

THIS EDITION:

## Battle of the Bytes:

the new players shaking up the telcos

**Laugh & learn:** we chat with ABC The Checkout's Kirsten Drysdale

**Fair's fair:** why copyright law needs to come into the 21st Century



**PLUS:** ACCAN helping to "Connect the Country" • Practical tips to protect your privacy

**ACCAN: our story**

ACCAN is the peak organisation representing all consumers on communications issues including telecommunications, broadband and emerging new services. Our mission is to ensure the availability, accessibility and affordability of communications services for all Australians.

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**Our CEO: Teresa Corbin**

Competition is heating up in 2014, as the telcos face challenges from "over the top" (OTT) providers. More and more smartphone users are moving to OTT providers like Skype, Viber and WhatsApp as a substitute for traditional talking and texting – with ramifications for telco revenues. Will the telcos fight them or join them? Exactly how this battle will be fought is still unclear, but either way there are implications for consumers. We explore this issue in detail in our feature article on page 8.

Our grants article on page 13 sheds some light on a worrying question – what happens when a region's telecommunications services black out? The Warrnambool region in south-west Victoria experienced this in November 2012, with many customers unable to communicate with family and friends or make vital purchases such as food or fuel for up to twenty days. So why were local governments, small businesses and Telstra so underprepared to deal with this disaster? While Telstra put in overtime to reconnect residents, researchers from RMIT University have, with an

ACCAN grant, investigated this issue and have come up with advice on how to avoid these disasters in the future.

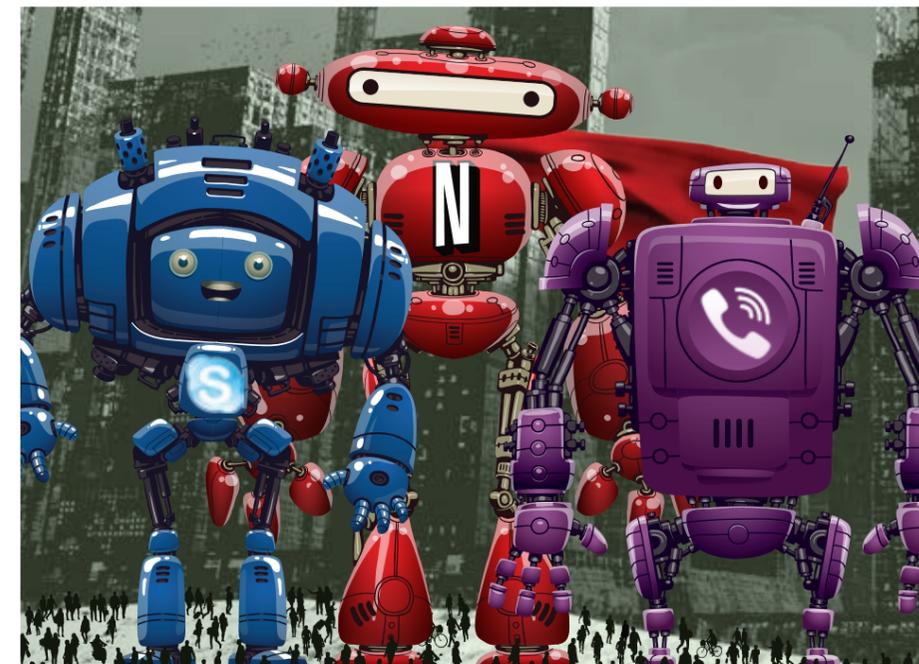
Find out the latest telco and ACCAN news on page 4, where we cover our "Connecting the Country" forum. The event gave regional and rural organisations the opportunity to get together with the telcos and government to discuss the Federal Government's \$100m mobile network expansion program.

We've also got interviews with some fascinating individuals – Kirsten Drysdale on page 6 is a star of ABC The Checkout's consumer affairs show; Mat Peterson's apps on page 7 are changing the way our kids learn; and Gerard Brody on page 14 explains how the Consumer Action Law Centre is protecting and educating some of Victoria's most vulnerable consumers.

As always if you have any comments, suggestions or feedback, please email ceo@accan.org.au or call me on 02 9288 4000 / TTY 02 9281 5322

Warm regards,  
**Teresa Corbin**  
ACCAN CEO

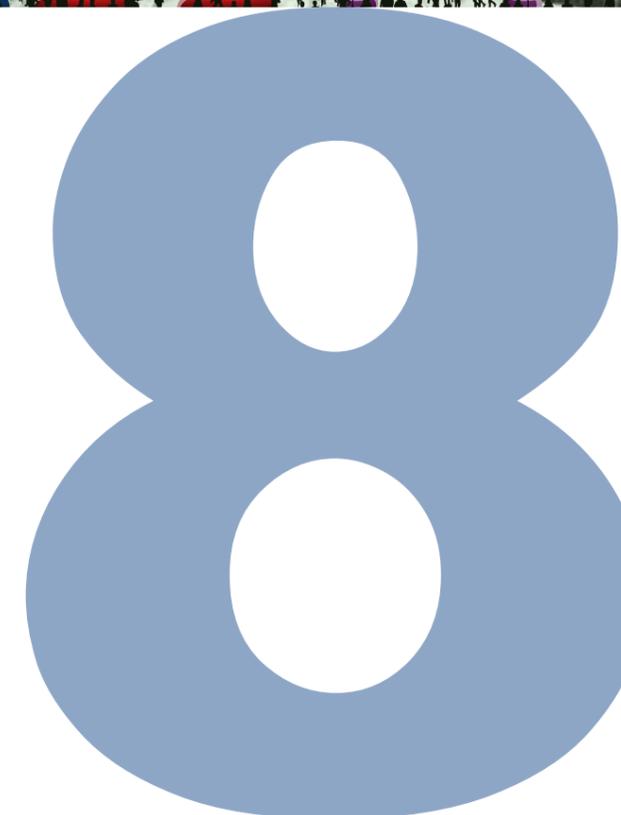
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## Connecting the country

ACCAN welcomes the federal government's \$100 million mobile expansion policy and on 14 February 2014, we held a forum bringing together rural community groups, industry and government to help communities identify how to go about improving mobile coverage in their areas under the program.

Consumer representatives from Broadband for the Bush, Rural Health Alliance, NSW

Paul Fletcher MP, Parliamentary Secretary to the Minister for Communication, addressing the forum



Farmers, the Centre for Applied Technology, Broadband Today and the Isolated Children's Parents' Association discussed the difficulties in prioritising areas for increased coverage when the need is so great, and the benefit of communities understanding the considerations that mobile network operators have to take into account. The prospect of using new and existing infrastructure were discussed with satellite wholesalers Optus and IPStar. Industry speakers from Telstra, Optus and Vodafone focused on the ways to facilitate partnerships between community and industry, noting that in-kind contributions, such as access to services and land, were as valuable

as direct funding.

Parliamentary Secretary to the Minister for Communications Paul Fletcher gave further insights into the government's policy, explaining that while the government would subsidise the build of new base stations, the industry must carry ongoing operating costs. He also talked about the benefits and challenges of sharing NBN fixed wireless infrastructure and the value of community and local government in-kind contributions such as streamlining planning permissions and land access.

### Next steps

You can help identify mobile black spots by sending the details to the Department of Communications at [mobilecoverage@communications.gov.au](mailto:mobilecoverage@communications.gov.au). These locations will be used to help industry prepare bids for funding under the program. Building on our work at the forum, we are planning a community kit to help regional and remote communities get improved mobile coverage.

## Our Broadband Future

ACCAN released its updated broadband policy position – Our Broadband Future – in February. This 2014 update takes into account the views of members expressed to us in consultations we held last year.

The first version of Our Broadband Future came out in 2010, but ACCAN is pleased to report that despite new government policy directions and many debates over recent years, the four key principles on broadband outlined in our original statement have stood the test of time:

- **Broadband for all.**
- **No consumer should be worse off** during the transition and following the implementation

of the National Broadband Network (NBN).

- **Robust consumer protections and consumer engagement.**
- **Sustaining a competitive and fair market.**

To access a copy of Our Broadband Future, head to [accan.org.au/ourbroadband](http://accan.org.au/ourbroadband)



## ACCAN captures Google

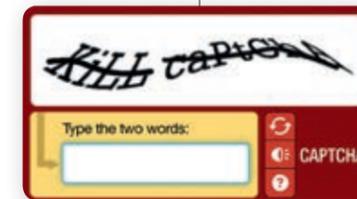
Last month ACCAN took Google to task on accessibility; writing an open letter to Google Australia & NZ managing director Maile Carnegie, calling on the company to make its reCAPTCHA software fully accessible. Given Google's vision, "To organise the world's information and make it universally accessible", ACCAN believes that "universally accessible" should also apply to people with disability.

Google's reCAPTCHA, while claiming to be usable by people who are blind, creates barriers to the more than 200,000 websites which use it as a security measure. reCAPTCHA is Google's name for the more commonly known CAPTCHA. CAPTCHA are those boxes containing distorted and obscured characters which you're required to retype in order to access a website. For many people, particularly

people with vision impairments, these CAPTCHA tests are inaccessible. Google's reCAPTCHA offers an audio alternative, designed to give access to people who are vision impaired, however to most people, these audio alternatives are impossible to decipher.

ACCAN has had meetings with Google to discuss the inaccessibility of reCAPTCHA and while Google is making efforts to make reCAPTCHA easier to use for most people, they have not

at this stage addressed the barriers for people with disability. ACCAN hopes that by highlighting how reCAPTCHA excludes many people from accessing websites, Google will develop universally accessible alternatives capable of providing both unfettered access to the web and website protection from malicious programs.



## Hanging up on telemarketers for good

Have you ever received a phone call by someone wanting to sell you something you didn't want? Find it annoying? You're probably not alone. A 2013 study showed 91% of Australians find these calls a nuisance and some consumers even receive up to 15 telemarketing calls a week.

Fortunately, there is a way of stopping telemarketing calls – by signing up to the Do Not Call Register. However, ACCAN thinks there could be an even better way of stopping the calls.

We think every Australian mobile and landline number should automatically be in telemarketing "no

go zones", unless of course you opt-in to receive a company's marketing material.

Australia currently has around 40 million active phone numbers, yet only 9 million have signed up for the register since it began in 2007 – with 91% of consumers disliking telemarketing calls but a relatively low number signed up to the register; it's clear that not everyone knows about the register.

ACCAN has responded to



What do you think? Let us know at [info@accan.org.au](mailto:info@accan.org.au)

a recent government discussion paper on this issue, encouraging them to adopt our approach and take every Australian number off telemarketers' radars.

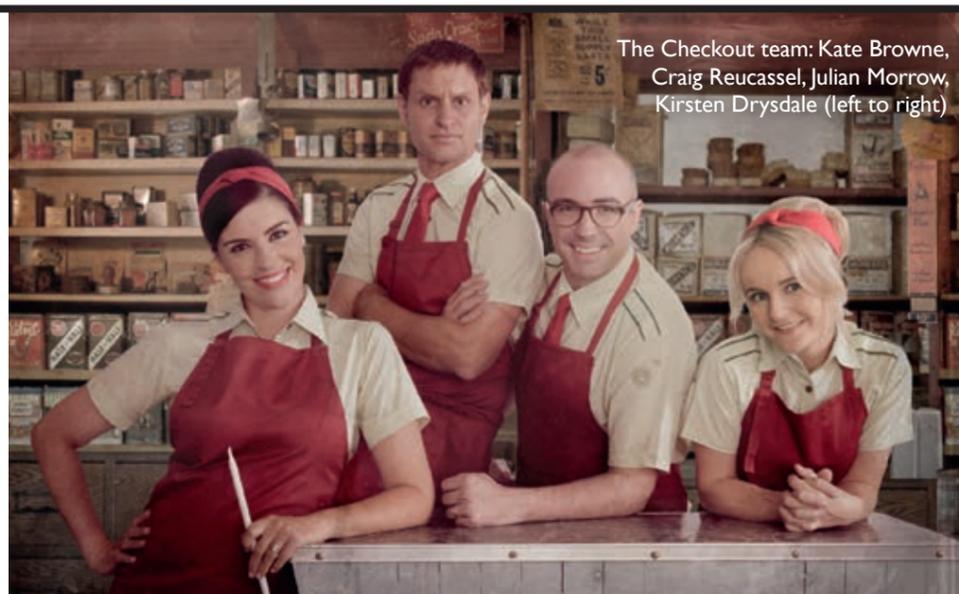
## Kids, go clean your... smartphone

More and more people are using their smartphones while in bed, in front of the telly and yes, on the toilet. Recently, studies have found 1 in 3 Australians use their phone on the toilet and 1 in 6 smartphones actually contain faecal matter.

So the question is – should I be scrubbing and sanitising my smartphone?

Fairfax's Ben Grubb found a whole raft of companies selling smartphone cleaning products at this year's Consumer Electronics Show who use the above studies as a ticket to your back pocket. Products such as an ultraviolet germ-killing LED case are priced at around \$90. However, a more affordable and just as effective method is to make sure whoever touches your phone has cleaned their hands with soap...and spend the \$90 on something else.

How do you make consumer affairs entertaining for everyone from primary school kids to pensioners? Bring in the comedians. ACCAN chats with star of ABC-TV's *The Checkout* Kirsten Drysdale on how they've been able to make millions of Australians laugh while learning about their consumer rights.



The Checkout team: Kate Browne, Craig Reucassel, Julian Morrow, Kirsten Drysdale (left to right)

## Check out "The Checkout"

The Chaser comedians, consumer advocates CHOICE, and a variety of journalists and performers joined forces last year to uncover some of the dodgy deals faced by Australian consumers. The show was a resounding success, with an average of 1.3 million Australians tuning in every week to laugh and learn.

The show has covered everything from the high price of digital music in Australia compared to other countries, to shoddy therapeutic goods with bogus claims. Presenter Kirsten Drysdale worked on ABC's *The Hungry Beast* program and was considering a professional hockey career before joining *The Checkout*. She says she's alarmed at the number of misleading offers in the market, but thinks consumers are starting to become more aware of their rights. "I think consumers are savvier than ever. It's largely thanks to social media

and the net and having more access to information. Consumers can speak up and have a voice when a company is not doing the right thing."

The latest Telecommunications Consumer Protections (TCP) Code was implemented last year following a year of almost 200,000 complaints to the telco ombudsman. And while the Code is over 100 pages of telco terms and jargon, the show covered how it can help consumers.

"I've previously had issues with my telco and it's something that infuriates

people. I've had bill shock and tried to deal with the company and there was a real lack of customer service. It was a few years ago so I didn't even know about the ombudsman."

ACCAN CEO Teresa Corbin has appeared on *The Checkout*'s segment "If I could say one thing", highlighting the need for consumers to check how good the mobile coverage is where they live and work before signing up to a service. She explained that under the Australian Consumer Law, telcos can be held to their promises. If coverage does not meet the standard you were promised, you should be able to get out of your contract.

### Learn while laughing

A 2010 Yale study on humour's effect on our memory concluded that when people hear jokes that are accompanied with facts, they're more likely to remember the facts.

### Kirsten's telco tips

**"Don't neglect your tethering power!"**

Kirsten's smartphone plan has a reasonable data allowance per month, which she uses to tether with her tablet.

*What is tethering?* Tethering is when you use your smartphone as a modem, by connecting it wirelessly to your tablet and taking advantage of your smartphone's internet connection. It means you don't have to purchase an additional SIM card for your tablet. "If you have a tablet and a smartphone with a data allowance, definitely tether it with your phone. I've never come close to hitting my cap and I use Wi-Fi wherever I can."

## Kids like shiny things

ACCAN speaks to Mat Peterson

At age 14, Mat Peterson was already developing websites. The year after he graduated from high school, he founded his first app company. So it's no surprise that he's now the owner of Shiny Things Software, a Sydney-based app company turning kids' education on its head.

There's a question running through the heads of many parents these days – how young is too young for my kids to start using a smartphone or a tablet?

For Mat Peterson, there is no such thing as too young for students to use a learning tool that gets such great results.

"iPads changed everything. Before iPads, teachers were being thrown complex technology and expected to know how to use it and somehow make their kids learn with them. But with the iPad, it's so simple that suddenly the teacher is accidentally using our apps and teaching with them."

There are of course those who are more sceptical, such as freelance journalist Adam Turner who recently wrote that although he sees the potential benefit of iPads for certain students, it's too early to introduce tablets in primary school.

A 2012 iPad in schools study by Dr Kristy Goodwin, an expert on child education and technology, said that while teachers did have to spend extra time preparing for a class using an iPad, there were benefits from better student engagement and motivation.

It's a hotly contested question among education academics, bureaucrats, teachers and parents. But what

about the kids – what do they think about learning with iPads?

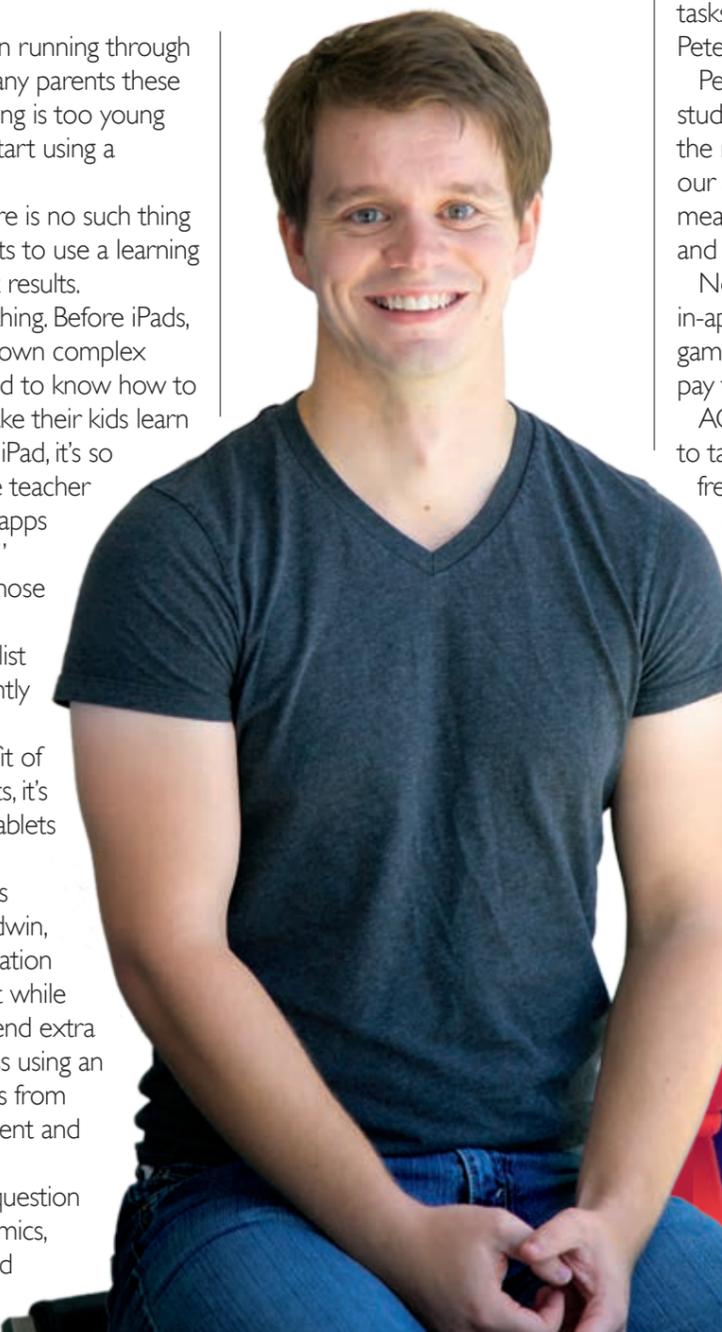
"When we do testing with kids, we watch their reactions and they respond really well with something that actually responds to them – it makes mundane tasks much more engaging," explains Peterson.

Peterson's apps aren't only used for student engagement but also for reducing the marking load on teachers. "Some of our apps collect real-time data which means teachers spend less time marking and more time teaching."

None of the Shiny Things apps contain in-app purchases – a feature in some free games which essentially makes the player pay to keep progressing in the game.

ACCAN has previously asked the ACCC to take action on games that advertise as free but aggressively encourage or require in-app purchases to keep playing.

"Even for adults, games with in-app purchases aren't games anymore, they're taking advantage by psychological ploys. They may be doing more damage than good," says Peterson.



Left: Shiny Things Software owner Mat Peterson  
Below: Shiny Things app 'Shiny Circus' is recommended for kids aged 2-5.



# 2014 will be 'Over The Top'

Viber, Skype, WhatsApp and Netflix may sound like the names of B-grade superheroes, but according to a poll of industry professionals, they are the number one challenge to telcos in 2014. They are the main players in a growing number of 'over the top' (OTT) services which are disrupting the telecommunications business model. The superhero analogy may be apt, as they are challenging the traditional telco model by offering consumers cheap texts, calls and content (such as movies) over the internet. By ACCAN's **Xavier O'Halloran**

In 2014, 70 billion messages will be sent globally every day via mobile, with only 21 billion in SMS and the other 59 billion via OTT messenger services. The potential revenue lost by telcos is extraordinary – despite making up about 70% of the messaging market, OTT messages only account for 2% of total messaging revenue.

SMS revenue has long been a money spinner for the telcos. It costs telcos less than 1 cent to send 100 SMS, however

some telcos charge consumers up to \$15 to send the same 100 texts – around a 90,000% mark-up. The ACCC is currently investigating these margins, so there is potential for wholesale SMS prices to tumble in 2014, which could mean cheaper texts for consumers. In the meantime, if you have access to a smartphone, for the cost of a small amount of data, you can save by sending messages through OTT services.

So what are the telcos doing to

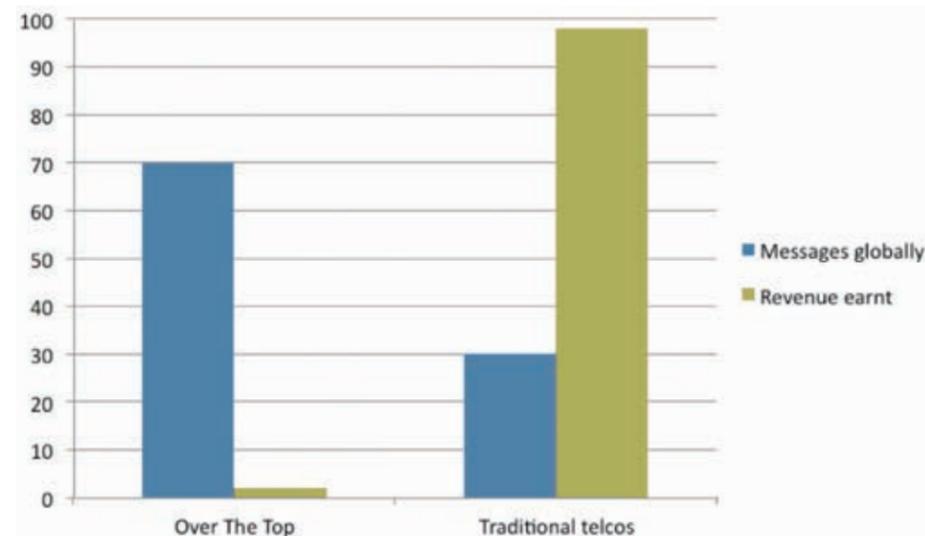
preserve their market share from the OTT invaders?

### If you can't beat them...be really anti-competitive

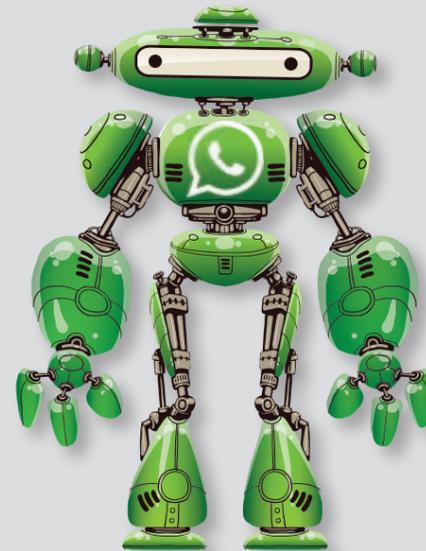
Chua Sock Koong, chief executive of Optus' parent company, SingTel, has called on regulators to give telcos the right to charge rivals such as WhatsApp and Skype for use of their network. It is a move which US broadband provider Comcast has recently played with a

### Privacy tip

With Facebook's recent acquisition of WhatsApp, concerns have been raised about consumer privacy. Facebook doesn't have the best record and as with all 'free' online services, the true cost is more than likely your privacy – so make sure you check any OTT's privacy fine print. As most OTT providers are based overseas, if you do have a complaint to make, beware that it can be difficult to get a timely response.



## The contenders



**WhatsApp:** This contender hails from the Silicon Valley with a Yahoo! pedigree. At last count it claimed over 450 million active messenger users. It was purchased by Facebook in February 2014 for \$US19bn

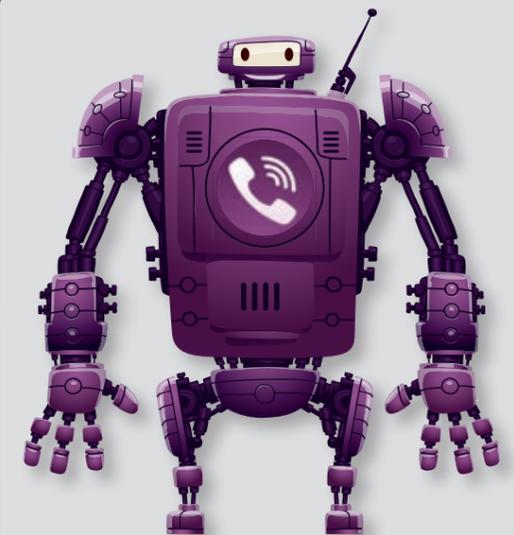
competitor video streaming service, Netflix. While there may be an argument for an activity like high definition video streaming to pay its own way on the network, this is not the case for relatively low impact activities like sending an instant message. We expect the ACCC to keep a close eye on this activity.

### Bundling: don't be stumbled by the bundle

The strategy of all telcos has been 'bundling' or marketing two or

more goods and /or services in a single 'package' for a 'special' price. In some cases this might mean bundling a desirable product with something consumers might not otherwise buy. By making the bundle cheaper than the cost of buying the two products individually, there is a perception you are saving, when in reality you may have little use for the additional service. Telstra CEO, David Thodey, has spoken about the merits of bundling in stemming the flow of customers

**Skype:** With Nordic roots, Skype has developed into the preeminent VoIP (voice over internet protocol) and instant messaging player since its beginning over a decade ago. It claims over 300 million users and after being bought by Microsoft in 2011 for \$8.5 billion is looking to grow bigger



**Viber:** The Israeli 3 year-old has moved from start-up to serious contender, claiming 300 million users of its VoIP and data message service. It was purchased by Japanese-based Rakuten in February 2014 for nearly US\$1bn

away from landlines. It is a strategy which appears to be working, with Telstra partly holding back the tide of landline disconnections. Telstra reported that the number of customers buying a bundled plan has more than tripled since June 2010 with the other providers claiming similar increases.

Depending on your usage, you can genuinely save by purchasing bundled products. However, bundling is usually offered as part of a two year contract, meaning you can't easily move to a better value offer if it becomes available.

Bundling can also make it more difficult for consumers to compare deals and make informed purchasing decisions. SMS is a classic example; it is almost always bundled with voice and data services on a mobile plan. Many of the higher cost plans offer unlimited SMS, so there is the perception of good value, but in reality it only costs telcos less than a cent to send 100 SMS, so if you're paying a lot more so you can get unlimited SMS, it's probably not that great a deal.

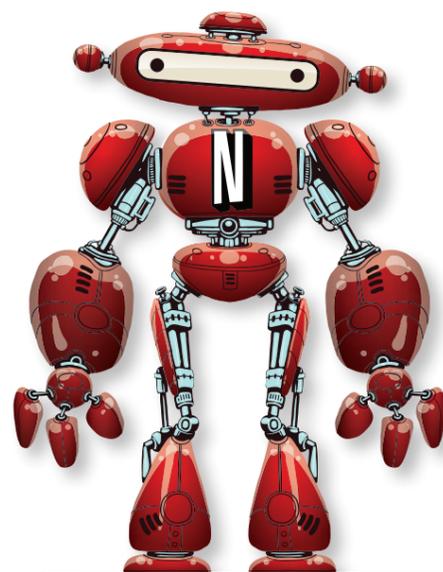
### Triple play: a threat to competition

Telcos can also use content to bundle with their traditional telecommunications services. Many telcos offer an Internet TV (IPTV) service or bundle with Foxtel. OTT content platforms like Netflix, Apple TV, Hulu and in Australia Quickflix are attempting to offer an alternative to what has developed into a monopolistic 'triple play' bundle of internet, phone and content by the telcos. The Telstra/Foxtel 'triple play' bundle can set you back anywhere from \$124-\$265 per month. In many cases the Foxtel subscription is the only way to access live sports, such as some AFL and NRL games and exclusive content, like HBO's Game of Thrones.

These bundles throw up competition issues, because when combined with

geo-blocking, metered access and exclusive content deals, consumers are quickly limited in their choice of provider.

Netflix has been particularly disruptive in the US, where its relatively low cost service (US\$7.99 a month) has seen them gather 33.1 million US subscribers and provide real competition to content on the cable/telco networks. Their huge content libraries have made it the envy of many Australians sitting behind its geo-blocked walls. In the countries where it is available, Netflix is planning to take on the cable networks directly by spending \$3bn on its own content this year, which is the equivalent to



double the Australian Broadcasting Corporation's budget.

Unmetered access, where data doesn't count towards your usage limit, has been common in Australia, where unlike the US we have not embraced the ideals of net neutrality to the same degree. For example, the online broadcast rights for the AFL and NRL are both owned by Telstra. Up until last season non-Telstra customers couldn't access these streams. Now they are available to anyone with a smart device and an internet connection. However access is metered for non-Telstra customers, which means if you're not with Telstra or using Wi-Fi you might burn through your data allowance (about 1GB per game) before the final siren sounds.

In the coming year, OTT is likely to challenge telcos and regulators alike. In the meantime consumers should continue to be wary of the advertised 'savings' in telco bundles and save some dollars by trying out an OTT messenger and VoIP service. In saying this, while there is more choice and cheaper prices for consumers with OTT providers on the scene, ACCAN will be keeping a close eye on the overall benefits for consumers and potential issues about quality of service, consumer protections and hidden costs.

### UNLOCKING THE LINGO

**Geo-blocking:** When you're blocked from accessing a service such as watching a TV show online due to your geographical location.

**Net neutrality:** The idea that all content on the internet should be treated equally. If enforced, it would mean a telco could not deliberately slow down a rival service on their network.

**Unmetered access:** When a telco doesn't count usage of a certain service toward your monthly usage limit e.g. a telco allowing its customers to freely stream ABC iView programs.

# How can I protect my privacy?



## 1 Use two-factor authentication

Two-factor authentication means you must enter your password when logging into a service or account as well as a short numeric code. The code changes every time you log on and can be sent to your mobile. Dropbox, Google, Facebook and Evernote are among some of the services that have this setting.

## 2 Keep strong passwords and keep them safe

The best passwords are at least ten characters long and include a combination of letters, numbers and symbols. Since this is often difficult to remember, set up a password manager account to help you store your passwords in one place.

## 3 Monitor your cookies settings

'Cookies' are little bits of information that websites keep on your computer. Passwords and user IDs rely on cookies if you choose for these details to be remembered on your device. This is useful

if you don't want to keep logging in and out of your email account, for example.

But cookies can also be used to track your movements online, the links you click on and how long you spend on a website. This information can then be shared with advertising companies who customise ads tailored to what they presume your interests are.

Check your browser settings in case it allows you to manually block cookies. Internet Explorer, for example, allows you to turn on cookies for a site and then disable them when you no longer need them. Cookie management software and services are also available and they can automatically block cookies for you or alert you when a site tries to write a cookie file to your hard drive.

## 4 Use encrypted sites

You will know when a site is encrypted when an image of a closed lock appears next to the web address or at the bottom of a browser window. Never give out sensitive information, like credit card details, unless you see this closed lock image.

## What do the new privacy changes in Australia mean?

In March this year a new suite of privacy laws will come into play that impact the way governments and companies handle your personal information. These include:

- Organisations must take reasonable steps to notify users if they will or have collected personal information and why it is being collected.
- Organisations must try to make sure that your personal information that is sent overseas (on a server in the US, for example) will not be breached.
- You have an increased right to access personal information from private businesses. This does not override your rights under the Freedom of Information Act, it just makes it easier and more flexible to access details an organisation might have about you.
- More powers for the Information Commissioner who can now impose tougher penalties.

# Does this **sound fair** to you?

**M**any of you would be surprised to learn that by using a song in the background on a YouTube video or backing up a DVD you have legally purchased, you are breaking the law.

The peculiar aspect of copyright law is that it continues on paper to prohibit activities that have been commonplace for decades and are carried out using gadgets (DVD recorders, computers, software packages) that have been marketed to us vigorously by the biggest tech companies in the world.

It has been calculated that many billions of dollars in damages could theoretically be payable if all rights holders (film studios, record labels etc.) were to enforce their rights to the maximum possible extent. We are therefore in the strange position of having laws which can only continue to exist because they are not enforced.

In the era of user-generated content and social media, for copyright law to have some measure of public acceptance and respect, it should reflect mainstream values about what is fair and be easy to understand.

Currently Australian copyright law does have a few exceptions that apply if the use of the material fits within particular purposes. These include:

- › Research or study;
- › Criticism or review;
- › Reporting news; and
- › Parody or satire.

This last one was tacked on after a long and drawn-out court battle in which Channel Nine sued Channel Ten's comedy news show "The Panel" and which resulted in the farce of Federal Court judges ruling on whether particular news clips were

aired for a joke (forbidden) and which for "criticism or review" (permitted).

ACCAN along with a coalition of other groups led by CHOICE thinks these narrow "fair dealing" exceptions should be replaced by a broad exception such as exists in the United States called "Fair Use". Such a broad exception is exactly what has been recommended by the Australian

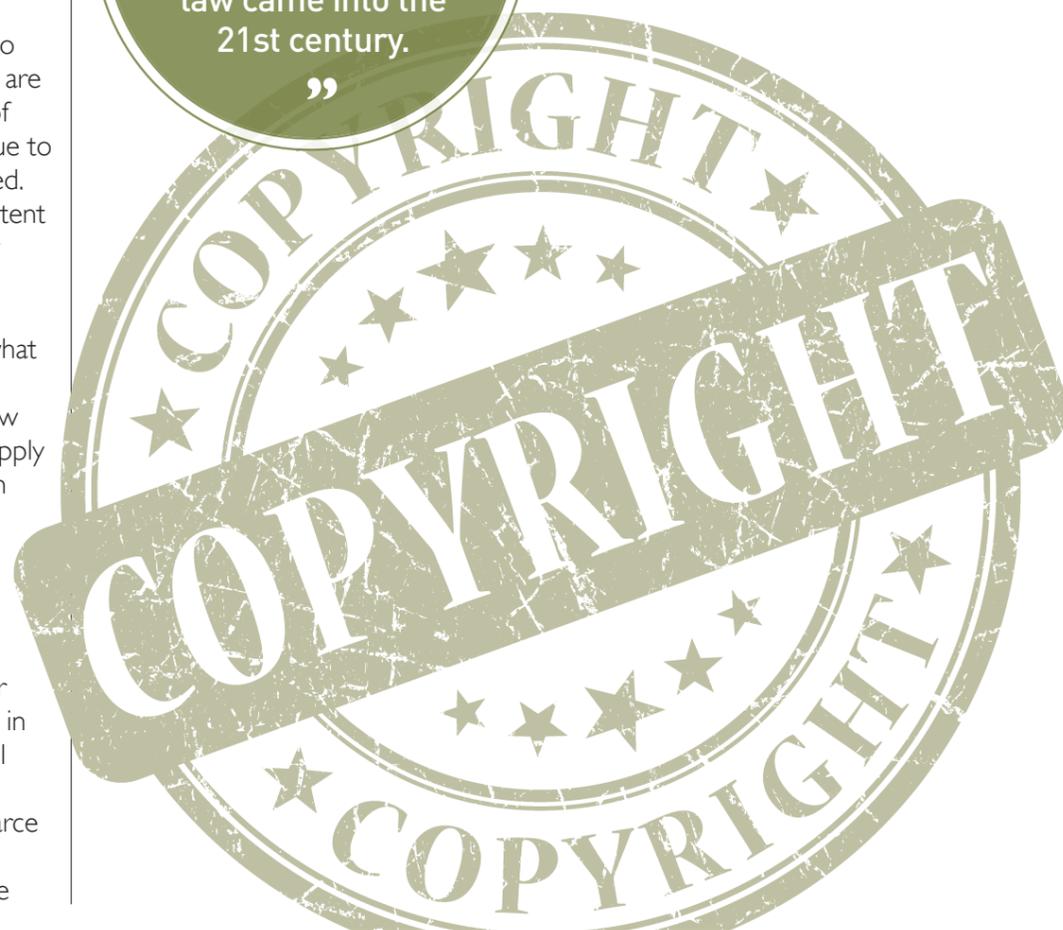
“  
We hope that the government will listen to the ALRC. It's time that copyright law came into the 21st century.  
”

Law Reform Commission (ALRC) in its newly released inquiry into copyright law.

We hope that the government will listen to the ALRC. It's time that copyright law came into the 21st century.

If there is a dispute, the courts should be able to examine the overall fairness of the use in all the circumstances rather than start hair-splitting about the purpose as happens now.

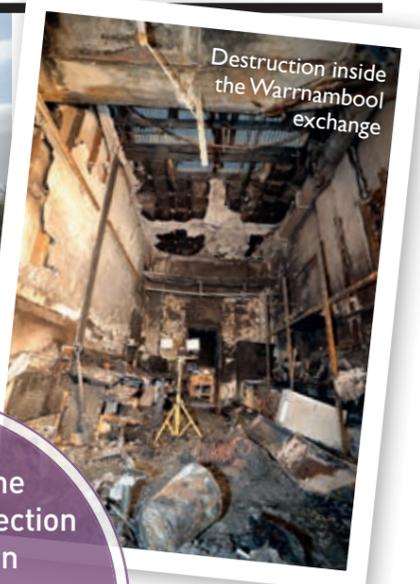
So we hope that the threat of a lawsuit or fines for a home video with a fragment of a song in the background will soon be a thing of the past.



# Disconnected in Warrnambool



Firefighters at the Warrnambool exchange fire



Destruction inside the Warrnambool exchange

On average, the length of disconnection experienced in Warrnambool was:

- › Landlines - 10.12 days
- › Mobiles - 4.21 days
- › Internet - 10.59 days

**J**ust over a year ago, in the early hours of a November morning, a fire broke out in Telstra's Warrnambool Telephone Exchange building. Each one of Telstra's customers in the Warrnambool region – in south western Victoria – was affected by the incident. Even with the efforts of Telstra staff working tirelessly night and day for weeks, many customers were left without a landline, mobile or internet service for up to twenty days. While the total number of people affected by the disaster is difficult to accurately conclude, Telstra's report into the incident, released in March 2013, found that over 100,000 people were impacted in some way. Many people were unable to communicate with family and friends or to make vital purchases such as food or fuel. ATMS were also down.

Many residents of the Warrnambool region have reported on the financial impact of the outage and also commented on the difficulty of performing their tasks at work without phones or internet. Others were affected emotionally – citing examples which left them feeling stressed and

anxious. In one man's words: "I recently had a heart attack and was still recovering and felt very vulnerable and isolated, concerned that if I became unwell there was no way of getting help."

As residents grappled with the large scale impact of this unexpected disaster, questions began to surface. Why were local governments, small businesses and indeed Telstra so woefully underprepared to deal with this disaster? How could they be better prepared in the future to mitigate the effects on the community? How could consumers themselves be prepared?

These questions were in fact investigated by a team of researchers from the Royal Melbourne Institute of Technology (RMIT University), which has a campus in Hamilton – one of the areas affected by the telecommunications outage. Equipped with a grant awarded under the ACCAN Grants Scheme, the researchers have explored and analysed the social and economic impact of the outage through a series of surveys,

interviews and focus groups with affected residents. Once the data has been collated and analysed, a research report will be put together looking at future

event planning for telecommunications outages. The researchers will recommend steps to government, local councils, individual consumers and telcos that can be taken in the future to fast-track the recovery process.

RMIT's project forms a part of ACCAN's Grants Scheme which funds projects examining the social, financial or environmental impacts of technology for consumers. Successful projects, funded under the scheme, are either educational initiatives, research projects (like RMIT's) or advocacy work. Keep a look out for RMIT's research findings and report which is in its final stages of preparation and due out by the end of March.

The 2014 grants round is now open and accepting applications until 9th April 2014. For more information, visit [accan.org.au/grants](http://accan.org.au/grants)

# Consumer Action Law Centre

**T**he Consumer Action Law Centre (Consumer Action) is a community legal centre, providing free legal assistance and financial counselling to some of Victoria's most disadvantaged and vulnerable consumers.

Consumer Action offers advice on a range of issues including loans, mortgages, car finance, pay-day loans, insurance, telcos, gas, and electricity. They are also a campaigning body, publicly advocating for change on issues facing their clients.

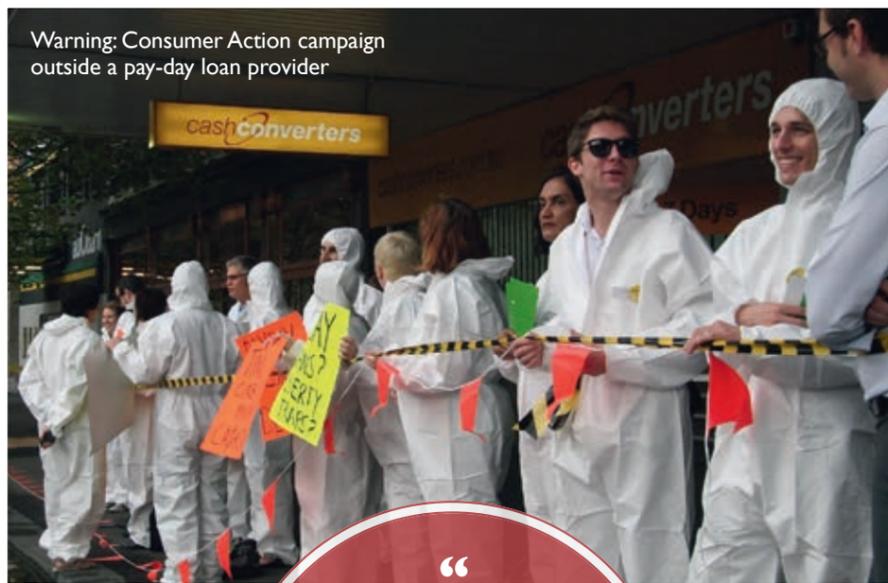
Among the most well-known of their campaigns is 'Do Not Knock'. The campaign has been putting a stop to unwelcome, dishonest and intimidating door-to-door salespeople.

"Consumer Action and Financial Counsellors Australia started the 'do not knock' campaign back in 2011 and we're really pleased that the 'do not knock' sticker now amounts to a request to leave your property under Australian Consumer Law," says Consumer Action CEO Gerard Brody.

Brody's history with Consumer Action goes back to his student days when he volunteered at Consumer Law Centre Victoria (as it then was) to further his interest in the energy sector. Indeed, this sector has been front and centre in the Do Not Knock campaign.

"The three major energy retailers have all voluntarily ceased door-to-door sales since our campaign began. But there's still a problem with the second-tier energy companies – they're still out there doing it. But the sticker has added a lot to consumer protection."

Consumer Action is also regularly in contact with telco consumers about debt collection. "It's a big issue. Over



Warning: Consumer Action campaign outside a pay-day loan provider

**“We've had particular issues with one debt collector that was misleading people and saying they'd take their house or they'd inform their family members.”**

the last few years we've dealt with people suffering from exit fees or when they'd gone over their cap. They were often unable to pay thousands of dollars to a telco and that was sold on to a debt collector."

The behaviour of some of these debt collectors also has Consumer Action concerned.

"We've had particular issues with one debt collector that was misleading people and saying they'd take their house or they'd inform their family members." These kinds of threats are wrong and unlawful.

Gerard says part of the solution lies with the telcos monitoring and having strong contracts with their debt collectors.

"Currently, there's not a lot of regulation around these contracts.

Sometimes we've seen debts that have been sold to debt collectors where there's no existence of a debt. We think the reputation impact of a telco using a poor debt collector is a significant risk."

The behaviour of debt collectors can often have serious effects on consumers. "It really has significant impacts on [people's] mental health and well-being."

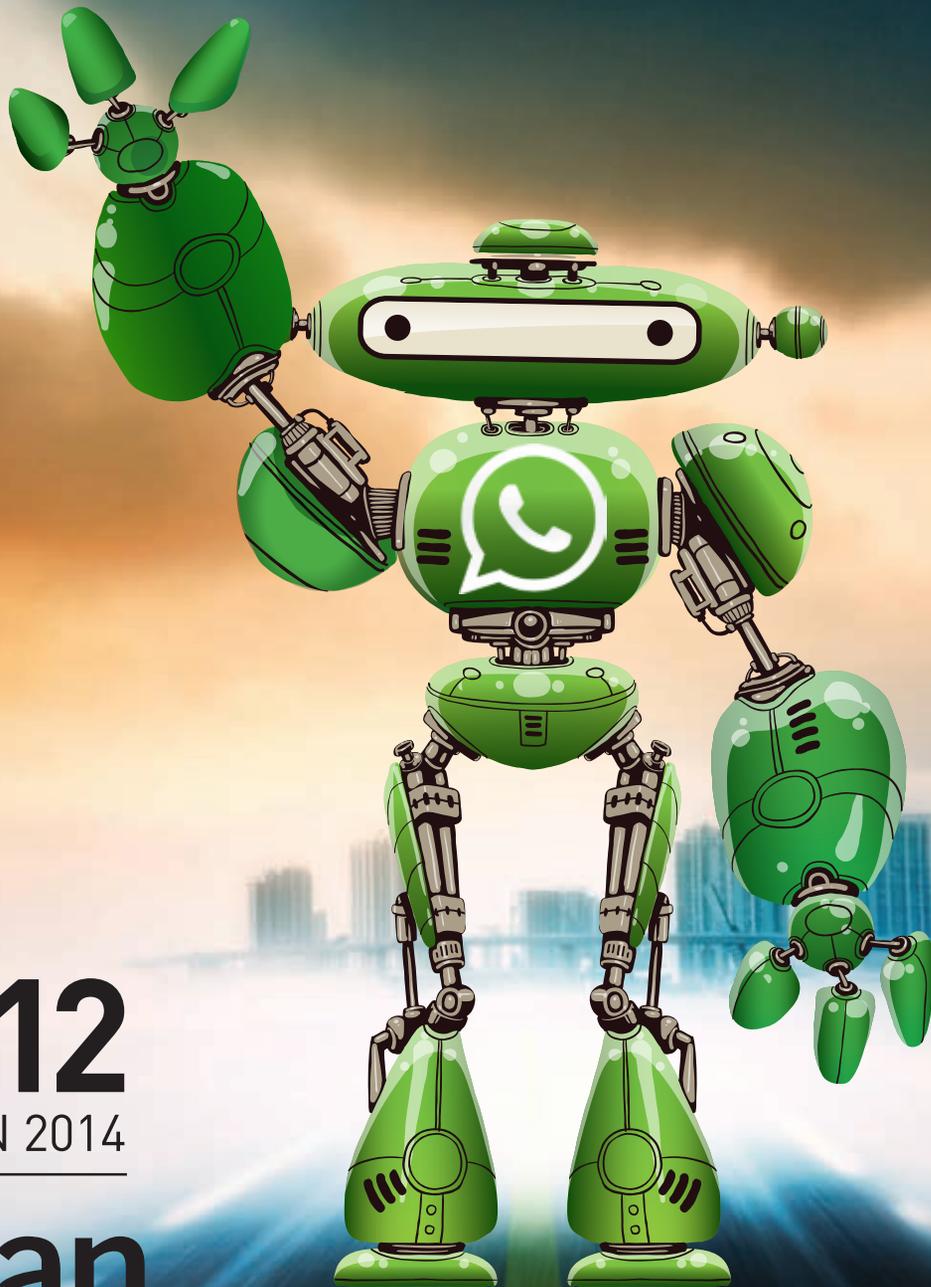
Gerard warns of the effects of changes to credit reporting coming into effect on 12 March 2014. "My concern is with some credit repair companies – they promote themselves as fixing people's credit reports, charge thousands of dollars and mislead you on how they can fix your credit report. It's all something consumers can in fact do for free."

## Can't afford to pay your bill?

- 1 If you can't pay your bill, don't panic but don't ignore it.
- 2 Contact your provider to talk through your options – it is often possible to agree to a payment plan or come to another arrangement.
- 3 Ask that the provider not charge you a late payment fee.
- 4 Your provider can disconnect, suspend or restrict your service if you don't pay your bill. In most cases your provider has to warn you in writing at least twice, and at least five working days before it disconnects the service.
- 5 If your service is disconnected, suspended or restricted, you can ask your provider to review the decision.
- 6 If you cannot reach an agreement with your provider about a payment plan, you should contact the Telecommunications Industry Ombudsman (TIO).



Consumer Action CEO Gerard Brody



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