

## CONSUMER SAFEGUARDS REVIEW PART B

Submission lodged by Bruce Bebbington

Proposal one will, like most telecommunications policies in Australia, benefit the provider and not the consumer.

There is no safeguard.

Currently a landline voice customer is entitled to compensation of \$14.52 per working day for the first five days after the fault rectification deadline and \$48.40 each working day thereafter, with legislated protection allowing the provider to avoid the payments.

A customer with a two business day restoration without mobile coverage, having their service restored on working day 11 (consistent with the no service timeframes referred to in this paper), would be entitled to compensation of \$259.70. The compensation is not limited to ensure that at some stage the provider will fix the fault.

Under this proposal, the same landline voice customer with no mobile alternative may receive 14 days rent waiver. On a basic \$30 per month plan, they will get \$14, assuming there is no exemption sought.

Evidence already exists that consumers give up fighting for their compensation under the current legislation due to the one sidedness of the legislation and failure of the TIO, ACCC and ACMA to support consumers.

**NBN SATELLITE VOICE SHOULD BE LEGISLATED AS AN UNUSABLE AND UNSUITABLE ALTERNATIVE TO LANDLINES OR MOBILE.**

Due to latency and data constraints it should be acknowledged and legislated that no consumer shall be downgraded to satellite voice on skymuster when landline or mobile voice services fail.

It should also be taken into account that satellite voice requires additional equipment and electricity whereas landline voice does not.

**VOICE TO BE REPLACED BY VOICE.**

It must be stipulated that a voice service must be replaced by a voice service of equal or better service quality. A voice service replacement can not be a broadband internet data service.

#### EACH SERVICE TO BE DEEMED SEPARATE EVEN WHERE BUNDLED

Each service should be deemed as separate. A consumer with a landline voice, mobile and broadband (fibre, fixed or satellite) on the same bundle should be compensated for each element that is either not connected or faulty.

Since phone, mobile and broadband plans are commonly term contracts or include the "cost" of equipment, this must be taken into account in any non-charge period referred to in this proposal.

If an incentive is offered this should form the daily rate, with no reduced rate for service fee.

A contract cannot have its commencement date delayed because the provider cannot supply what they promised at point of sale. If the contract is for 24 months with a two day installation, the contracted period ends at day 732.

If there are extended fault periods, the provider cannot extend the contract to recover the cost of equipment.

#### NO SAFEGUARD FOR CONSUMERS WHO CAN NOT BE PROVIDED WITH AN ALTERNATIVE SERVICE

Under these proposals there is no safeguard for consumers with no available alternative.

A landline voice consumer with no mobile coverage who does not have broadband has no safeguard as the only specified safeguard is the provision of an alternative which does not exist.

A mobile voice customer with no landline voice and no broadband (other than that provided as part of the same faulty mobile service) would have no safeguard as there is no alternative.

A skymaster customer with a faulty service is not likely to have an alternative broadband option.

All of these customers have no safeguards.

#### ALTERNATIVE SERVICE MUST EXIST AND BE ACCESSIBLE 24HOURS A DAY AT PREMISES.

An alternative service cannot be one that is not accessible.

A mobile service available to a rural consumer during working hours whilst they are in town, but not at their residence is not an alternative.

#### PRIORITY ASSISTANCE-CURRENTLY REPEATED FAILURE TO RESTORE WITHIN TIMEFRAMES

Currently Telstra is the only provider required to provide priority assistance to customers with life threatening medical circumstances.

The repair timeframes are 24 or 48hours from time of report.

Telstra does not comply with these statutory timeframes.

I have raised this with Telstra, the TIO, ACMA, ACCC and in various submissions.

When a rural priority assistance customer detects a fault on their landline, such as no dial tone, if they have no mobile coverage and skymuster, they can report the fault online. However the Telstra website states that for rural customers and priority assistance they should ring Telstra. As it is not possible to ring due to no phone line, online reporting is the only option.

Before the site will permit you to lodge the fault report, you must tick that, contrary to the law which gives safeguards based on time of report, you must waive your right to csg until Telstra elects to record the fault.

It takes Telstra up to five days to acknowledge faults for priority assistance customers.

ACMA, ACCC and the TIO are aware of this and continue to turn a blind eye to the non-compliance.

How will anything improve under this proposal?

Due to the refusal to act on this issue, the only priority assistance customers who can rely on the code timeframes are those who also have 24 hour mobile coverage who can report the landline voice fault direct to Telstra, who would set up a diversion under the csg standard.

**PRIORITY ASSISTANCE UNDER PROPOSAL TWO –DOES THIS APPLY TO ALL SERVICES OR JUST VOICE?**

Point 3 of proposal two states that all providers must provide customers with a life threatening medical condition, at the time of signing up, with an alternative or back-up. It further states that a provider cannot refuse to do supply or connect purely on this basis.

This raises a number of issues.

Proposal 2 point 3 applies to all modes, being voice and broadband across landline/fibre/cable, mobile phone and fixed wireless, and skymuster and other satellite services. Therefore, skymuster, being a broadband only service would have to provide customers with life threatening medical conditions with an alternative or back-up service when a landline voice may be the only alternative. So a broadband only service would not be able to provide a broadband alternative, only a voice alternative.

No provider in Australia would be able to provide this service to those customers yet they would be in breach of the legislation if they refuse to supply the service.

Similarly for a voice landline service in areas where satellite is the only alternative to landline, on the basis that skymuster is not a voice service, a provider to a consumer with a life threatening medical condition who does not operate a voice satellite service would not be able to comply with the proposal.

If this proposal only applied to voice then the inability to avoid a breach would be overcome.

There is no reference to existing customers of Telstra with a life threatening medical condition, who currently have priority assistance. Will they receive the same alternative service or back-up? What happens if Telstra can not provide an alternative or back-up, will Telstra be in breach if they advise they can't supply the product due to not being able to supply an alternative?

Or will these customers simply be ignored because they are not new customers under the proposal?

## PROPOSAL DOES NOT PROVIDE SAFEGUARDS FOR ADDITIONAL SERVICES

The CSG standard has legislated provisions for additional services, such as voicemail. If an enhanced call handling feature is not operating a penalty of \$7.26 per working day then \$24.20 per working day applies, after the stipulated repair timeframes.

Under this proposal there is no reference to or compensation listed.

Is it the intention that enhanced call handling features do not qualify under the proposal, or they do and will be considered equally as a fault?

I note that nbn services with message recording is free but for areas not served by nbn fibre or cable, we still pay for this service.

If it is deemed that enhanced call handling features are equally a fault, does the penalty remain the daily fee for the service or only the daily fee for the enhanced call handling feature?

Similarly the proposal for no service charge for fault periods should include enhanced call handling features since call number display is not worth paying for if you have no line to receive calls on.

Further, if, for example, it is only caller identification that is unserviceable, in the case of a customer with a life threatening medical condition, should the 24 hour repair timeframe apply?

This proposal, in deleting reference to enhanced call handling features, would place unnecessary requirements on providers.

## PROPOSAL 1 ADDITIONAL TIMEFRAMES FOR DELIVERY OF NECESSARY EQUIPMENT

The timeframes for when there is no infrastructure in place should be sufficient to get necessary equipment for the service. If this relates to routers, then it is the provider's problem not the consumer's. If it is a modem for fibre broadband and voice, again the provider should be responsible for getting this to the consumer not the customer being delayed.

Removal of that protection for providers currently at the consumers expense, may lead to better service for consumers with regionally located equipment despatch rather than one central location which ignores rural, interstate and remote customers.

## MASS SERVICE DISRUPTION EXEMPTION PROVISION NOT WORKING.

The csg standard has provisions that allow provider to claim exemptions from timeframes when specified events occur.

Historically Telstra has issued the largest number of exemptions, purely because the standard only applies to landline voice, with other providers simply copying the Telstra notice as they predominantly relied on their infrastructure.

Compliance with the Customer Service Guarantee Standard 2011 has been extremely poor in relation to mass service disruption exemption notices.

I have raised this with ACMA (as the regulator), TIO and ACCC.

ACMA's response has included that they are not enforcing the standard due to the Federal government policy of deregulation, that it is okay to advertise regional outages only in suburban papers, it is however not acceptable to advertise urban outages only in rural papers, it is acceptable to advertise outages for WA in NT papers only, similarly it is okay to advertise NSW Outages in Victorian papers only.

After almost two years ACMA agreed to review five instances and compliance issues were found in all of them.

Around 90% of the first 400 msd exemptions issued by Telstra under the 2011 csg standard have compliance issues, the main being that they do not have valid exemption criteria.

There is no check on compliance now, so consumers can have no confidence that these proposals will provide any protection to anyone other than the industry.

**EXEMPTIONS SHOULD BE PROHIBITED EXCEPT UPON MINISTERIAL APPROVAL.**

Continued failure to enforce the current exemptions and ongoing abuse of the exemptions can only be remedied by eliminating the two failure points.

Remove the ineffective enforcer who admits they don't enforce

Remove the open ended pro-industry exemptions that consumers, by legislation can challenge, but which no regulator or Ombudsman will act upon.

An example of abuse of the exemptions is where Telstra claimed exemptions due to insufficient staff, caused not by weather, but by new contracts to install and service NBN Services.

If Ministerial approval was required with specific conditions, such as a declared natural disaster, then the abuse may stop and consumers would have some safeguards.

In the extremely unlikely event that the Minister, ACCC, ACMA or TIO wish to provide protection to consumers or act on the existing failures, I would be prepared to provide greater detail and input.

**NBNCO WHOLESALE SERVICE LEVEL AGREEMENTS ALLOW FOR 90 DAY REPAIR TIMEFRAMES**

The current sla allows for 90 day repair timeframes yet this proposal will change the standard to two working days.

These timeframes are the basis of the tax legislation in the form of the Telecommunications Regional Broadband Scheme charges bill, which ACMA have stated does not expect will cause an increase in NBN broadband prices due to the amount already included in an NBN internal cross subsidy.

I note that the BRC final report that set the amount of the levy admitted they didn't know what the existing levy was when it proposed the levy.

Minister Fifield has been unable to provide details either.

NBNCO HAS AN EXEMPTION FROM ALL REPAIR AND INSTALLATION TIMEFRAMES

The NBN wholesale sla has a clause that, like all pro industry protections, exempts it from compliance with the timeframes.

If NBNCO or its representatives cannot contact a consumer to make an appointment, all timeframes do not apply.

Therefore an NBN skymuster customer using skymuster for voice and broadband, with no landline or mobile with online billing, who can only be contacted via skymuster has no service repair standard.

COMPENSATION SHOULD BE NON CHARGING FOR SERVICE AND A DAILY PENALTY

The proposed compensation is grossly inadequate.

It is only fair that if a service is not being provided you should not be charged for that supply.

Compensation should be paid where no alternative service of equivalent or better quality can be provided 24 hours a day at the premises for a same mode service (e.g. voice for voice).

The compensation should recognise the impact of failure to connect or provide a useable service.

The compensation rates for landline voice should be increased for CPI, not eliminated.

Compensation for mobile, fixed wireless and satellite should be created.

Bruce Bebbington

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