



# No Holiday For AUSTEL and TIO

**While CU and its readers were taking a holiday break, the telecommunications regulators have not been idle.**

A number of reports or publications have been completed or finally made public, four of which are of particular importance to consumers. The first two are AUSTEL reports to the Minister, the others are from the Telecommunications Industry Ombudsman and Telecom.

AUSTEL's *Final Report to Minister on the Network Termination Point Network Boundary* is dated September 1993, but in fact did not emerge from the Minister's office until December 1994. Given the complexity of the issues in defining a network boundary (see CU # 91) the delay in the report's release is hardly surprising.

AUSTEL recommends that the building entry point should with some qualifications, be the new network boundary. The reasons for moving away from the current network boundary (generally the first socket for residential premises, and the main distribution frame for businesses) to a building entry point are related to advances in technology and in the equipment used to deliver more advanced services.

Consumer groups argued that moving the network boundary away from the wall socket could particularly disadvantage consumers living in multi-tenanted accommodation such as Housing Commission flats, nursing homes, hostels or caravan parks, where carrier responsibility would not extend to the individual's home, but would end at a site on the building. The Report argues that the universal service obligation which now applies to Telecom requires the provision of service into a person's residence, and that changing the network boundary will not undermine that obligation.

Another point raised by consumers, and not fully answered by the Report, is that the current obligation on carriers is to identify and repair faults on their network both free of charge and as soon as practicable.

Moving the network boundary to a building entry point will mean that a portion of the network - between the wall socket and the building entry point, - will be beyond carrier responsibility.

Given the delay in this report's emergence from the Minister's office and the currency of the Telecommunications Policy Review, consumer issues raised by moving the network boundary should be fully addressed by the government's policy review before the Report's suggested changes are incorporated in new legislation.

## Another Delay

AUSTEL's 1993-94 *Report to the Minister on Competitive Safeguards and Carrier Performance* also, CU understands, spent some time in the Minister's office before making a late appearance.

Though it is somewhat thinner than last year's report, this Report has some new and welcome information for consumers. The media picked up AUSTEL's analysis of Telecom's compliance with its price control regime, which showed that its compliance in the past year has been due almost entirely to its offering of pricing discounts (including Flexiplans) and that there has been initially no reduction in its standard charges.

Another addition is the discussion of a 1990 Telecom Affordability Survey which has never been publicly released in full, documenting the importance of access charges and better credit management policies in ensuring continuing telephone affordability.

Service quality reporting has also been expanded. For the first time, AUSTEL has published 1991 service quality data for Telecom, allowing comparisons in performance with the years since competition was introduced.

Optus was cited for its 'less than satisfactory' service quality reporting, notably in not providing data which

had been the subject of extensive consultations: in particular, measures of customer satisfaction, charging and billing accuracy, fault clearance performance and international network performance. CU understands the data has since been provided.

AUSTEL has also, for the first time, evaluated the performance of Australian carriers against international performance. While such comparisons are difficult to make, as AUSTEL properly acknowledges, this section does try to show how Australian performance stacks up against other OECD countries on measures including the growth of the industry, service quality and price levels.

Most recently, AUSTEL has announced an important move on behalf of consumers - a tightening up of requirements in relation to 'churn', or changing your carrier choice.

The move follows what AUSTEL said were 'increasing numbers of complaints' from phone users claiming that their carrier selection had been changed without their consent. Such a change can only take place after customers have signed an official Change of Authority form, but it seems that some people - notably those lacking facility in the English language - may have signed the form as a result of a hard sell. AUSTEL was critical of 'questionable selling activities by agents of Optus ... who want to influence consumers to change their preference of long distance carrier'.

The new system will mean that any change in the preferred carrier will take place only after the account holder verifies the change verbally as a follow-up to signing the form. Optus has also undertaken to employ more bilingual agents and representatives, and Telecom has proposed an industry code of conduct to ensure the protection of consumers' rights.

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AUSTEL's other recent reports largely cover competition policy issues and are listed in Policy File (p 36).

A final report which CU understands has been prepared but, as we went to press, had not been publicly released by the Minister's office is AUSTEL's September Quality of Service quarterly bulletin. The Minister's scrutiny of and interest in AUSTEL reports, including service quality and carrier performance, is welcome. However, the delay in releasing important AUSTEL reports can only result in a public which is less than adequately informed on telecommunications issues.

## TIO's First Annual Report

The Telecommunications Industry Ombudsman's (TIO) first *Annual Report* released in December, chronicles the large number of disputes the carriers still fail to settle internally, and clearly demonstrates the value of having a TIO.

In its first year of operation, the TIO office handled over 10,000 cases (over 80 per cent were enquiries and the remainder escalated to the consultation stage (9 per cent), the complaints stage (also 9 per cent), while 72 (or less than one per cent) reached the dispute stage. Not surprisingly, billing complaints represent the largest percentage (35 per cent) of cases received. The next largest categories (at just over 10 per cent each) were about faults and basic service. □

Holly Raiche



## Help For Phone Users

Telecom deserves a pat on the back for two recent publications, *A Guide to Using Telecom's Telephone Service* and a booklet, *Helpful Information About Your Telecom Service*, which is being distributed free along with customer accounts and is a shorter version of the Guide.

The latter, available free on request, includes much useful and detailed information such as what the telephone service provides, the time it is likely to take to get faults repaired, and the availability of credit management options.

Unfortunately, Telecom seems to have failed to let some of its customer service staff know about the Guide, despite promoting it to the public through advertising. The SMH (14 Feb) reported that at least two callers to the '13' number given for free calls to obtain the booklet met with a blank: the staff taking their call had never heard of the booklet. □

## Woodchip Propaganda For Tiny Tots?

The ABC's Independent Complaints Review Panel, a group of estimable citizens which is normally called upon to adjudicate on somewhat weightier matters, recently had to deal with alleged anti-woodchipping propaganda in the theme song for the children's television series, Blinky Bill.

This knotty problem (sorry!) arose when one Mr E F Herbert, chairman of the State Forests of NSW, complained that the song constituted 'dishonest propaganda' and 'subverted the minds' of kindergarten-age viewers.

## BRIEFS

The ICRP did not uphold the complaint, stating that 'the song's evident bias and factual inaccuracies can be justified by the artistic licence permissible in children's fantasy programs'.

Nevertheless, the panel said it thought that in view of the possible conditioning effect of such programs on young minds, the ABC should think about developing some guidelines in this area. Managing Director David Hill thought it would be a good topic for discussion at the forthcoming World Summit on children and television in Melbourne (see Policy File, p. 36). □

## Ain't It The Truth?

Possibly the most celebrated headline of recent years was that used by the Melbourne *Truth* on the death of former Liberal leader Billy Snedden, allegedly while engaged in an act of sexual congress with an unspecified woman: SNEDDEN DIES ON THE JOB. CU has it on excellent authority that the original head suggested by the sub, but rejected by the editor as 'too metaphysical', was SNEDDEN COMES AND GOES. □

## They Said It.....

"I read the same story every Saturday under Errol Simper's by-line in *The Australian*..... I was relieved to see Errol is alive and well, because there was a rumour that he was long dead and the creative sub-editors of *The Australian* have been, with a pair of scissors and paste, putting the same story in the paper each Saturday." □

ABC Managing Director David Hill to the Senate Select Committee on ABC Management and Operations, 13/12/94.