aboriginal Legal Aid Service above, it would seem that debts are allowed to accumulate until at a particular point, they are then pursued quite aggressively, with little consideration for how and why the debt was incurred in the first place. There are other instances, as highlighted by ICAN, where debt is allowed to accumulate.

ACCAN is also concerned by the practice of some service providers pursuing statute barred debt. See Box 12 below.

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**Box 12**

There have also been incidents where service providers have pursued statute barred debts. When we have informed the service provider they cannot collect the debt, they sometimes say if the client wants another service with them they will first have to pay off the debt. We've taken these matters to the TIO and the debts are often waived eventually, but this takes time and resources.

*Source: Northern Territory Legal Aid Commission*

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## 4.4    Cultural awareness training for carriage service providers

Waltja Tjutangku Palyapayi Aboriginal Corporation, a community-based organisation, working with Aboriginal families in remote Central Australia and the APY lands in South Australia, suggests telecommunications service providers take proactive steps to address the language barrier with Indigenous consumers to ensure they understand the terms of the contract and spend management tools. See Box 13 below. ACCAN believes that, combined with effective spend management tools, such steps would go a significant way to reducing instances of telco debt.

**Box 13**

We would like to see an Indigenous call service provided to Indigenous clients who have English as their second, third or fourth language. We think a lot of debt and confusion comes from the language barriers posed. We would also like to see clients having access to correct procedures and being informed of their rights prior to a contract being produced, perhaps like the cooling off period.

Another suggestion is to have someone who can interpret Indigenous languages present at the telco shop front at regular times, for instance the telco shop front in Alice Springs. If people knew they were there at a set time, for example, every Thursday afternoon, this would go some way to addressing the language barrier.

*Source: Waltja Tjutangku Palyapayi Aboriginal Corporation*

> 5.  *ACCAN recommends that telecommunications service providers implement cultural awareness training for their staff and offer culturally appropriate services.*

## 4.5     Financial hardship

ACCAN notes that in 2010 the TIO raised concerns about increases in cases concerning financial over-commitment and credit management[63] and that this continues to be an ongoing issue.[64] ACCAN further notes that the RTC Inquiry did not include a recommendation relating to financial hardship practices. ACCAN members often comment that more needs to be done regarding financial hardship in the telecommunications space.[65] We warmly welcome the telecommunications service providers' participation on financial hardship panels at Financial Counsellors' Conferences which have taken place in 2011 and strongly encourage service providers continued participation in such forums. We also warmly welcome the TIO's recent convening of a financial hardship roundtable to facilitate further discussions with industry representatives and consumer and financial counsellor representatives about this issue.

In addition to these important developments, ACCAN encourages close examination of the way hardship is addressed in other industries to look to ways of how it can be improved in the telecommunications sector.  ACCAN recommends that the telecommunications service providers' financial hardship policies be benchmarked against financial hardship policies of other industries, with a particular focus on how the telecommunications service providers approach very vulnerable communities, including those experiencing multiple disadvantage.

> 6. *ACCAN recommends that telecommunications service providers' financial hardship policies be benchmarked against financial hardship policies of other industries, with a particular focus on how telecommunications service providers approach vulnerable communities, including those experiencing multiple disadvantage.*

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[63] TIO,*TIO Annual Report* 2010 at 3.
[64] TIO, *TIO Talks,* No 2, April 2011 at 1 accessed on 15 December 2011 at:
http://www.tio.com.au/__data/assets/pdf_file/0004/8869/TIOTalks_No2_2011.pdf
[65] For example ACCAN, *Reconnecting the Customer submission*, September 2010 at 17; Financial Counselling Australia*, Response to Draft RTC Report*, August 2011.

## 4.6    Broadband low income measures

ACCAN is particularly concerned that cost not be a barrier to accessing the broadband. The 2008 *Glasson Report* found that 'a sense of isolation is a significant issue for regional Australians. Access to appropriate telecommunications at reasonable prices presents opportunities to lessen the sense of isolation.'[66] While there have been measures put in place to promote equitable access to broadband in regional Australia, the *Home Internet for Remote Indigenous Communities Report*, a report undertaken by the ARC Centre of Excellence for Creative Industries and innovation, the Centre for Appropriate Technology and the Central Land Council and partly funded by ACCAN, found that people are not always aware they can access such subsidies. For example, the research found that participants in the study were 'unaware that satellite internet access is available, or that the government offers a subsidy to cover installation costs.'[67]

Similarly, Isolated Children's and Parents Association also comment that often subsidies are not ongoing.[68]

We further refer to the submission by John Thompson from Gunns Plains to this review.  Mr Thompson raises the issue that while the Satellite Phone Subsidy service, which is available until 30 June 2013, is helpful in reducing the cost of a basic handset, 'comparative pre-pay or plan costs are typically two to four times those of a terrestrial mobile phone service'.[69] This highlights that subsidies may not always cover all the additional costs associated with the new technology.

It is therefore important that subsidies be considered in the context of overall costs and how they can help to sustain ongoing use of technology.

The affordability of broadband was raised in our consultations for this review with particular reference to Aboriginal and Torres Strait Islander persons, persons with disability and people on low incomes in regional areas. For example, see Box 14 below.

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**Box 14**

An issue for people who are blind or have low vision living in regional or remote areas is lack of affordable access to high-speed broadband services. Broadband access provided in public libraries or internet cafes in regional and remote areas is generally not accessible to people who are blind or have low vision, so they must use home-based services to meet their needs. This can be very expensive in regional or remote areas, but without access to high-speed broadband, people who are blind or have low vision can feel more isolated from the community and be unable to participate in activities such as online shopping and access to digital library services… We want to receive assurances that the specific needs of people who are blind or have low vision have been or will be taken into account when setting pricing and data quotas for high-speed broadband access.

*Source: Vision Australia*

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We refer the Committee to ACCAN's position on affordable broadband and the need for low income measures for broadband that replicate the low-income measures in place for a phone service.[70] We recommend that the Committee examine these measures. This is

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[66] *Glasson Report*, Note 14 at 19(44).
[67] Rennie, E, Crouch, A, &Thomas J, *Home Internet for Remote Indigenous Communities, Australian Communications Consumer Action Network,* Sydney 2011 at 11 accessed on 6 December 2011 at: http://accan.org.au/files/SWIN-CLC-CATHomeInternet.pdf
[68] ICPA, *Regional Telecommunications Review submission*, 2011 at 4.
[69] John Thompson, *Regional Telecommunications Review submission*, 2011 at 5.
[70] Teresa Corbin, Affordable Broadband, 2011 ACCAN National Conference, 7 September 2011 accessed on 4 December 2011 at:

particularly important, as people have raised in our consultations that the cost of living in regional and remote areas is high.

> *7. ACCAN recommends that low-income measures for broadband that replicate the low-income measures in place for a phone service be introduced.*

## 4.7     Payphones/community phones

The importance of maintaining working payphones, particularly in regional, rural and remote areas in Australia, was raised by several organisations.[71] Many organisations view this as an essential service, particularly as not everyone has a landline or mobile service or because mobile calls can be expensive or because mobile coverage may be limited. Several organisations commented on the importance of pay phones for Aboriginal and Torres Strait Islander communities.[72]

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**Box 15: Payphones are important to the community**

CentaCare Wilcannia-Forbes offers a range of social welfare services to families and children throughout the Diocese of Wilcannia-Forbes, including financial counselling services.  This area covers 52% of NSW and includes many rural and remote communities of outback NSW. Clients often raise issues about access to telecommunications services and telco debts.

*Access to services/pay phones*

There are some very isolated communities in this area – some only have access to very limited telecommunications services, for example in some areas there are no public pay phones and only limited public internet service.  The community of Wilcannia, with a population of about 700 people, only has one public phone available, but it is in a club and you have to be a member of the club to use the phone.  To access a pay phone in the next town you need to drive about two hours to Broken Hill or Cobar.

Narromine Shire has a population of 6394 people. The shire is a predominantly rural area. The major township in the shire is Narromine, with a smaller township at Trangie and the village of Tomingley. In the past 12 months, 5 public pay phones have been removed from the shire; Narromine now only has 2 public pay phones, Tomingley has 1 pay phone which is currently under review and may be taken away, and after a public pay phone was removed from Trangie the town now only has 1 public pay phone.

We are noticing a significant increase in the number of people coming to our offices to use our phone to either call their family, creditors, other services or Centrelink since the removal of the pay phone and in our remote communities because of lack of pay phones.  We only have two phone lines in our offices and a Centrelink call generally takes 45 minutes to an hour.  This means people are only able to contact us through one of our lines when the other is being used for Centrelink or family calls. This is limiting access to our service. Unfortunately the use of our phones also takes up staff time, as a greater number of people are walking in off the street through our doors just to gain access to the phone, taking staff

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http://www.google.com.au/url?sa=t&rct=j&q=accan%20and%20afordable%20broadbland&source=web&cd=2&ved=0CGoQFjAB&url=http%3A%2F%2Faccan.org.au%2Ffiles%2FOur%2520Broadband%2520Future%2520Presentations%2FAffordable%2520Broadband%2520_%2520ACCAN%2520CEO%2520Speech.doc&ei=ZYfUTobOO7GziQeflNly&usg=AFQjCNGq9N-hcZSDP2Nwh20GwPELsNbBOA

[71] Northern Rivers Community Legal Centre; Central Land Council; Centre for Appropriate Technology; CentaCare Wilcannia-Forbes; Northern Territory Legal Aid Commission; Central Australian Aboriginal Legal Aid Service; Pilbara Community Legal Service.

[72] Central Land Council; Centre for Appropriate Technology; CentaCare Wilcannia-Forbes; Northern Territory Legal Aid Commission; Pilbara Community Legal Service; Central Australian Aboriginal Legal Aid Service

away from our core work.

In some communities where there are no pay phones and there is mobile coverage, people are using their mobile phone credit to call Centrelink. These calls need to be free.

*Source: CentaCare Wilcannia-Forbes*

The need for working payphones, particularly in regional Australia, is important for safety reasons, particularly in circumstances where people do not have access to a landline or mobile or mobile coverage is limited. This has been raised several times during our consultations. See Box 16 for an example.

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**Box 16: Challenges of lack of mobile coverage and limited payphones in remote communities**

There are a number of remote communities across the Northern Territory that do not have mobile phone coverage. For example, one remote community in the Katherine region has around 400 people living there. There are two public phones and we have been told that they are vandalised sometimes.

We have been told that it's hard for residents to stay in contact with family and in emergencies, especially when something happens in community, like fights or domestic violence. People want to be able to call night patrol or the police, but the pay phones are too far away.

We have been told that Telstra have replaced the payphones with phone card access only. Residents do not have access to a shop that sells the phone cards after hours or on Sundays.

Not many people have home phones in the community, because people find the cost of landlines prohibitive. There are also problems with controlling usage on landlines because of the chronic overcrowding in houses.

*Source: Northern Territory Legal Aid Commission and Central Australian Aboriginal Legal Aid Service*

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The case study above also highlights the need for payphones to be accessible and for the need of a variety of payment options, including the use of coins, as a phone card may not be accessible for all. Payphones located outside are also important so access is not limited, for example, to the hours of operation of a shop, but the phone is available when it is required.

Box 17 below also highlights safety concerns.

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**Box 17: Safety concerns and the need for payphones**

At a recent meeting of our executive members, concerns were raised about safety while out on the road. What happens if your vehicle breaks down or if there is a health issue and there's no mobile coverage?

Members spoke of the need for payphones to be installed at key points along routes to and from remote communities and that the needs of the community need to be prioritised.

Another suggestion is to include emergency phones along commonly used transit roads, for example, Mereenie Loop, Tanami Track, Docker River Road, that don't require payment.

*Source: Central Land Council*

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We also refer the Committee to the Tangentyere Council Research Hub and Central Land Council Report in 2007 which found high levels of mobile phone and pay phone usage in Indigenous communities. Notably, high levels of mobile phone users also used pay phones.[73] This was found to be the case particularly 'for residents in remote regions where there is limited access to mobile phone network coverage, for remote residents and town camp residents who have low levels of access to home phones and for the elderly, as results indicate they are less able or less likely to adopt mobile phone technology.'[74]

While noting this report was published in 2007, the Central Land Council reports there continues to be a high level of mobile phone and pay phone usage by Aboriginal people in Central Australia and that access to a working pay phone is particularly important in emergencies particularly 'given the extremely limited access to mobile phone coverage throughout the CLC region in Central Australia.' [75]

In addition to allowing people to communicate by text or voice, ACCAN submits payphones can also play an important role in providing internet access.

ACCAN further notes the importance of community phones which are designed to be durable in harsh weather conditions. We refer to the submission by the Centre for Appropriate Technology to this review for further comments about the importance of pay phones and community phones and other communications needs of Aboriginal and Torres Strait Islander persons. Similarly, we refer the Committee to the submission by Swinburne University to this review.

ACCAN also refers the Committee to the Draft Consumer Safeguard Instruments relating to pay phones.[76] In August 2011, the Department of Broadband, Communications and the Digital Economy (DBCDE) issued drafts of five instruments that covered performance benchmarks related to repairs, location & removal requirements, community consultation requirements and complaint rules for Telstra payphones. The instruments will replace the Telstra Standard Marketing Plan.

ACCAN and ACCAN members have significant concerns about these legislative instruments.[77] We have outlined 18 specific recommended changes to the determinations. ACCAN's view of the proposed instruments is that they fail to achieve the goals of protecting consumers and ensuring service standards are maintained at a high level during the transition to the NBN.

In some instances the instruments enshrine lower standards on Telstra than currently exist. In other instances the instruments create new regulatory obligations on Telstra (as the universal service provider) that fall short of community expectations. Of great concern is the failure to adequately address the needs of regional Australia, especially in relation to performance and repair benchmarks, the instruments formalise poor service for rural and remote consumers.

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[73]Tangentyere Council and Central Land Council, *Ingerrekenhe Antirrkweme: Mobile Phone Use Among Low Income Aboriginal People, A Central Australian Snapshot*, Tangentyere Council and the Central Land Council, Alice Springs, 2007 at 7 accessed on 6 December 2011 at:
http://www.tangentyere.org.au/publications/research_reports/MobilePhone.pdf
[74] Ibid at 7.
[75] Central Land Council, Consumer safeguard instruments submission, September 2011 at 1.
[76] DBCDE, *Consumer Safeguard Instruments: Release of exposure draft*, August 2011 accessed on 6 December 2011 at:
http://www.dbcde.gov.au/__data/assets/pdf_file/0010/138259/Payphone_consumer_safeguard_instruments_release_of_exposure_drafts.pdf
[77] See: ACCAN, *Consumer Safeguard Instruments submission*, September 2011 accessed on 6 December 2011 at: http://accan.org.au/files/Submissions/ACCAN%20Consumer%20safeguard%20instruments%20final.pdf;
Central Land Council, Consumer Safeguard Instruments submission;

We note, for example, that despite rural Australia's heavier reliance on payphones, it is rural areas which in recent times have had the most payphones removed. 7.4% of all Telstra payphones were removed in 2009-2010, 1536 payphones in total. Rural Australia had disproportionate removal rates, with 10.6% of all Telstra rural payphones being removed in that year.[78]

Significantly, in 2005-2006 over 95% of payphones were repaired within the timeframe of 1,2 and 3 days in metro, rural and remote areas respectively.[79] Payphone repairs were more likely to be completed on time in remote areas (repaired within benchmark 97% of the time) than in metro areas (repaired within benchmark 95.7% of the time).

The draft Telecommunications Universal Service Obligation (Payphone Performance Standards) Determination (No. 1) 2011 proposes extending the repair period in the transitional period to 15 working days for an urban area, 20 working days for a major rural area and a minor rural area and 30 working days for a remote area.[80] Repair times for any subsequent period are: 10 working days for an urban area, 15 working days for a major rural area and a minor rural area and 20 working days for a remote area.[81]

ACCAN believes there is no reason why the high performance standard of 2005-06 referred to above cannot be replicated from 2012 onwards, especially considering that Telstra has removed thousands of payphones in rural and remote areas since 2006 and will be repairing fewer phones across the board. This is also significant in light of the findings made in the 2008 *Glasson Report* relating to payphones: that there is community concern about payphone removal;[82] payphones 'remain a valued service and are significant to communities in regional Australia'.[83]

While the instruments do not specifically refer to community phones in Indigenous communities, ACCAN calls for equivalent standards regarding performance and repair of community phones.

> *8. ACCAN recommends that the Committee in the context of the regional telecommunications review examine the Draft Payphone Instruments proposed by the Department of Broadband, Communications and the Digital Economy as a matter of urgency and provide feedback before the instruments are finalised by the Minister.*

# 5. Consumer issues

Multiples consumer issues were raised during our consultations, particularly around the issues of general awareness of consumer rights, digital literacy and more education about the National Broadband Network (NBN). We will look at each of these in turn.

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[78] Figures obtained by comparing 2008-9 final payphone numbers in the three geographic areas with 2009-10 removals in the geographic areas, information sourced from ACMA, *Communications Report 2008-09*, Melbourne, 2009 at 122-125 & ACMA, *Communications Report 2009-10*, Melbourne, 2010 at 79-84

[79] See ACMA, *Payphone Statistic,* available at: http://www.acma.gov.au/WEB/STANDARD/pc=PC_310280

[80] Section 10(20(a) draft Telecommunications Universal Service Obligation (Payphone Performance Standards) Determination (No. 1) 2011.

[81] Section 10(20(b) draft Telecommunications Universal Service Obligation (Payphone Performance Standards) Determination (No. 1) 2011.

[82] *Glasson Report*, Note 14*,* Finding 2.4.2 at 209.

[83] *Glasson Report*, Note 14*,*Finding 2.4.3 at 209.

## 5.1  Consumer rights

One of the key consumer issues arising out of ACCAN's regional telecommunications review consultation has been the need for consumer education in regional, rural and remote communities to increase consumers' awareness of their rights.

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**Box 18: Consumer awareness**

We had the TIO come out last month and people went to speak to them about their mobile phone and internet issues. It was great to have them visit. Generally people are not really aware of the TIO.  For those who are aware, they think their problem is small and they don't want to cause waves, even though many others in the community may have the same problem.  This means systemic issues often go unreported.

*Source: CentaCare Wilcannia-Forbes*

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The five areas identified for priority consumer rights education, most of which have been discussed in Section 4 above, include:

1. A right to information in plain English;
2. Information about how to access external dispute resolution (EDR) to resolve a complaint (Telecommunications Industry Ombudsman (TIO) awareness);
3. Increased awareness about the Do Not Call Register;
4. Increased awareness about the Customer Service Guarantee; and
5. Increased awareness about telecommunications subsidies for regional and remote Australia – for eg satellite mobile phone subsidy.

Significantly, one of the recommendations made in the *Inquiry into Telecommunications Availability in Rural and Regional Communities*, also relates to the importance of education. Recommendation 6 states: 'The NSW Government works with the Federal Government and associated agencies to develop and promote a centralised educational resource of telecommunication users' rights and avenues of redress'.[84]

ACCAN also notes there is often confusion amongst consumers about the difference between broadband fixed wireless and mobile broadband. ACCAN believes there is a strong need for education and awareness that outlines these differences.

ACCAN believes the consumer education proposed above can be provided through existing programs. For example, a unit educating about consumer rights could be included in the Money Matters program delivered by financial counsellors across Australia. Additional funding would be needed to accommodate this important additional component.

> 9. *ACCAN recommends that a consumer education program that raises awareness about consumer's rights be incorporated into existing financial counselling programs and that adequate funding be made available for such a program.*

While noting the important work of the TIO, including the launch of their new website and their outreach work, comments arising during ACCAN's consultation highlight that more work

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[84] Standing Committee on Broadband in Rural and Regional Communities, *Are you Connected? Inquiry into telecommunications availability in rural and regional Communities*, Report no 4/54, New South Wales Legislative Assembly, Sydney, NSW, September 2010 at 41 (52).

needs to be done to promote awareness about the TIO, including implementing the RTC recommendations relating to TIO awareness.[85]

> *10. That the RTC recommendations be implemented in full.*

Additionally, an effective way of measuring the accessibility of any service is to analyse statistical data on demographics to see who is actually accessing the service, the level on which they engage and the reason for their exit of the TIO scheme. ACCAN refers to its submission to the *Review of the TIO* and again recommends the TIO collect and report on demographic statistical information as this may help to identify gaps in who is accessing the TIO.[86] We understand that the TIO collects complainant's postcodes and statistics relating to complaints by post code have previously been publicly reported.[87] ACCAN would like to see more public reporting of complaint trends for regional, rural and remote Australia in addition to publicly reporting other demographic information.

> *11. ACCAN recommends that the TIO be encouraged to publish demographic information with their complaints statistics to help identify gaps in access to the TIO.*

## 5.2     Digital literacy

There is a wealth of both Australian[88] and international[89] research which highlights there are a number of factors which impact upon the take up of broadband, including knowledge and skills, confidence, relevance to oneself and cost.

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[85] Recommendation 2: TIO contact details to be included in the critical information statement, *RTC Report,* Note 5 at 99(91); Recommendation 5: circumstances in which a service provider must advise a consumer of the TIO, *RTC Report,* Note 5 at 118-120 (110-112);

[86] ACCAN, *Modernising the TIO*, April 2011, accessed on 12 December 2011 at: http://accan.org.au/index.php?option=com_content&view=article&id=285:modernising-the-tio&catid=141:phones&Itemid=174

[87] TIO, *TIO Talks* at 5, No 1,January 2011, accessed on 15 December 2011 at: http://www.tio.com.au/__data/assets/pdf_file/0003/8814/TIOTalks_No1_2011.pdf

[88] ACMA, The internet service market and Australians in the online environment, Melbourne, July 2011 at 15(10) accessed on 12 December 2011 at: http://www.acma.gov.au/webwr/_assets/main/lib310665/the_internet_service_market_in_australia.pdf Spiral Research Consulting, *Another Barrier? Regional consumers, non-profit organizations, and the NBN in the Northern Rivers Region*, ACCAN, 2011 at 25 accessed on 12 December 2011 at: http://accan.org.au/index.php?option=com_content&view=article&id=340:another-barrier&catid=96:broadband&Itemid=208 ; Dave Lee, 'The Digital Divide – The Australian Government's role in addressing 'Ability'', *The Telecommunications Journal of Australia* 61(2) 2011; Palmer, S., Council on the Ageing (WA) 2010. *Where do I start? Female seniors and the Internet.* Australian Communications Consumer Action Network, Sydney, accessed on 12 December 2011 at: http://accan.org.au/index.php?option=com_content&view=article&id=333:female-seniors-and-the-internet&catid=96:broadband&Itemid=208 ; Rennie, E, Crouch, A, Wright, A & Thomas, J 2011, *Home Internet for Remote Indigenous Communities*, Australian Communications Consumer Action Network, Sydney, accessed on 12 December 2011 at:  http://accan.org.au/files/SWIN-CLC-CATHomeInternet.pdf ; Able Australia 2011, *Telecommunications and Deafblind Australians,* Australian Communications Consumer Action Network, Sydney, accessed on 12 December 2011 at: http://accan.org.au/index.php?option=com_content&view=article&id=338:telecommunications-and-deafblind-australians&catid=98:access-for-all&Itemid=234 See also ACCAN, *Submission to the Inquiry into the role and potential of the NBN,* February 2011 at 4 accessed on 14 December 2011 at: http://accan.org.au/index.php?option=com_content&view=article&id=253:inquiry-into-the-role-and-potential-of-the-national-broadband-network&catid=140:broadband&Itemid=97

[89] See, for example, Tim Williams who believes it is "access *plus motivation, skills and confidence"* that is required to promote digital inclusion, particularly "amongst those potential users and communities who are least likely to get online without intervention, support and encouragement." Tim Williams, *Connecting Communities: The impact of broadband on communities in the UK and its implications for Australia,* Huawei Australia, Sydney, 2011 at 22(26) accessed on 4 December 2011 at: http://www.huawei.com.au/connectingcommunities/docs/Huawei_CC_WhitePaper.pdf

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> **Box 19: Digital literacy**
>
> There needs to be a lot more awareness and education about what people can do with the roll out of the National Broadband Network.  People don't want to know the overall benefits. Instead they want to know the relevance to them - how can it benefit individuals and communities and how can they use it.
>
> *Source: CentaCare Wilcannia Forbes*

An issue that has been repeatedly raised throughout ACCAN's consultations is the need for digital literacy and training opportunities for all, with disadvantaged or vulnerable consumers in regional areas receiving training and services as a priority. This is particularly important given the trend for government services to be increasingly provided online.  People need support in learning how to access and use these services. It is also very important that the government maintains alternative access modes to their services, including communicating by phone or in person as well as in writing, as not everyone has access to the internet.[90]

The need for digital literacy and training, especially for disadvantaged or vulnerable consumers is further supported by research funded by ACCAN which focuses upon regional consumers and the NBN in the Northern Rivers region, entitled, *Another Barrier? Regional consumers, non-profit organisations, and the NBN in the Northern Rivers Region.* One of the key findings is that as Australia moves into the era of the digital economy and the NBN, not-for profits are increasingly finding themselves as brokers of phone and internet access for their clients who continue to struggle with the basics of availability, affordability, and accessibility.[91] This includes not-for profit staff members accessing the internet for the most vulnerable clients, as they often do not have the digital literacy to complete these tasks themselves.[92] A significant recommendation that was made in *Another Barrier* report is that government funding bodies 'must recognise brokering Information Communications Technologies (ICT) as part of the critical role non-profit organisations play in providing services to disadvantaged and vulnerable consumers.'[93]  This means specific funding should be available to assist non-profit organisations train their staff in ICT skills and training bodies and institutions that prepare community sector workers should include ICT skill development and the ability to train others, as core components of the curriculum.[94]

> 12. *ACCAN recommends that government funding bodies must recognise 'brokering ICT' as part of the critical role non-profit organisations play in providing services to disadvantaged and vulnerable consumers.*

ACCAN welcomes the introduction of the Digital Hubs Program, noting that the program will start with the first 40 communities to benefit from the NBN. We refer to our submission on the *Digital Hubs Draft Program Guidelines* which calls for disadvantaged or vulnerable consumers to receive services as a priority.[95] The need for this is borne out in research funded by ACCAN, including about the experiences of recently arrived migrants and refugees,[96] Deafblind consumers,[97] older women,[98] and remote Indigenous communities.[99]

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[90] Spiral Research Consulting, *Another Barrier? Regional consumers, non-profit organizations, and the NBN in the Northern Rivers Region*, ACCAN, 2011 at 30.
[91] Ibid at 6.
[92] Ibid at 6, 25;
[93] Ibid at 30-31.
[94] Ibid at 31.
[95] ACCAN, Digital Hubs *Draft Program Guidelines submission, August 2011 accessed on 12 December 2011 at:* http://accan.org.au/index.php?option=com_content&view=article&id=393:digital-hubs-draft-program-guidelines&catid=140:broadband&Itemid=97
[96]  Wadiwel, D and Hayter, C, National Ethnic Disability Alliance, *Understanding Communications Consumers from Non English Speaking Backgrounds (NESB)*, Australian Communications Consumer Action Network, Sydney, 2010 at 63, accessed on 12 December 2011 at: http://accan.org.au/index.php?option=com_content&view=article&id=94&Itemid=166 .

During ACCAN's consultation, participants welcomed the Digital Hubs initiative. They also raised a number of important concerns, including: that the training needs to be culturally appropriate, appropriate to the local context and widespread[100] – it must be expanded beyond the 40 communities.  There cannot be a one size fits all approach to the digital hubs, but rather there needs to be a flexible approach and ACCAN recommends that conversations should occur with Local Councils about how this can happen and where the digital hubs should be located.  The training needs to be relevant to the needs of the community.  It must be accessible to all, with particular consideration to ensuring it is accessible for persons with disability, including that public access points, such as internet access in public libraries, are accessible.[101] It must also be delivered beyond the major centres so those in remote Australia can also participate.[102] It is also important that the training be free.

> 13. *That free, accessible and culturally appropriate training in digital literacy and what the NBN can bring, be provided in regional Australia.*

Clarification is also sought about where people go for assistance with any technical questions.  If this is not one of the roles of the digital hub, an alternative place to go for assistance is required.

> 14. *ACCAN recommends that technical assistance be readily available either free of charge or at a low rate in regional Australia to encourage effective use of the National Broadband Network and to promote social inclusion.*

## 5.3    Collection of statistical data

ACCAN further recommends the collection of quality of service data annually about the speed, reliability and affordability of consumers' internet services. It is important that this data collection include demographic information, specifically whether consumers live in regional, rural, remote or metropolitan areas. This would be a useful measure to assess equitable access to the NBN. We suggest this could be undertaken by the ACMA.

> 15. *That demographic information, combined with data about the speed, reliability and affordability of consumers' internet services be collected at timely intervals in order to measure equitable access to the National Broadband Network.*

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[97] Able Australia 2011, *Telecommunications and Deafblind Australians,* Australian Communications Consumer Action Network, Sydney, 2011 at 28.

[98]  Palmer, S., Council on the Ageing (WA) 2010. *Where do I start? Female seniors and the Internet.* Australian Communications Consumer Action Network, Sydney at 28.

[99] Rennie, E, Crouch, A, Wright, A & Thomas, J 2011, *Home Internet for Remote Indigenous Communities*, Australian Communications Consumer Action Network, Sydney at 49.

[100] National Ethnic and Disability Alliance, online consultation, October 2011.

[101] Vision Australia, online consultation, October 2011.

[102] Isolated Children's Parents' Association of Australia, *Submission to the regional telecommunications review*, November 2011 at 1.

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*regional people,* Report no. 2/54, New South Wales Legislative Assembly, Sydney, NSW, March 2009.

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