



'Phew!' for Remote Phone Users

AUSTEL's report on rural and remote telecommunications issues was released publicly in February, and those whose special needs it identifies have reason to be thankful that its recommendations will be put to a Keating, rather than a Hewson, Government.

AUSTEL's reports tend to be cautious and non-controversial, as if avoiding anything that might be at all startling or too critical of vested interests. True to form, this report concluded that, overall, Telecom has met the needs of Australia's country and out-back areas well, with phones in 93 per cent of households in those areas. But as chairman Robin Davey tactfully put it in a release announcing the report, 'AUSTEL's investigation shows that there are...particular needs to be met in specific areas'. Areas where improvements are required are:

- serving the **needs of Aboriginal communities**, particularly those returning to live in traditional environments;
- the **quality of the standard telephone service** to rural and remote users;
- **delivery of enhanced services** to rural and remote areas.

The Universal Service Obligation requires AOTC to provide 'standard telephone services' throughout Australia. This has been interpreted to date to mean that, at the very least, all Australians have a right to a basic phone service of equal quality no matter where they live. As the basic phone service is increasingly developed and enhanced, the definition of a standard service could be expected to expand accordingly.

The needs of disadvantaged phone users such as remote and disabled people, however, will always take a back seat when profitable operation is the primary aim. Under the fully privatised Telecom proposed by the Coalition, the likelihood was that services

to these groups would have deteriorated.

What It Recommends

AUSTEL's report acknowledges that telecommunications services are increasingly important to Aboriginal communities and can provide them with 'improved economic, cultural and social stability'. It is a matter for concern, therefore, that it identified a range of Aboriginal communities which have limited or no access to the standard telephone service.

The report recommends that there should be an extensive program of consultation and information provision specifically designed to identify, meet, and continue to monitor, the needs of these communities. AUSTEL itself will facilitate the development of such a program by carriers, service providers, ATSI and Aboriginal organisations.

The report says that the standard of service by some rural and remote customers is inferior to that received by metropolitan customers. In some cases, the difference in quality is so marked that standard telephone service criteria are probably no longer being met. AUSTEL is to monitor - in geographic areas smaller than AOTC's currently defined 'country regions' - such data as congestion, line quality, line drop-out and service restoration times. AUSTEL will also facilitate an agreement between carriers and interested parties on a policy for improving service quality, and strategies for implementing that policy.

In relation to advanced services such as Calling Line Identification and enhanced billing, AUSTEL is to continue to monitor AOTC's network modernisation program to ensure that these enhancements are offered to rural and remote areas as soon as practicable. The report also recommends that AUSTEL convene a forum involving carriers and interested parties to

identify the best ways of delivering such services to far-flung areas.

AUSTEL is planning consultation with carriers, consumer groups, relevant Government departments and business organisations.

Its report is the result of wide consultation, with an extensive awareness campaign in the media, the distribution of over 3500 inquiry guides to relevant organisations and individuals, public meetings in Queensland, NT and WA, and research into overseas and Australian experience.

Pay Phones Report

AUSTEL's rural and remote inquiry was established in response to a Ministerial request in July last year. At the same time, the Minister requested that the regulator look into the issue of payphones.

Like its fellow, the payphones report comes to an unexceptionable conclusion: 'Overall, the provision of payphone services in Australia is reasonably acceptable in terms of adequacy, accessibility and location, including, particularly, access by those persons without a private telephone'.

The report makes no recommendations, and it is necessary to read between the lines for a sub text which might be significant.

A definite note of criticism creeps into the chapter on the payphone user, where, commenting on the fact that AOTC research data on payphone users only became available in 1988, at the formation of Telecom Payphone Services, after most of the public payphone network had been set in place. 'The lack of data on public payphone users raises fundamental questions on the current adequacy of the public payphone network', the report says. 'For example, if no data were available on users of public payphone on what basis was the loca-

Continued on page 13 ...



... Continued from page 12

tion of public payphones determined, and how adequate are these locations to current users'. The report goes on to question whether, in the absence of needs data, public payphones provide the facilities the public require, or how adequate current payphone models or booths are.

AUSTEL commissioned its own research into payphone users in connection with this inquiry, and came up with some useful and interesting findings in field where there is a dearth of existing research. For example:

- seventy per cent of pay phone users were male;
- the age group 19-29 made the highest volume of calls (38 per cent);
- a majority of people with hearing disabilities and other physical disabilities thought that payphones did not cater adequately for their needs.

A key finding of the survey was that a high proportion of payphone users (20 per cent) did not have a private phone at home, and six out of ten of these people had a household income of less than \$25,000. Two thirds were not in paid employment, and more than half were on social security.

Asked why they had no phone at home, 27 per cent of this group said that it was too expensive to install and 21 per cent, that it was too expensive to run.

These findings have important implications in the context of the Universal Service Obligation requirement for payphones which are 'reasonably accessible'. Price controls for payphones apply only to **public** payphones, though presumably Telecom can count the provision of any kind of payphone (including blue phones which may charge as much as 80c a call) towards its USO.

But the research suggests that cost could be a major factor in accessibility. This could give AUSTEL a rationale for rejecting any price increase for payphones proposed by Telecom if accessibility by a significant group of users is to be maintained. □

AOTC Top in Telecoms Growth

In line with Government policy to open up telecommunications markets in Australia, the last five years have seen significant growth, with 117 companies currently offering around 400 information services, communications networks, wireless and video/broadcasting services.

While this is an impressive record in a time of recession, AOTC, the Government carrier comprising Telecom and OTC, still dominates when it comes to revenue. Although it has only 25 per cent of the services on offer, AOTC controls more than 70 per cent of the revenue of the \$2.7 billion telecommunications services market (excluding non-enhanced phone services).

AOTC operates 65 per cent of all networks services but generates 97 per cent of the revenue in this sector, and in wireless, where it operates only 17 per cent of all services, it generates a staggering 83 per cent of revenue.

The statistics are taken from the *Directory of Electronic Services and Communication Networks in Australia and New Zealand*, \$235 annually with three quarterly updates. To order: (049) 988 144 or fax (049) 988 247. □

Timed Local Calls Hysteria

Among all the scare tactics and furphies of the election campaign, possibly none was more spurious - or more cynical - than the resuscitation by the ALP of the Great Spectre of Timed Local Calls.

It was under the Hawke Government that this issue first entered the demonology of Australian voters. The tragedy is that the issue of timing telephone calls was so ineptly handled at the outset, and the extent of rational debate so negligible, that only an extremely brave (or unpopular) political party would dare express support for it.

John Hewson had the issue thrown at him on the campaign trail in outback South Australia and at first sidestepped it. When the inevitable storm broke, however, he was forced to back down and make a statement that there would be no timed local calls.

Australian domestic phone users are not given any information which would help them to consider the issue rationally. For instance, how many people understand that under the current system, businesses are able to send hundreds of faxes for the cost of one local call, an inequity for which the domestic subscriber ultimately must pay? Nor has it been made clear to the public that domestic users who make many short local calls could potentially make considerable savings on their phone bills if they opted for a timed system, with the cost of a local call currently at 30 cents. Alternatively, it is technically possible right now to offer a fixed price option to subscribers.

While the Consumer Telecommunications Network welcomed Hewson's assurances about maintaining untimed local calls, CTN Co-ordinator Edwina Deakin said: 'Coalition guarantees of untimed local calls are all very well, but if they come at the cost of 40 or 50 cents a call, then consumers will feel betrayed.' She called on Dr Hewson to guarantee the current price cap for local calls of CPI minus 5.5 per cent.

Perhaps we can hope that, with the resounding mandate the Keating Government now has, the new Minister for Communications could at some future date attempt to initiate a more rational and less hysterical public debate on this issue? □