

# Isolated Children's Parents' Association of Australia Inc.

"Access to Education"



**Submission**

to the

**Productivity Commission's**

**Draft Report on the**

**Telecommunications**

**Universal Service Obligation**

from the

**Federal Council**

of the

**Isolated Children's Parents' Association of Australia Inc.**

**ICPA (Aust)**

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The Isolated Children’s Parents’ Association of Australia, ICPA (Aust), welcomes the opportunity to respond to the *Productivity Commission’s (PC) Draft Report on the Telecommunications Universal Service Obligation (TUSO) (December 2016)* with recommendations that will ensure the improvement of access to an equitable education for rural and remote students.

As the PC Draft Report states, “Telecommunications is essential to any modern economy<sup>1</sup>” however for far too long people that live, work and are educated in the bush have had to put up with a less than equitable situation with regard to their telecommunication needs.

Although “recent years have witnessed a rise in the number of mobile voice services and a fall in the number of fixed voice services”<sup>2</sup> in Australia, the situation is quite different in the rural, remote and very remote areas where most of our members reside. Many of our members still rely on landlines (Copper, High Capacity Radio Concentrator Systems, Next G Wireless Link (NGWL) or Satellite phones) due to the unavailability of mobile coverage or another reliable service. Landlines are an absolutely essential service for those that live in the bush.

ICPA (Aust) is a voluntary, apolitical parent body dedicated to ensuring all geographically isolated students have equity of access to a continuing and appropriate education. The majority of member families of the Association reside in geographically isolated areas of Australia and all share a common goal of achieving equitable access to education for their children and the provision of services required to achieve this. Students whose family home is in rural and remote Australia and who are enrolled in Schools of Distance Education, rely heavily on telecommunications to access daily lessons, via both telephone and internet. Most would be in the 0.7% of the population that have no access to any mobile network and the majority would also be in the 3% of the population that will rely on satellite to access the internet. In 2016, ICPA produced a resource video showcasing distance education on rural properties and viewing the video provides a better understanding of some of the communication needs in relation to distance education lessons, [CLICK HERE to view the Distance Education Video](#).

Our member families also attend small rural schools that are dependent on internet for schoolwork, research, teacher assistance/mentoring, specific needs sessions as well as landlines for contact for teacher support, emergencies and general administration tasks of a school. There are quite a few rural small schools which are not in mobile coverage areas and struggle with receiving adequate internet service.

### **DRAFT RECOMMENDATION 3.1**

The Australian Government should phase out the existing telecommunications universal service obligation (TUSO) as soon as practicable.

As was stated in our submission in July 2016, ICPA (Aust) views the TUSO as **absolutely essential**, given the reliance on fixed phones across so much of Australia, particularly in remote areas. Suggestions that the TUSO is no longer necessary because of mobile phone availability, advanced technology and the **nbn**, ignore the reality of the technological gap experienced by residents of isolated areas. There should be no decline in the current voice services that our members receive.

It is true that “*remote Australia has a level of distrust and scepticism ..... partly based on their poor experience with the interim satellite, but also partly based on transitional problems with the rollout of*

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<sup>1</sup> Overview, PC Draft Report, p.3

<sup>2</sup> Telecommunications Universal Service Obligation, Draft Report p.40

*the new Sky Muster satellites.*<sup>3</sup> Sky Muster satellite services have only been available since April 2016, less than 12 months. Some of our members are experiencing problems with ongoing use of the Sky Muster satellite services including dropouts, poor speeds, slowed services, insufficient data amounts and connection difficulties. These issues coupled with the suggestion of a telephone service solely reliant on VoIP have many in remote Australia very concerned.

#### **DRAFT RECOMMENDATION 5.1**

The Australian Government should reframe the objective for universal telecommunications services to provide a *baseline* broadband (including voice) service to all premises in Australia, having regard to its accessibility and affordability, once NBN infrastructure is fully rolled out.

The suggestion of a TUSO providing a baseline broadband (including voice) service that would see all services delivered via one connection, presents a problem in rural and remote areas. There would be no means of communication should the connection be lost. Families are often many kilometres, sometimes hundreds of kilometres, from a town or even the next neighbouring homestead. If the internet is the only source for both voice and data, then there can be no communication when the internet is down. Safety is a huge concern to those that live, work and travel in rural and remote areas due to the distance between them and assistance, when it is required. Essential services such as education, health, business, banking etc. are also not available in any form if voice and data are provided through the same source and it fails. There have been many instances recently that highlight how one service or the other can be out and members have relied on an alternative of either landline or the internet for communication until the other service was repaired. Repair times outside of major centres can be quite lengthy due to distance, but at present people in rural and remote areas can turn to an alternative source to get messages out or to report the fault. If communications services become completely reliant on Sky Muster satellite internet for both voice and data, reporting outages when the service is not working would be impossible short of driving to the next available working service. During times, such as the Wet Season in Northern Australia, roads can be cut off for weeks and sometimes months, making travel out impossible. The Wet Season is also one of the most prevalent times for satellite internet to go out due to weather conditions and cloud cover. It cannot be stressed enough how essential it is for those living in rural and remote Australia to have reliable and independent sources of communication available to them.

#### **Comment:**

"I live in North-West Queensland on a cattle station. For medical issues, we are serviced by The Royal Flying Doctor Service. They attend clinics at remote communities and supply to us with a 24 hour telephone service. They are our life-line, giving us some peace of mind that help is at hand when we live so far away from a town. Folk from cities think the RFDS is just for emergencies, but that is far from the truth. They are also at the other end of the phone for everyday health issues. Have you any idea what it's like for a new Mum alone on the station with her tiny baby? The baby has a fever and she's fearful. The Flying Doctor gives her reassurance and the support she needs.

A family caring for an elderly Aboriginal man who doesn't want to go to town. It's a constant battle to keep him well enough to stay in the bush. If they have concerns, especially about his medication, the Flying Doctor is only a phone call away. An old bushie wanting to die at home. It's a big ask but the RFDS manages this with the bushie's family through telephone calls and visits.

The parents of a child with acute asthma/croup. This is managed via telephone calls to the Flying Doctor. And of course, there are emergencies where a phone call gets the plane in the air, maybe to save a life. A few of my own experiences are:

Our toddler daughter was struck by a tractor receiving head injuries (she's now 22 attending university)

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<sup>3</sup> Overview, PC Draft Report, Footnote, p 11

I feared I had lost the baby I was carrying; (our son was stillborn).

Our nephew was attacked by an Olive Python whilst he slept.

An elderly man on our station suffered a stroke.

A road accident victim was brought into our station. The Flying Doctor gave us permission to administer morphine from the station's RFDS medical chest until help arrived.

In every one of these instances, communication via our landline was critical. I cannot believe there is talk that our present telephone system might not be supported. The internet is a wonderful asset to us 'out here', but it is not reliable and I am fearful for all the scenarios mentioned above. Remember we have no mobile coverage.

Please consider this issue very seriously, looking outside your city lifestyle, comforts and technology."

**ICPA Member, Gulf of Carpentaria Qld**

### **Maintaining Services**

In rural, remote and regional areas there is a large number of now vacant homesteads due to landholders purchasing neighbouring properties and investors purchasing land. Rural properties which have a vacant home on them, often still have the electricity and phone lines connected. This has proven on a number of occasions to be helpful to both emergency services and locals. While it is a fairly easy process to leave an existing phone line in place for emergency use, property owners would most likely not pursue installing satellite internet and the equipment needed to provide phone service if landlines were removed and one more source of emergency communication disappears.

**Example:** "We have no mobile phone service so on my school run, 50kms one way, I pass two homesteads that are empty but I know I could go in there and use the phone in an emergency (my son is anaphylactic and it has always worried me when he eats snacks in the car)! The other day in fact, a storm went through and a local lady went in to the XXXXX homestead rang her husband to say she was going to wait out the storm there. Now, fast forward to no USO...I'm not so sure everyone who owns one of these homesteads would go to the trouble of getting NBN Sky Muster installed for a VoIP service and let's face it, can you imagine a policeman (We have NO police radio out here and our police DO NOT have a sat phone) doing a power cycle on Sky Muster? At least with the current situation on DRCS landlines out here anyway, you pick up the phone, get a dial tone and make a phone call."

**ICPA Member, Balranald Branch NSW**

### **Comment:**

"It is a major concern if **nbn** are going to put remote phones through the satellite internet. Firstly, the way that our Satellite installation was handled was appalling. A total waste of taxpayers' money and it could have been less stressful and more streamlined if it was managed appropriately.

Secondly, remote homesteads rely solely on internet and home phones and most do not receive any mobile phone range. If and when the phones or internet drop out, then currently we still have some form of communication through either the phone or internet.

If these two services were together then we wouldn't have any form of communication to notify the outside world that our service is down or if there is an emergency."

**ICPA Member, North West, SA**

Expansion of mobile coverage is critical in rural and remote Australia. Most who question the relevance of the TUSO have referred to the availability of mobile service as outdated current legislation. Approximately 70% of Australia is not covered by the mobile footprint. The Mobile Black Spot Programme needs ongoing government funding and the mobile footprint needs to be extended.

## **INFORMATION REQUEST 6.1**

Participants are invited to provide evidence on the adequacy of NBN's satellite voice services in relation to defining an acceptable baseline for a universal service. Information on practical and cost effective alternatives to NBN's satellite voice services in areas that currently have no mobile coverage, and their relative merits and costs is also sought.

Although ICPA (Aust) agrees that broadband data should be included in the TUSO, they are absolutely adamant that removal of landline telephones (as a standard telephone service) from premises in rural and remote Australia would be detrimental to those who reside there, try to run a business and educate their children.

### **Latency**

With the current Fair Use Policy (FUP) in place for satellite internet customers, when customers reach their monthly data limit, their internet connections are slowed. Concerns over the amount of data available with Sky Muster plans have already been expressed by many customers, reports of entire data packages being used up in only a few days of the new monthly allotment by operational updates, visitors unfamiliar with the data constraints, etc. are common. Once the data allowance is reached and a customer shaped for the remainder of the month VoIP is unusable, or if it is usable as a VoIP service internet speeds are very poor. This is unacceptable if offered as the only means of connection to emergency services, running a business or for education. Even when not shaped by the FUP, VoIP via satellite internet connection is not deemed suitable for the voice component of Distance Education "On Air" lessons at present by Departments of Education. VoIP through satellite internet is very problematic due to latency for things such as music, Language Other Than English (LOTE) lessons and possibly some specific needs sessions with therapists as well as the day to day class lessons which can include students on a mix of services. Distance Education families have commented that they are encouraged to use the alternative phone service rather than VoIP for their students' lessons; for the majority of families, this would be a landline phone. For children who have no regular opportunities for interaction with other children, "On Air" lessons are an important part of the daily schooling and it is extremely frustrating when internet outages cause students to miss their lessons and the chance to interact with fellow classmates. As things currently stand, even if the internet is not working for the visual portion of a lesson, families "dial in" for their Distance Education lessons via their landline so that students can still participate with their class in the lessons.

### **Weather**

**nbn** Sky Muster is proving to be more sensitive to the weather than the Interim Satellite Service (ISS) with outages from weather affecting spot beams even a long distance from where the outage is. For example, in 2016 when there was an extended state wide power outage in South Australia many internet services in Central Queensland were not working. The 'Wet Season' is particularly problematic for many Sky Muster users as there can be continuous cloud cover or rain interference. If the only source of voice communication is connected to a satellite internet service, numerous phone service outages could also be expected.

"My Sky Muster service regularly goes out with rain, not heavy rain either! My Sat TV maintains connection. I don't think it's provider related as all my neighbours also lose service in light showers. We have two Sky Muster services approx. 4km apart with different providers. Both have white flashing light in rain."

**ICPA Member, Central Qld**

### **Power**

People living on non-mains power (due to geographic isolation, not "lifestyle") may have issues with an unreliable power source. Many properties still provide their own power via a diesel generator and/or solar. Many stations still turn their generators off overnight. If VoIP is to replace telephones,

those on non-mains power will have to get additional battery backup etc. as the internet (and therefore the phone) is off if the generator is off.

Perhaps an even larger concern is the unpredictability of rural mains power. Power outages occur unexpectedly and fairly regularly in rural areas due to numerous causes including severe weather. These power outages can last for hours or even days. Unless all internet services are equipped with substantial battery backup, if landlines are replaced with VoIP, power outages would cause the internet to be non-operational, and phone service through VoIP will also not be available.

**nbn** itself acknowledges that equipment will not work without power in the “Information for Home” section on its website and that customers should consider continuing with their landline phone service. “The equipment to operate Fixed Wireless and Satellite phone and/or internet services needs electricity and won’t work in a power outage. When ordering an nbn service in Fixed Wireless or Satellite areas, have a discussion with your service provider about your existing landline. If you have an existing copper phone line it is important to consider keeping it in service for emergency communications, especially if you don’t have good mobile phone coverage at your home or business.”<sup>4</sup>

ICPA (Aust) would like to see the Copper Continuity Obligation remain in place until the voice issues of latency, rain disruption and power issues, are fixed with regard to **nbn** satellite services. This needs to be equivalent to or better than the voice service offered by the current TUSO.

**Examples of Comments Received from ICPA Members:**

“If the phone is out we can report it via email and if the internet is out we can report it via phone. Landline has to be made available for those tiny percent of the population that have absolutely no mobile reception cause when there is a satellite issue there is absolutely no communication tool for emergencies. This is a step back into the dark ages. Compared to urban customer who have VoIP over their **nbn**.....if there is a problem with their **nbn** service and they can't use VoIP then at least they have a mobile service. My landline is and has always been my emergency service. “

**ICPA Member, NT**

“NBN came. NBN went. Thank God I said don't take my schoolroom internet. Loved ones if you need me the good old landline is all I have. Emails will be hit & miss from now on. I'm not sorry because it's not my fault. I'm not angry either because I was expecting little. “

**ICPA Member, Queensland**

**DRAFT FINDING 4.1**

A number of consumer safeguards apply to the provision of the *standard telephone service*. These safeguards do not apply consistently across all providers and all telecommunications services. The declining reliance on the *standard telephone service* and the increasing proportion of consumers agreeing to waive these safeguards (in particular, the customer service guarantee) make the relevance of these safeguards questionable.

ICPA (Aust) agrees with the review of consumer safeguards and feels that some form of guarantee of repair and service must be maintained, particularly for customers living in rural and remote areas who cannot simply take their phone or internet modem/equipment to the provider’s shop to instigate repair or replacement.

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<sup>4</sup> <http://www.nbnco.com.au/connect-home-or-business/information-for-home/what-happens-in-a-power-blackout.html>

It should be noted that some of the statistics regarding “*the increasing proportion of consumers agreeing to waive these safeguards (in particular, the Customer Service Guarantee)*” might be skewed as many customers that were swapped onto NGWL had to waive their right to the CSG in order to access this service and this could account for some of the statistics being high. These safeguards when in place need to be transparent, easily found and understood as well as cover both voice and data connections. They must have processes defined and mandated so that if the companies bound by the safeguards, customer service guarantees, etc. do not comply with the standards set, there are repercussions and penalties for not meeting these targets perhaps including automatic compensation for customers (who currently seem to receive a little compensation at times if they complain adamantly and request it, however they have to be aware of the CSG terms in order to raise the issue). These safeguards need to be enforced and providers held accountable. The ‘relevance of these safeguards’ is that if they did not exist, what obligation is there for communications providers to offer improved service and adhere to repair standards? Customers living outside of metropolitan areas do not have a large choice in service providers (if they have any) and it cannot be assumed that competition and wanting to keep customers would be enough of a driving force to ensure that communications companies prioritised repair times and tended to and resolved faults in an adequate timeframe.

**Comments:**

“One family of our branch was recently without a Telstra landline for 4 weeks. A year previously they were without it for over 6 weeks due to the obsolete technology of radio repeaters failing. Telstra’s service agreement states that they’ll repair faults and service difficulties within specified time periods based on the service location with ‘Remote’ issues being resolved by the end of 3 full working days after being reported. When obsolete technology is being used often components have to be remade as they are not ‘on the shelf’ and therefore falls outside the jurisdiction of the guidelines. This can impact a student’s education through not being able to contact their teachers or their teachers being able to contact the students for regular private lesson times (PLT). “

**ICPA Member, Alice Springs Branch NT**

“There have been several instances where landlines have taken over 6 weeks to repair. It is not uncommon to be without a landline for weeks on end. When the phone lines are not working most remote families have no access to a mobile network and have no other form of phone contact at all. On top of this issue is the frustration of alerting the network providers that the phone is not working via the internet service; often you have no way of knowing if your email has actually reached the correct place or person to help fix your phone line. You become reliant on getting other people to try and report the fault for you – often this is not adequate as they are not privy to your account details, GPS coordinates, reference numbers and fault history, not to mention the use of their time sitting on hold. The frustrations with an ongoing faulty phone line are raw and real. When your phone is not working, you cannot call the service provider every day until it is fixed, hence why these issues can easily be forgotten or pushed to the side by our phone providers for weeks on end. This means that students are unable to receive essential Private Lesson Time (PLT) or contact their teachers when assistance is needed. Not to mention the serious implications because of the inability to contact the Flying Doctors or other emergency services when needed. Not only does it impact schooling but also the ability to be an active member of organisations such as ICPA so we can make a difference to our children’s education. We ask that when distance education students are involved, the repair time on faults be urgently prioritised and the phone providers MUST be accountable and take action when a remote fault is reported. “

**ICPA Member, NT**

When reviewing safeguards for communications and establishing parameters, the implications for rural and remote customers must be considered carefully and equitably. Satellite internet repair times

have varied greatly, a portion of this may be due to the installation of Sky Muster still being carried out, but it was the case this past year that many students studying distance education via satellite internet (new and old services) were experiencing technical difficulties and 'drop outs'. This impairs the children's ability to participate adequately in class and impacts negatively on their learning. Some cases needing a technical support visit were waiting up to 8 weeks for the FIRST AVAILABLE appointment. This means the students have to use the intermittent services to the best of their ability or had no internet service for over half the school term, severely disadvantaging the children's education. It is important that internet repairs are completed in a timely fashion.

ICPA also recommends that there be a review of location zoning and restoration target times for **nbn** customers which currently is 3 days for Urban, 4 days for Regional, 10 days for Remote, and 90 days for Isolated area customers, to ensure that they meet community expectations. Our members feel that these internet service times should be aligned to the Telstra Restoration times of 1 Working Day - Urban, 2 Working Days -Regional, 3 Working Days-Remote, Isolated areas should be 10 Working Days.

**Example:**

"During the installation program, a number of sites have experienced failures that were not rectified for an extended period. In one case, one of the reasons for the extended outage was that the service was located in a Remote area by **nbn**'s definition. This service was located 190Km by road from Rockhampton, 11Km from the local town with the majority of the distance on the Bruce Highway. So because it was classed as "Remote" the service target was 10 Working Days not "Regional" which is 4 Working Days. We cannot have Students / Families who have no other form of internet isolated for these extended periods. "

**ICPA Yaraka/Isisford Branch, Qld**

**DRAFT RECOMMENDATION 7.4**

Before proceeding to the next round of funding under the Mobile Black Spot Programme, the Australian Government should implement the Australian National Audit Office's recommendations relating to that program. It should also: target the program only to areas where funding is highly likely to yield significant additional coverage; revise its infrastructure-sharing requirements to be consistent with the Australian Competition and Consumer Commission's findings in the ongoing Domestic Mobile Roaming Declaration Inquiry; and prioritise areas for funding based on community input — rather than nominations from Members of Parliament.

Expansion of mobile coverage is critical in rural and remote Australia. Most who question the relevance of the TUSO have referred to the availability of mobile service as outdated current legislation. Approximately 70% of Australia is not covered by the mobile footprint. The Mobile Black Spot Programme needs ongoing government funding. ICPA (Aust) agrees that areas for future funding of the Mobile Black Spot Programme should be based on community input, but feels that nominations by Members of Parliament should also be considered if they are lending support to community applications that are being put forward. Concerns have been raised regarding the Mobile Black Spot Programme that those communities that can contribute towards the installation of towers, equipment etc. may be prioritised over areas who are not financially able to contribute. Some states and local communities do not have the means nor opportunity to seek joint assistance for securing Mobile Black Spot Towers due to the demographics of where they are (some areas have no large businesses such as mines to assist them with funding) and the composition of their community and outlying area. However, there can still be a great need for a Mobile tower in the area, particularly if the area is one of the locations prone to natural disasters.

If communities along with their local government can show the need for a mobile tower as relevant to their situation, they should be considered on this merit for the Mobile Black Spot Programme regardless of whether or not they can also contribute financially.

#### **DRAFT RECOMMENDATION 9.1**

The Australian Government should immediately commence negotiations with Telstra to amend, and ultimately abolish, module B (Standard Telephone Service USO) and module C (Payphones USO) of the Telstra USO Performance Agreement (in line with draft recommendation 3.1).

For the inhabitants of many remote areas the mandated right to a fixed telephone service is extremely important. The Copper Continuity Obligation needs to remain until an appropriate, affordable and reliable substitute arrangement is in place.

#### **INFORMATION REQUEST 9.1**

Participants are invited to comment on the relative merits of the following (or other feasible) transition options for the standard telephone service USO module of the Telstra USO Performance (TUSOP) Agreement.

**Option 1:** Amend the Telecommunications (Consumer Protection and Service Standards) Act 1999 (Cth) to change the scope of the current standard telephone service USO, thereby forcing the parties to negotiate a payment adjustment under the Agreement.

**Option 2:** Remove the standard telephone service USO in all areas once the NBN rollout is complete.

**Option 3:** Commence a staged wind-back of the standard telephone service USO in NBN-connected areas as soon as practicable.

ICPA (Aust) feels very strongly that the **nbn's** satellite voice service will not meet an acceptable baseline standard. The families that we represent live in some of the remotest parts of Australia, with an aging population, an increase in the number of Australian students living with learning difficulties and the isolation of living in a rural and remote area; their need for the provision of a guaranteed telecommunications service, suitable for their needs, is paramount.

Until all reviews and safeguards are addressed ICPA (Aust) cannot allow the TUSO to be removed.

Communications issues for those living in geographic isolation continue to be at the forefront of ICPA members' concerns and at the 45<sup>th</sup> annual ICPA Federal Conference held 10-11 August 2016, members from across the country proposed 32 motions regarding communications alone, several of which asked for items in the USO to be addressed. The motions from the ICPA Federal Conference can be found [here](#).

In summary, ICPA (Aust) feels that none of the three options offered in the Draft Report on the Telecommunications Universal Service Obligation ideally meet the needs of those living in rural and remote areas of Australia and that continuing with an TUSO is essential to ensure that people living outside city centres have adequate, affordable and reliable communications to a baseline standard. A reliable form of voice communication service which is independent of internet needs to be available to all who live in rural and remote areas.