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9 November 2007

Dear Mr. Wright

Telstra's transmission exemption applications

Thank you for the opportunity to provide a submission to this review.

The Consumers' Telecommunications Network (CTN) is a national peak body of consumer and community organisations, and of individuals representing community interests, who participate in developing national telecommunications policy. We advocate policies for better access, quality of service and affordability of telecommunications facilities for all residential consumers. CTN's members are national and state organisations representing consumers from non-English speaking backgrounds, deaf consumers, indigenous people, low income consumers, people with disabilities, young people including children, pensioners and superannuates, rural and remote consumers, women and consumers in general.

Like the ACCC, CTN "... is of the opinion that the making of the exemption orders would be likely to have a material effect on a person. The ACCC understands that the DTCSs are currently supplied in Telstra's proposed exemption area and that exempting Telstra from the SAOs would be likely to have a material effect on both access seekers and end-users..."ⁱ

Due to competing submissions and resource limitations CTN is not making comments on specific questions however is pleased to contribute generally with regard to issues of Timing, Data and Any-to-Any connectivity.

Timing

CTN, like the Productivity Commission, "...regards the welfare of the community as a whole — that is, having regard to the interests of all stakeholders — as the basis for judging whether a regulation is good or bad. This is not necessarily the same as the 'longterm interests of end-users' that is currently the standard applied in part XIC of the ... *Trade Practices Act 1974* (TPA)..."ⁱⁱ

As CTN said in its submission to the ACCC's Proposed Framework for the Review of Existing Services Declarationsⁱⁱⁱ, "...raising the standard to ensure that the "longterm interests of the community as-a-whole" (LTIC) is promoted, as opposed to its subset "longterm interests of end-users" (LTIE), ensures that social and/or community issues would be considered in making a decision about whether to declare a service in a particular geographical region..." In that submission CTN proposed that Community Impact Statements so please refer to that submission for an outline.

CTN understands it is necessary for the ACCC to consider the Telstra exemptions, however we are concerned somewhat that the Regional Telecommunications Independent Review Committee's (RTIRC) recent discussion paper asks questions around regional competition and these submissions should also inform the ACCC's considerations of these issues. At the time of writing CTN is having extensive community consultation with regard to the issues raised in the RTIRC discussion paper. These are not due for submission till 7 December 2007.

Data

CTN is concerned about the narrow analysis to back Telstra's application. Greater choice and lower prices are concerns of consumers but these are not the only concerns of consumers in regional areas – quality of service, coverage and fault restoration also weigh heavily as does the frustration with misleading information with regard to products and services and the appropriateness to a customer's own geographical and financial situation. Consumer confidence is an essential part of assessing the market. Furthermore, switching costs also need to be evaluated, which can include investment in new equipment and the learning, transactional and search costs of switching to a new supplier.

Any-to-any connectivity

It is critical that the needs of people with disabilities are considered and incorporated into network design otherwise there will be further isolation of people with disabilities. Any-to-any connectivity between Deaf people encompasses a broader view of technology platforms. The Australian Association of the Deaf (AAD) in a recent paper^{iv} recommended that serious consideration and action be given to the following outcomes including:

- All measures should be taken to ensure that services provided in the telecommunication market also provide an equivalent service that Deaf people can access i.e. video based communications. It does not stop just at the equipment but also looks into how services are provided to the Deaf community.
- The Australian Government and the industry working with AAD and other stakeholders look at funding and establishing a Video Relay Service in Australia
- To address legislative and regulatory issues to make the necessary inclusions that video telephony be considered as Deaf equivalent to a voice telephone

- That IP-based video communications services are provided to those who require access to them at affordable prices and certainly not more than the current standard telephone services and
- To ensure that Deaf people in Australia are able to access the required high speed broadband at an affordable & equitable cost i.e. of a basic broadband plan.

CTN urges the ACCC to take into account the view of the AAD and ensure that any exemptions sought are decided with Deaf consumers *Any-to Any Connectivity* needs incorporated.

In summary CTN suggests that the ACCC take into account submissions to RTIRC, include the evaluation of consumer behaviour in their market assessment and take into account the issues of the Deaf community.

We hope these comments are of use to you. Should you wish to discuss this response in more detail please contact myself or Annie McCall at the Consumers' Telecommunications Network on 02 9572 6007 or at ctn@ctn.org.au

Yours sincerely



Teresa Corbin
CTN Chief Executive Officer

Annie McCall, CTN Information Officer, and Teresa Corbin, CTN Chief Executive Officer prepared this submission. The CTN Council approved it out of session.

ⁱ[http://www.accc.gov.au/content/item.phtml?itemId=797275&nodeId=04af80c0d804fa799155b76378477c12&fn=Transmission%20exemption%20application%20discussion%20paper%20\(October%202007\).pdf](http://www.accc.gov.au/content/item.phtml?itemId=797275&nodeId=04af80c0d804fa799155b76378477c12&fn=Transmission%20exemption%20application%20discussion%20paper%20(October%202007).pdf) at

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ⁱⁱ Productivity Commission, 2001 Telecommunications Competition Regulation. Retrieved 15 June 2007 at <http://www.pc.gov.au/inquiry/telecommunications/finalreport/>

ⁱⁱⁱ<http://www.accc.gov.au/content/item.phtml?itemId=795245&nodeId=be87e0dd590a41c843d2bcce30c0d078&fn=CTN.pdf>

^{iv} http://www.aad.org.au/info/paper_voctel.php