



***AP PHONE HOME:
The Forgotten Percentage***

**Pitjantjatjara Yankunytjatjara Media
Aboriginal Corporation's
response to the call for public
submissions to assist the
Review of the Operation of the
Universal Service Obligation and
Customer Service Guarantee
(Parts 2 and 5 of the Telecommunications
(Consumer Protection and Service
Standards) Act 1999)**

6 February 2004

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1 Abbreviations and acronyms

ACA	Australian Communications Authority
Anangu	Aboriginal people
AP	Anangu Pitjantjatjara
CDEP	Community Development Employment Program
CSG	Customer Service Guarantee
CTN	Consumers' Telecommunications Network
DCITA	Department of Communications, Information Technology and the Arts
HCRC	High Capacity Radio Concentrator
NTN	Networking the Nation
PYMedia	Pitjantjatjara Yankunytjatjara Media Aboriginal Corporation
RFP	Request for proposals
Sat	Satellite
SMP	Standard Marketing Plan (Telstra)
STS	Standard telephone service
SWING	HCRC system is branded as SWING
TAPRIC	Telecommunications Action Plan for Remote Indigenous Communities
TCPSS Act	Telecommunications (Consumer Protection and Service Standards) Act 1999
TIO	Telecommunications Industry Ombudsman
USO	Universal Service Obligation

2 Introduction

Section 9(1)(a) of the *Telecommunications (Consumer Protection and Service Standards) Act 1999* (TCPSS Act) means that Telstra is obliged to ensure that standard telephone services (STS) are reasonably accessible to all people in Australia, regardless of their geographic location. As many Indigenous people in remote and very remote communities on mainland and island Australia cannot subscribe to STS they are ostracised from 'the transformation of the communication landscape in rural and remote Australia'.¹ Although the Federal Government's *Telecommunications Action Plan for Remote Indigenous Communities* (TAPRIC) found 'generally adequate' infrastructure for basic fixed telephone services, it cited lack of affordability and associated issues as key barriers to access to fixed-line home services.²

For the Indigenous residents of remote and very remote communities, securities offered by the Universal Service Obligation (USO) are generally irrelevant. In many instances the USO does not address the telecommunication needs of remote and very remote Indigenous Australia. The procedures and mechanisms designed to effect the USO exclude their requirements.

While this paper concentrates on issues for Indigenous communities in the very remote cross-border area of Central Australia (NT, SA and WA) as experienced by Pitjantjatjara Yankunytjatjara Media (Aboriginal Corporation) (PYMedia), its application is transferable to other remote and very remote Indigenous communities on mainland and island Australia. All of these are typified by:

- their isolation;
- sparse populations which have English as a second language;
- low per capita incomes;
- few or no public phones
- a lack of telecommunications infrastructure;
- the majority of telecommunications services being available only during business hours in administration offices (i.e. office, clinic, store etc) rather than in people's homes; and
- a general absence of local banking facilities / post offices / telecommunications outlets (i.e. phone shops.)

These characteristics limit the application of the USO across remote and very remote Indigenous communities and mean that they miss out on the services available to the residents of larger centres.

¹ Hon Daryl Williams, *The Government's approach to telecommunications in the bush*, 8th Rural and Remote communications conference, www.dcita.gov.au, p. 1.

² For further discussion see Phillipa Mansor, *Progress Report on the Telecommunications Action Plan for Remote Indigenous Communities*, Consumers' Telecommunications Network (CTN), October 2002, p. 3, www.cnt.org.au/DiscussionPapers

3 Pitjantjatjara Yankunytjatjara Media (Aboriginal Corporation)

3.1 Background

PYMedia is a pioneering Indigenous organisation that has made significant achievements in the areas of communications, broadcasting and media production. PYMedia's work is centred on the Anangu Pitjantjatjara Yankunytjatjara (APY) communities in the north-western corner of South Australia, where approximately 3000 Indigenous people live on the 104,000 square kilometres of freehold AP Lands. For further information about PYMedia, visit www.waru.org.

3.2 Cost of Living Study

In 1998, Anangu Pitjantjatjara (AP) Services Inc. contracted Kutjara Consultants to undertake a 'Cost of Living Study' on the AP Lands³. The study looked at a hypothetical family consisting of two CDEP⁴ workers, a pensioner and three children in order to construct an optimum family income profile. Approximately 85% of Anangu workers are on CDEP. 1996 figures recorded optimum CDEP payments as between \$131 to \$156 per week after tax.⁵ Kutjara Consultants examined the CDEP and community wage records for every community. These showed that a majority of Anangu families receive a less than optimum income of \$600 per week.⁶

Kutjara Consultants put together a healthy living weekly stores box, consisting of food and other health items necessary to keep this hypothetical family for a week. The average price of the weekly stores box was \$500 per week.⁷ In their analysis, Kutjara Consultants found that an Anangu family would spend 85% of their income on these goods. Given this is an optimum income and minimum cost analysis, most Anangu families are condemned to a situation where they cannot afford sufficient basic items.

³ Liz and John Tregenza, Kutjara Consultants, 'Cost of Living Study', *Resource Management Report*, Anangu Pitjantjatjara Services, 1998.

⁴ CDEP: Community Development Employment Program

⁵ CDEP payments for 2004 approximate \$171 per week. Note that prices in stores have increased since the study was conducted.

⁶ Besides CDEP, members of the hypothetical family contributed an aged pension and family allowance payments to the family income.

⁷ The health living box did not include motor vehicle fuel and oils, cigarettes, convenience foods, lollies and cool drinks. Kutjara Consultants purchased the same box in Alice Springs and found that it was 23% more expensive on the AP lands. Note that studies comparing national supermarket prices have found that Alice Springs is more expensive than other major Australian cities.

3.3 Telecommunications

In 2000/2001 PYMedia undertook a telecommunications user needs survey that identified the following major barriers to installing residential fixed-line phone services for Indigenous Australians:

- The initial up-front connection charges and associated costs such as monthly line rental. For many Indigenous Australians living in remote and very remote areas the costs of connecting telephone services is prohibitive. In addition, many homes have been built without pre-cabling for telecommunications services.
- The on-going recurrent charges which some Indigenous Australians have difficulty in managing and which invariably end in disconnection and debt.

These barriers were re-iterated in discussions with communities and homeland groups and have been reinforced in the Federal Government's TAPRIC report, specifically citing a lack of affordability and associated issues as key barriers to the acquisition of residential fixed-line phone services.

3.4 Networking the Nation funding

PYMedia submitted an application for funding to the Department of Communications, Information Technology and the Arts (DCITA) Networking the Nation (NTN) program to address these issues under the project name of iConnect. Key submission components were:

- A subsidy to fund initial connection charges of USO-type telephone services; and
- Funds to develop and deploy an over-arching pre-paid service arrangement that would enable Indigenous users to manage their phone service more effectively and avoid incurring debts.

In 2002 PYMedia was successful in obtaining an NTN grant to increase the penetration of affordable residential telephone services for Indigenous householders. The broad objectives of the iConnect project are to:

- Assist Indigenous residents of rural, regional and remote South Australia, southern Northern Territory and the Ngaanyatjarra Lands of Western Australia to obtain connection to a residential type telephone access service equal to that enjoyed by the rest of Australians; and
- make available a residential type telephone call service that is both affordable and economically sustainable for Indigenous people.

PYMedia was very excited about getting the NTN funding, with which it hoped to assist Indigenous people to get phones at home.

The iConnect Project combines access to a STS with a credit management arrangement (Telstra's InContact scheme). The application process requires a potential user to first apply through the iConnect Project to Telstra for a STS and nominate conversion to InContact. PYMedia monitors iConnect orders in conjunction with a Telstra project management team and liaises between Telstra and the customer. PYMedia supplies subsidised handsets, advocates for phone card availability in communities, employs trenching contractors, and funds trenching and residential fixed-line phone service installation.

The iConnect Project has enabled PYMedia to develop links with DCITA and Telstra to examine affordable options for fixed-line home phone services using both terrestrial and satellite technology. PYMedia is known for finding answers to the communications problems of remote communities. In providing Telstra with access to its knowledge and assets, PYMedia is assisting Telstra to fulfil a similar commitment.

3.5 Limitations of the 'InContact' pre-paid scheme

Historically, the rate of subscription to residential fixed-line phone service has been extremely poor in the cross-border region of Central Australia, and similarly in other remote Indigenous regions. As Acting Australian Communications Authority (ACA) Chairman Dr .Bob Horton said in September 2003, referring to the Kimberley and Great Sandy Desert areas:⁸

'A large number of remote Indigenous Australians rely on payphones for their telecommunications. Some studies suggest that in these areas as few as five per cent of people have access to a phone at home, compared to 99 per cent of Australians as a whole.'

As at January 2004, the iCONNECT Project has arranged 62 InContact connections (existing STS to InContact: 32 services; new STS to InContact: 30 services). Awaiting delivery are a further 276 orders for new InContact services and 81 existing STS services for transition to InContact. As yet, the iConnect Project has marketed to 40 per cent of customers in its intended service area. The lack of existing infrastructure in remote areas may mean that many applicants will not be able to get InContact.⁹

The community response to the iConnect Project has been very positive. However, as people begin using their pre-paid phone cards (PhoneAway) in their InContact home phones, PYMedia has received numerous complaints about the cost of calls in

⁸ ACA, 'ACA to visit Kimberley and Great Sandy Desert communities for payphone review', *Media Release No. 34 - 19 September 2003*, www.aca.gov.au

⁹ For further information, see Section 3.5, Infrastructure and Technology.



comparison to the cost of public phone calls. As remarked by a resident of Kanypi, SA:

'InContact cards chew up your dollars very quickly.'

All calls made using PhoneAway cards are subject to a 49c verification fee. The only relevant charge for a local call is the verification fee; STD calls cost 21c per minute; and calls to mobile telephones cost 44c per minute.

PYMedia is concerned that the InContact scheme does not offer an reasonably priced alternative to the STS due to verification fees and high STD call costs. InContact cannot take advantage of the Federal Government's initiative of untimed local calls for extended zones. PYMedia is trying to develop a system that is affordable and practical for both telephone service providers and Indigenous people living in remote mainland and island Australia.

Telstra has advised PYMedia that a customer cannot order InContact as a new service:

An InContact service cannot be ordered as new services from Telstra. Transition to an InContact service can only be applied for from an existing Standard Telephone Service (STS) with Telstra. As such Telstra proposes that all services ordered by PYMedia on behalf of its community members will be STS initially and transitioned to InContact service once the installation is completed.¹⁰

Telstra states that the InContact and PhoneAway services are not classified as an STS.¹¹ These are pre-paid services and the current USO, Customer Service Guarantee (CSG) and Telstra's Standard Marketing Plan (SMP) include within their definition only post-paid services. As a result, Telstra has suggested negotiation of a service arrangement with PYMedia based upon the geographic locations of the communities in scope for iConnect. However, proposed service contracts designed by Telstra have not been in the interests of PYMedia's consumers, so the organisation has not endorsed them.

By providing the fixed-line telephony option of InContact for very remote Indigenous communities, PYMedia is conscious that Indigenous people are not covered by the same service obligations as are the majority of Australians under the protection of the USO.

¹⁰ Telstra's response of May 2003 to PYMedia's Request for Proposal for Residential Telephony Services / Solutions, p. 13.

¹¹ Ibid, p. 15.

4 Comments and issues relating to the USO / CSG review

PYMedia's submission outlines issues that affect access to communication networks for Indigenous Australians living in remote and very remote areas. We are suggesting recommendations that will afford the same opportunities for telecommunications as those in larger centres.

4.1 Trenching and Lead-ins

- 4.1.1 Most houses on remote and very remote Indigenous communities were built without regard to telecommunications cabling. Therefore, the majority of houses require a lead-in cable to be trenched and backfilled from the Property Entry Point to the Building Entry Point (boundary fence to the house). It is the customer's responsibility to pay for this.
- 4.1.2 The iConnect Project has found that trenching completed by individual communities costs approximately \$100 per trench. However, if the community does not own suitable machinery and an outside contractor has to be employed, costs range from \$100 to \$275 per trench plus mobilisation. Such costs depend on the distance between the contractor's base and the community to which the contractor must travel. For example, APY Services, which is located on the AP Lands, charge between \$3.36 and \$54 per house, plus a daily travel allowance fee of \$75. In addition to trenching expenses are fixed-line connection costs of between \$59 and \$209 per connection. The lower rate occurs where Telstra is not required to attend at the customer's premises.
- 4.1.3 Mobilisation costs associated with engaging contractors in remote areas makes trenching unaffordable for residents.
- 4.1.4 Few communities have the equipment to do their own trenching.
- 4.1.5 If communities do complete their own trenching, health and safety issues arise if a trench is left uncovered. PYMedia has experienced difficulties and delays in finding conduit / drawstring suppliers and arranging for deliveries to very remote communities.
- 4.1.6 Co-ordinating trenching by community or by contractor with appointments from Telstra cabling workers is difficult in remote areas.
- 4.1.7 Network extensions are charged to the customer where a Basic Telephone Service is to be supplied by cable and the Property Entry Point is located more than 500 metres route distance from the Network Point of Presence. Some new services in remote areas may require network extensions beyond 500 metres. Network extension costs are not affordable for individuals. Customers are charged \$28.60 for each 500-metre route distance, or part thereof, beyond the first 500 metres to a maximum additional charge of \$1540.00.
- 4.1.8 Telstra's 'economic distance' calculation applies in its decision either to provide a customer with a network extension for a STS, or to install a mini satellite service (not compatible with InContact). The customer has no choice as to which technology is delivered. Some mini satellite users have incurred

debts and had services disconnected. This indicates the lack of economic viability of these services.

4.2 Recommendations: Trenching and Lead-ins

- 4.2.1 That new service connection costs incorporate trenching costs within existing connection cost levels.
- 4.2.2 That trenching charges are met under the USO.
- 4.2.3 That network extensions charges are met under the USO.

4.3 Phone cards / pre-paid solutions

- 4.3.1 In discussions with Telstra about the iConnect Project, the Australian Communications Authority (ACA) has expressed the view that the obligations of the USO continue to apply to applications for an STS submitted under the iConnect Project which essentially combines an STS with a credit management arrangement such as InContact. This matter is still under consideration.
- 4.3.2 Pre-paid solutions such as Telstra's InContact service are not supported by the USO or CSG.
- 4.3.3 Interim services for remote areas are usually mini satellite services. Mini satellites do not support phone card use. PYMedia was advised by Telstra's iConnect Project Managers (13/8/03) that due to the technical limitations of satellite services, InContact cannot be provided on satellite services.
- 4.3.4 USO satellite technology does not support pre-paid solutions at this time.
- 4.3.5 Phone company billing and payment arrangements are not suitable for individuals who do not have cheque books, credit cards, local phone shop or post office, or access to phone / internet banking. This is the situation for many Indigenous peoples living on remote and very remote communities.
- 4.3.6 As stated by Telstra, only a limited number of InContact services are available at any one time¹². Telstra can refuse InContact to a customer, even though the customer satisfies eligibility criteria. Therefore, supply of InContact is at the discretion of Telstra.
- 4.3.7 Telstra is currently under no obligation to provide a pre-paid service such as InContact and, in fact, the position of Telecommunications Industry Ombudsman (TIO) on the provision of Telstra's InContact services is as follows: *'The decision to introduce such a product, and the determination of any eligibility criteria, are commercial decisions of providers. As the TIO has no jurisdiction over the commercial decisions or business practices of its Members, it is not in a position to direct Telstra to provide an InContact service where the customer does not meet the eligibility criteria.'*¹³

¹² Ibid, p. 13.

¹³ See TIO Policies & Procedures, Part C: TIO Position Statements—Provisioning—"InContact services: Telstra's refusal to supply product" as available from the TIO website at www.tio.com.au

- 4.3.8 Call costs on phone cards are extremely high in comparison to rates available for STS. In addition:
- phone card callers do not get the advantage of untimed local calls charges under the Federal Government's extended zones initiative; and
 - special rates i.e. after 6pm, weekends etc. do not apply to phone cards.
- 4.3.9 Phone card access numbers are too long. To make a local call, you have to dial 34 numbers.
- 4.3.10 There is no access to call assistance or support lines to deal with the particular needs of Indigenous residents of remote areas (who may have low literacy levels and also unaccustomed to dealing with 'push-button' technology or telephone operators).
- 4.3.11 Automated phone card instructions come in many languages but not in Indigenous languages.
- 4.3.12 Pre-paid mobile telephone services have significantly benefited low-income users who were previously at a high risk of incurring large debts for the use of mobile telephones. It may be possible to customise a pre-paid residential fixed-line phone service using the example of pre-paid options in the mobile telephone industry.

4.4 Recommendations: Phone cards / pre-paid solutions

- 4.4.1 That there should be no doubt that the obligations of the USO continue to apply to applications for an STS submitted under the iConnect project which essentially combines an STS with a credit management arrangement such as InContact.
- 4.4.2 That the USO and CSG include pre-paid solutions.
- 4.4.3 That mini satellites support pre-paid solutions.
- 4.4.4 That interim solutions support pre-paid solutions.
- 4.4.5 That USO satellites support pre-paid solutions.
- 4.4.6 That phone cards use fewer numbers than existing access numbers that require 34 for a local call.
- 4.4.7 That phone cards used in remote areas co-exist with extended zone untimed local calls.
- 4.4.8 That supply of InContact is a first tier option rather than at the discretion of Telstra.

4.5 Infrastructure and Technology

- 4.5.1 Telstra offers the InContact Service only where existing terrestrial infrastructure is in place and where there is an available capacity (typically in larger cities and towns). If existing infrastructure is not in place, the InContact Service is outside of scope and Telstra would only be able to offer the standard STS as part of the USO.
- 4.5.2 Solutions offered to combat lack of infrastructure are not affordable for Indigenous people in remote areas.

- 4.5.3 Telstra does not offer InContact in areas where an interim service is in place. Telstra policy document # 009 021 section 4.3 states that '*An Interim service will not be provided for an InContact service*'.
- 4.5.4 As mini-sat or interim services are not compatible with pre-paid solutions, they are neither affordable for, nor attractive to, many Indigenous people from remote and very remote communities. Mini-sats are expensive to install and require an insurance guarantee of up to \$5000 from the customer. Because many Indigenous Australians cannot afford insurance, they are obliged (if informed) to reject the interim solution and under current arrangements, lose all USO entitlements as a result.
- 4.5.5 If a customer refuses an offer of an interim service, then the USO ceases.
- 4.5.6 Telstra's SMP obliges Telstra to provide the STS to people who request a service in a location that is not near existing infrastructure. Telstra has refused a number of PYMedia's applications for an STS that were submitted under the iConnect project due to an absence of infrastructure in the community or, insufficient capacity on existing telecommunications systems. Even though iConnect customer orders apply for a STS originally and request transition to InContact, Telstra opts to view iConnect customer orders as InContact requests only, which are outside of SMP (and USO and CSG).
- 4.5.7 Where USO satellite technology is in place or planned, prior consideration to whole of community needs is imperative. For example, if the number of phone services required to satisfy the needs of a community exceed a single USO satellite, then multiply USO sates must be installed. Already in some communities where a USO satellite is in place, all lines have been taken up by administrative services such as the community office, clinic and store. No lines are available for use by Indigenous residents. Administration offices on communities are open only during normal business hours but are closed, generally, for two hours in the middle of the day and on weekends. Indigenous residents are therefore restricted to making calls during office hours, and access can be denied where staff are busy, do not want lines tied up, or bills run up, or simply become fed up with constant demands for use of the (sometimes sole) telephone.
- 4.5.8 Telstra's HCRC SWING¹⁴ upgrade: Telstra has begun infrastructure upgrades for obsolete and at capacity equipment due for de-commissioning in remote communities. Potentially, SWING may decrease line capacity and also be incompatible with InContact services. Telstra has advised PYMedia that some customers currently with access to an STS will have that access removed due to the de-commissioning of existing radio networks following Telstra's HCRC SWING upgrade. If these upgrades are a result of the Government's response to TAPRIC report (*Part 3: Telstra's undertakings*¹⁵), then there needs to be greater scrutiny of Telstra's understanding of its obligations.

¹⁴ High speed radio concentrator (HCRC) system is branded as SWING.

¹⁵ Williams, op. cit, p. 3

- 4.5.9 Telstra has identified that old infrastructure can co-exist with upgrades to improve existing services within our region.
- 4.5.10 Remote and very remote Indigenous communities are excluded from the Government's objective; this is, that once the current targeted funding has been invested, 98 per cent of the Australian population will be within range of terrestrial mobile phone coverage.¹⁶ AP communities, and generally all of remote Indigenous Australia, fall into the remaining 2%.
- 4.5.11 Mobile services in Marla Bore, SA and Erldunda, NT could have been better positioned to allow for greater access to mobile services across the Anangu Pitjantjatjara Yankunytjatjara lands of far north-western South Australia. However, populations that do not live near regional highways were ignored in favour of tourists.

4.6 Recommendations: Infrastructure and Technology

- 4.6.1 That the USO, CSG and Telstra's SMP be technology neutral; ie telephony technology such as STS, USO-sat, mini-sat etc.
- 4.6.2 That all infrastructure supports pre-paid solutions.
- 4.6.3 That interim services support pre-paid solutions.
- 4.6.4 That the service provider meets the insurance on all network infrastructure whether interim or permanent.
- 4.6.5 That USO satellites are established in remote and very remote Indigenous communities with greater consideration of the residential needs of the community in conjunction with administrative requirements.
- 4.6.6 That USO satellite technology meet the needs of the community.
- 4.6.7 That Telstra's HCRC SWING upgrade does not reduce current or potential services.
- 4.6.8 That existing technology that can co-exist with HCRC SWING upgrades not be de-commissioned without a guarantee of service continuation.
- 4.6.9 That mobile services or an alternative solution are obtainable in remote areas.

4.7 Customer service

- 4.7.1 As noted, there is no access to suitable call assistance or a support line.
- 4.7.2 There is a lack of awareness of telephone rights in remote Indigenous communities. As proposed in the Tapric Report (3.2 *Standard Telephone Service*), there is an urgent need for a targeted information and awareness strategy to ensure a widespread knowledge of USO and CSG entitlements.

4.8 Recommendations: Customer service

- 4.8.1 That an Indigenous call assistance support line is established and staffed by workers who are trained in appreciation of the needs of Indigenous peoples.
- 4.8.2 That an awareness strategy is undertaken in remote Australia to ensure that Indigenous people are informed about their rights under the USO and CSG.

¹⁶ *ibid*, p. 2.

4.9 Contestability / Other providers

- 4.9.1 It is PYMedia's experience that the contestability regime and the ability of providers (only one in remote Australia) to offer alternative telecommunications services has not improved the technology and services available to rural, remote and very remote citizens, compared with what is on offer in metropolitan Australia. For example, if Telstra refuses to provide an InContact service to a customer, there are no other service providers to offer competition in the region.
- 4.9.2 There are no other providers for remote areas in Central Australia; Telstra is the only operator. Therefore, section 5 of the TCPSS Act is irrelevant.
- 4.9.3 As required by the NTN iConnect funding deed, PYMedia undertook to collate a range of appropriate telephony solutions through an open invitation to service providers. A Request for Proposals (RFP) was prepared and issued in April 2003. Unfortunately the response was poor, with only seven organisations requesting a copy of the RFP document and only one organisation (Telstra) formally responding. Attempts were made to stimulate some interest by directly contacting Optus and AAPT, but the informal response was that both these organisations perceived little direct commercial value in the RFP. They did indicate that they had standard residential telephony services that may meet the requirements of the RFP, but PYMedia would need to assess the value of these. In summary the alternative telephony services available from other telephone companies eg. Optus, AAPT, Primus, etc. essentially involved either:
- using Telstra's Standard Telephone Service (STS), but pre-selecting long distance calls, calls to mobiles etc from another telephone company. The preselection can be done either automatically or via an over-ride code; or
 - transferring an existing Telstra STS to another telephone company (essentially Telstra provide the basic service to the new telephone company who then on-sell it to the customer.)
- 4.9.4 It is important to note that in either of the above cases, the provision of an alternative service by another telephone company is still reliant on Telstra's having provided the basic telephone infrastructure (exchange line and telephone cable to the customer's house). In some metropolitan and regional centres, certain telephone companies have installed their own exchanges and cable/wireless infrastructure to residential homes. Initial indications, however, were that nearly all areas within the scope of the iConnect Project were without an alternative carrier customer access network infrastructure.
- 4.9.5 The provision of a telephone connection beyond these areas is either reliant on Telstra's USO obligation or alternatively can be provided as a true commercial service where the customer is generally required both to pick up the full cost of any required infrastructure and pay ongoing commercial

access rates. Hence in nearly all regional/remote areas, any alternative to a USO would generally be more expensive.

4.9.6 Notwithstanding the availability of alternative infrastructure, the standard approach to billing of the services by other Carriers/Service Providers was still via a monthly or quarterly bill in arrears (as is the case with Telstra STS). The use of alternative pre-paid cards with a standard telephone service is possible, but this approach still poses problems:

- ongoing monthly rental charge associated with the standard telephone service;
- how to prevent 'normal' outgoing and reverse charge calls being made on the service (a mechanism needs to be available for barring these types of calls in circumstances where a pre-paid service is required);
- availability of pre-paid cards in rural and remote areas; and
- charges for local and intrastate calls made via pre-paid cards are more expensive than calls made through a normal telephone service.

4.10 Compliance Policy

4.10.1 PYMedia supports the Consumers' Telecommunications Network's (CTN) comments¹⁷:

'Existing legislation and compliance policy in relation to telecommunications should, in theory, already be delivering access to the standard telephone service to every Australian. But this is clearly not the experience of those living in remote indigenous communities. Information related by a CTN member on conditions earlier this year, for example, was as follows:

I have been in one community on four occasions within a three-month period, for a total of about 12 days – the public phone was not functional at any time. The public telephone is the home phone equivalent for almost all people in remote communities. In a recent case, the entire region south-west of Alice Springs covering the communities of Mutitjulu (adjacent to Uluru), Imanpa (on the way to Uluru) and Kaltukatjara (300 kms west of Uluru) were without services of any kind for over two days. The service in the tourist resort of Uluru went out at the same time. It was repaired within six hours¹⁸.

4.10.2 For remote Indigenous communities, the stated goals of Telstra's compliance policy and the objectives of the relevant legislation have not been achieved.

¹⁷ Mansor, op. cit, p. 10.

Strategy 10: Improve monitoring and reporting on services

¹⁸ Ibid, footnote, *Personal Communication to Helen Campbell, CTN Executive Officer, 27 May 2002.*

4.11 USO / CSG time frames

4.11.1 Once again remote and isolated communities are disadvantaged by delayed solutions to their telecommunications problems. In urban areas, Telstra (or other phone company) has about a month to improve upon an interim service if for some reason a standard service is not immediately available. In remote areas, six months is the norm. If the waiting period can't be standardised, then Telstra must attract greater penalties for its 'interim solutions,' to compensate for the wait.

5 Conclusion

5.1 Summary

PYMedia, the main broadcasting and media organisation in the Central Desert, is engaged on a daily basis with its Indigenous customers in very remote communities. In attempting to address their need for improved communication services, PYMedia initiates useful developments and solutions that residents of remote areas can afford.

While *AP Phone Home: the Forgotten Percentage* addresses communications technology problems on the AP Lands, the issues explored are relevant to all remote and very remote Indigenous communities. PYMedia has identified weaknesses in the USO from its experience in delivering telecommunication services to outback communities.

In summary, the USO does not meet the telecommunication requirements of remote Indigenous Australia. It was neither designed nor amended with consideration of the securities crucial to Indigenous people in remote areas. PYMedia seeks an expansion of the USO to allow for accessible and affordable telecommunications for all Australians.

5.2 Key Recommendations

- 5.2.1 That the USO be expanded to include the requirements of residents of remote Australian communities.
- 5.2.2 That an investigative study is undertaken to address the telephony needs of remote Australia so that this region does not remain the 'forgotten percentage.'
- 5.2.3 That a review is conducted of take-up rates of fixed-line telephone services in the remote areas of Australia.



6 Credits

AP Phone Home: the Forgotten Percentage was prepared by PYMedia as a result of calls from the Federal Government for public submissions to inform the Department of Communications, Information Technology and the Arts in their review of the operation of the Universal Service Obligation and Customer Service Guarantee. Submission deadline is 6 February 2004.

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Thanks to PYMedia staff, Will Rogers, Renita Glencross, Michael West and Anneleis Humpries, Robert Tait–GibsonQuai and Vicki Gillick.