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Outback Digital Network Ltd response to the ACA "Unexpected high bills: credit management in the telecommunications industry discussion paper".

The Outback Digital Network Limited (ODN) takes the opportunity to comment to the Australian Communications Authority (ACA) *Unexpected high bills: credit management in the telecommunications industry discussion paper*.

ODN is not unknown to the ACA having submitted comment to the ACA *Monitoring and Reporting on Telecommunications Services in Remote Indigenous communities, Discussion Paper, May 2004*. ODN has also provided a submission to the Commonwealth's *USO Review*.

Further, ODN over six years ago undertook extensive primary research into remote Indigenous communities across Northern Australia - from the Kimberley in Western Australia through the Northern Territory to Cape York in Queensland. This was for those remote communities covered through their corresponding regional organisation under the ODN umbrella. ODN has recently provided ODN survey data for the Utopia region in the Northern Territory at the specific request of ACA.

This submission should rightly be seen as a continuation of a number of issues we have raised in our previous submissions and work over the last six years

In our *Submission the USO Review by the Outback Digital Network Limited and in membership with the Cape York Digital Network (CYDN)* we stated:

11. Credit Issue

ODN is of the firm view that satisfying the credit requires inherent in the USO is a key stumbling block to increasing STS (Standard Telephone Service) phone penetration into remote Australia. While Telstra's InContact service is welcomed as it addresses some of credit issues, it also reduces the effectiveness of pricing and services established under the Commonwealth's Extend Zone for telephony to remote users

It is unfortunately a known experience that Indigenous people when they do get a telecommunications service, can run up large bills on that service and almost always this is unknown to them at that time. The reasons for this are varied and include:

- They were not aware of the charges and requirements under the service when they first subscribed for the service
- Indigenous people are high users of telecommunication services.
- They have openly shared the service in support of their extended family

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- Billing monitoring to customer by the carrier (meaning simply receiving the bill) has not occurred, or the monitoring has been slow, remiss or problematic
- Getting in contact with the customer to alert them to an outstanding service charge can be at times difficult
- They don't have access to the services available in developed parts of Australia and
- Users of telecommunications services in remote Australia (whether users are Indigenous or non-Indigenous) face unique challenges one of them being the tyranny of distance.

RECOMMENDATIONS

1. There is a clear and urgent requirement by all carriers that the FULL DETAILS of any telecommunications service that is offered to Indigenous Australians and indeed all Australians require this MUST BE readily available to customers It MUST be made available in a format or manner that is clearly understood by the customer. It is simply not practically acceptable that carriers ask customers to refer to a website for details as in remote Indigenous communities the data penetration rate (meaning Internet access) is lower than 5% of this population (source ODN community surveys).
2. There is a clear requirement that carriers either (1) modify any marketing or information available to a service to make it more user friendly for Indigenous Australians OR (2) undertake under contract with Indigenous Media organisations or related organisations to provide such material or information in a format that best suits the customer AND to distribute that information in a NUMBER of formats (print, online, radio, TV, individual consultations, help desks, workshops, community meetings)
3. The carrier needs to implement mechanisms to NOT allow the outstanding amount on a service to simply accumulate to the detriment of the customer (the bill or outstanding amount owing cannot keep going up and up). ODN recommends that caps and the enforcement of caps on usage plans signed on to by the customer MUST be adhered to and the service MUST be stopped until payment arrangements can be made.
4. Yet, (following on from Recommendation 3) the architecture of telephony based services – particularly in the context of high-billing credit management issues must take into account issues of remoteness and safety (i.e., not cutting people's lifelines off because of credit management issues). ODN therefore recommends that (1) the carrier MUST give warning(s) or notice(s) to the customer when for example they are approaching the limit of their download plan for Internet access. This could be done much in the same way software vendors advise customers that their existing year subscription is soon to end. Equally, there should be voice prompts to users of voice services that they are nearing the threshold of their current usage plan or that there are voice updates as to their current phone bill each time they use the phone. Secondly (2) if after warnings/notice a bill remains unpaid or no contact has been made with the customer or by the customer, (so customer debt increases as the service continues to be used) the service should be discontinued with a period of grace for re-connection or re-instatement of service before a charge for re-connection is applied BUT calls to emergency numbers or to the carrier be allowed
5. To encompass the recommendations raised above ODN re-states its recommendation that it put forward in its USO submission. That is an all-you-can-eat phone or data scheme. ODN therefore recommends that the ACA consider a community credit scheme

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that ODN has developed that would overcome the issues in regards to credit-risk and credit management. ODN has put this proposal to DCITA and to a number of carriers. ODN would be delighted to provide further information if required in regards to the matter to the ACA but as a note ODN's proposal includes

- By linking the issues of infrastructure and its 'lack-of' within remote communities and thus the ability of carriers to offer 'diverse products' where billing could be managed through processes like the negotiated ODN billing arrangements. (so not confined to only prepaid phone cards)
- Develop billing systems that can be accommodated into the essential services 'mix' (i.e., chuck-in), while providing community members with very good information on their 'usage patterns'.
- The ODN's focus on next generation networks and the need to "move the argument" away from high billing on circuit switched networks – to the implications of packet switched backbone infrastructure (IP telephony) and its reduced cost of calls PLUS then building sustainable applications based on services of which 'voice to voice' (as a form of standard telephony) are just one application. As a note, ODN Directors are currently using Skype (IP telephony software) off their desktop computers instead of a STS; this is just a part of the next generation 'network' mix

ODN at the Australian Competition and Consumer Commission (ACCC) Price Control Review 2004 public forum in Darwin on 2 September 2004 made representations to the ACCC on these matters in regards to competition and pricing also.

Our thanks for your consideration in these matters

Yours Sincerely

On Behalf of ODN Ltd
Philip Dutchak
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