

# TELSTRA'S ACCESS FOR EVERYONE PACKAGE

A package of telecommunications initiatives for  
customers on low incomes



## LIMAC REPORT

to the Minister for Communications, Information  
Technology and the Arts

AS AT 31 DECEMBER 2003

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## **EXECUTIVE SUMMARY**

### **Low Income Measures Assessment Committee and its role**

Under Clause 22 of Telstra's Carrier Licence Conditions, Telstra is required to

- offer, or have a plan for offering, products and arrangements to address the needs of low-income customers. This low-income package was originally announced by Telstra in April 2002 and is called “Access for Everyone”;
- establish an independent committee, the Low Income Measures Assessment Committee (“LIMAC”), to specifically advise Telstra on providing services to customers on low incomes. The Committee is comprised of representatives of such organisations as are approved by the Minister for Communications, Information Technology and the Arts and generally includes representatives of welfare groups.

LIMAC is to produce a report annually which

- assesses whether the resources committed under the low-income package by Telstra are best allocated to the needs of low-income consumers;
- evaluates the effectiveness of the low-income package in making telecommunications services available to the disadvantaged and those on low-incomes;
- advises on the effectiveness of the promotion of the low-income package;
- makes recommendations on how Telstra can improve the utilisation of resources committed under the low-income package to maximise the benefits to low-income telecommunications consumers.

This is LIMAC’s first report.

The Access for Everyone package was formally documented in a Marketing Plan, endorsed by LIMAC on 3 June 2002. The Marketing Plan provides details of the new service offerings and enhancements to existing services offered as part of the package, as well as providing details of existing Telstra services which may be of assistance to the targeted groups, eg Telstra Disability Services, Multicultural Call Centre, payphones, billing and payment options.

The Access for Everyone package contains programs which target low-income Australians within the following seven segments:

- Age pensioners
- Low-income families
- Indigenous Australians
- People from non-English speaking backgrounds
- People with disabilities

- Transient and homeless people
- Unemployed persons.

This package was originally developed through extensive consultation with consumer and welfare groups, including the Telstra Consumer Consultative Council, covering a twelve-month period prior to Telstra's announcement of the package in April 2002.

Telstra has provided regular briefings on the development and roll-out of its programs and has consulted with the Committee

- to develop individual programs and initiatives, seeking its advice on features, eligibility, etc.,
- to assist it with implementation strategies,
- to develop its communication strategy.

Since the establishment of LIMAC, Telstra has regularly provided a financial report to the Committee. Telstra reported to LIMAC that for the year ended 31 December 2003, the value of the package exceeded \$160 million.

### **Research program**

Under the auspice of the Research Working Group, LIMAC has commissioned a research program which aims to better understand and benchmark low-income and disadvantaged Australians' attitudes toward, and usage of, telecommunications services. LIMAC was involved in a range of activities in relation to the research undertaken, including the selection of an independent market research expert, the development of the research methodology and sample design, research objectives, discussion guides and questionnaires.

Specifically, the research program has been designed to:

- explore current telecommunications needs and aspirations of low-income people within the seven targeted segments;
- understand the current usage of telecommunications services and identify limitations to usage;
- evaluate how well the proposed services and marketing plan for the Access for Everyone package will be able to reach and meet the needs of each segment;
- provide a benchmark against which the package's effectiveness can be measured annually.

The research program incorporates a mix of face-to-face and telephone interviews as appropriate for each segment, and respondents are drawn from the total market rather than just Telstra customers.

The stages of the research program conducted to date are as follows:

**Initial qualitative research**, undertaken during July-August 2002 in the form of in-depth interviews and focus groups. The research was conducted with LIMAC members, welfare and support agencies, as well as people within each target group.

**2002 quantitative benchmark survey was conducted in October 2002**, involving 697 telephone or face-to-face interviews with people from the targeted groups. Respondents qualified for participation in the quantitative phase if they met the criteria of low income (weekly household income divided by the square root of the number of persons in household  $\leq$  \$242) and if they were identified as one of the targeted groups. This income level was selected with the advice of the National Centre for Social and Economic Modelling (NATSEM), University of Canberra, as representing the cut-off point for the bottom 20 per cent of household income.

**2003 annual quantitative survey**, conducted in September 2003, involving 700 telephone or face-to-face interviews aimed to measure low-income Australians' access to telecommunications services against the 2002 benchmark. Respondents qualified for participation in the quantitative phase if they met the criteria of low income (weekly household income divided by the square root of the number of persons in household  $\leq$  \$250) and if they were identified as one of the targeted groups.

**2003 exploratory research study** into a higher income group (weekly household income divided by the square root of the number of persons in household  $\leq$  \$300) involving 300 telephone interviews for six consumer segments: unemployed, disabled, Age pensioner, non-English speaking background, Indigenous and family.

### **Access for Everyone programs**

Nine main products and services have been developed as part of the Access for Everyone package, some of which are completely new, and others which have been improved significantly:

1. HomeLine™ Budget phone plan
2. HomeLine™ Low Income Health Care Card phone plan
3. Pensioner Concession Scheme
4. InContact®
5. Bill Assistance Program
6. MessageBox
7. Homelink® 1800
8. Sponsored Access
9. Multiple Number (Sub-Account)

Section 4 of the report provides a current explanation of the products and service comprising the Access for Everyone package, as well as take-up, monitoring and developmental work in progress, if any. It also provides details about their promotion to the end of December 2003.

Section 5 of the report provides a sub-section on each of the target low-income groups, including:

- a general description of the segment
- current level of personal access to telecommunications services: fixed line, mobile and the Internet
- perceived levels of accessibility and affordability of, and satisfaction with, telecommunications services
- current awareness, usage and potential take-up of the low-income initiatives
- work in progress
- conclusions and future directions.

Section 6 provides an overview of findings in relation to respondents' setting up and maintaining telecommunications services, including debt avoidance strategies.

### **Summary of research findings**

Although each low-income segment has been reported separately to ensure that specific needs and issues are highlighted, it is recognised that there are similarities across the segments that can be addressed at a broader level. It is also noted that there is significant overlap in disadvantage and many people who meet the low-income criteria also qualify for multiple segments.

The key findings in respect to the current status of access and affordability of telecommunications services for the seven low-income segments can be summarised as follows:

1. For respondents in the bottom 20 per cent of household income, access to telecommunications services generally falls below that of the general population, highlighting the ongoing need for the Access for Everyone Low Income Initiatives.
2. The Age pensioners and low-income family segment respondents reported the highest levels of satisfaction with their current level of access to telephone services, and both showed significant increases in comparison to the 2002 benchmark study.
3. Respondents who use Telstra are significantly more satisfied with their level of access to telephone services (mean 7.8) than respondents who use other telecommunications providers (mean 6.4).
4. Homeless and Indigenous respondents on low income are still most likely to question their perceived level of access to telecommunications services, and were highlighted as the most disadvantaged in terms of their current level of access with over 44 per cent and 25 per cent respectively not having access to any personal telecommunications services.
5. Perceived cost continues to be the main barrier to telecommunications access for the respondents. In the Age pensioners and low-income family segments, personal choice also rated highly as a reason for not having access to mobile telephones and the Internet in the household.

6. A significant proportion of people on low income in all segments are not aware of the various contact avenues for information and assistance in times of financial difficulties and in respect to credit management. Most respondents would contact a telephone company or approach Centrelink or a welfare agency.

7. Despite most low-income segments having lower levels of access to telecommunications than the general population, the majority of respondents were satisfied with their current level of access to telephone services, though there is still room for improvement.

8. Homelink® 1800, the Telstra Pensioner Concession Scheme and InContact® received the highest levels of awareness with the former two also recording the highest levels of usage across the low-income segments.

9. A direct comparison in levels of awareness between 2002 and 2003 can be made for the three most established programs, Homelink 1800, Pensioner Concession Scheme, InContact. These comparisons generally show a decline in awareness, particularly for InContact.

10. Amongst the low-income segments there is a high level of potential future usage of the initiatives suggesting that the Access for Everyone program has the ability to improve telecommunications access levels. Interest levels varied by segment, indicating that a range of initiatives is necessary to satisfy different needs:

- i. Telstra Bill Assistance Program generated most interest from the unemployed, disabled and NESB respondents, although all low-income segments found this initiative appealing.
- ii. The Telstra Pensioner Concession Scheme has shown increased interest from the Age pensioners, Indigenous and family segments since 2002.
- iii. The highest level of interest for the HomeLine™ Low Income Health Care Card phone plan came from Indigenous and low-income family respondents. Interest was also shown by the NESB respondents and those with a disability.
- iv. InContact demonstrated strong interest by respondents in all segments.
- v. The low-income aged, unemployed, NESB and families segments reported interest in HomeLine™ Budget phone plan.
- vi. Bill Smoothing was of most interest to Indigenous, family and disabled segments.
- vii. MessageBox was most appealing to the homeless and Indigenous segments.
- viii. The Indigenous and unemployed respondents showed the strongest interest in Centrepay, although interest was evident across all segments.

### **Exploratory research study summary of findings**

An exploratory study involving 300 telephone interviews covering all target groups (except homeless) in a higher income band (\$250-\$300 per week) indicated that:

1. in general the perceived affordability of telecommunications services is higher in this income band than in the lower income band reported at length in this report;

2. the median spend on telecommunications was higher than the lower income band respondents in all segments, and all respondents in the higher income band had access to one or more telecommunications service in their household;
3. fewer respondents in the higher band reported an occasion when they needed to make a phone call but did not have access;
4. overall satisfaction with the level of access to telephone services was quite similar when comparing the two income bands for most of the segments, although Indigenous respondents in the higher income band reported substantially higher satisfaction with their level of access to telephone services, compared to the Indigenous respondents in the lower (up to \$250 per week) income band.

### **LIMAC conclusion**

LIMAC members believe that Telstra has responded genuinely and comprehensively to the licence requirement to provide a program assisting low-income Australians to access telecommunications services. Telstra personnel involved in the Access for Everyone package have worked closely and collaboratively with LIMAC over the course of its development and implementation and Committee members are confident that this approach will continue into the future.

LIMAC endorses and supports Telstra's commitment to a broad communications program focused on the population groups identified in the Report. The Committee has been briefed on its development and during the year expects to be fully briefed on its implementation. As the program evolves, it is expected that Telstra will gain more experience in these markets and a better understanding of low-income customers' needs and circumstances.

In overall terms, the Access for Everyone package is still in its early phases of implementation. Some products are quite recent and more time is required for them to be taken up within the target communities. One initiative is still under development, and another is being improved. Some may require further adjustment and refinement to increase their effectiveness.

In considering the findings of the research and from discussions during preparation of this report, LIMAC identified the following key issues for more detailed consideration. Improving communications to homeless and Indigenous people, particularly to remote Indigenous communities, and more effective targeting of communications, will be priority issues for future LIMAC meetings.



# 1. INTRODUCTION

Under Clause 22 of Telstra's Carrier Licence Conditions, Telstra is required to establish an independent committee, the Low-Income Measures Assessment Committee ("LIMAC"), to specifically advise Telstra on providing services to customers on low incomes. The Committee is comprised of representatives of such organisations as are approved by the Minister for Communications, Information Technology and the Arts and generally includes representatives of welfare groups. Telstra is required to establish LIMAC under Clause 22 of its Carrier Licence Condition.

This is the first formal report of LIMAC. LIMAC is to produce a report annually which:

- assesses whether the resources committed under the low-income package by Telstra are best allocated to the needs of low-income consumers;
- evaluates the effectiveness of the low-income package in making telecommunications services available to the disadvantaged and those on low-incomes;
- advises on the effectiveness of the promotion of the low-income package;
- makes recommendations on how Telstra can improve the utilisation of resources committed under the low-income package to maximise the benefits to low-income telecommunications consumers.

The Committee's report will be provided to the Minister for Communications, Information Technology and the Arts.

## **2. BACKGROUND**

Under Clause 22 of Telstra's Carrier Licence Conditions, Telstra is required to offer, or have a plan for offering, products and services to address the needs of low-income customers. This low-income package was originally announced by Telstra in April 2002 and was called "Access for Everyone". The Access for Everyone package was formally documented in a Marketing Plan, endorsed by LIMAC on 3 June 2002. The Marketing Plan provides details of the new service offerings and enhancements to existing services offered as part of the package, as well as providing details of existing Telstra services which may be of assistance to the targeted groups, eg Telstra Disability Services, payphones, Multicultural Call Centre and billing and payment options.

The Access for Everyone package contains programs which target low-income Australians within the following seven segments:

- Age pensioners
- People with a disability
- Transient and homeless people
- Job seekers
- People from non-English speaking backgrounds
- Indigenous Australians
- Low-income families

This package was originally developed through extensive consultation with consumer and welfare groups, including the Telstra Consumer Consultative Council. This consultation process was undertaken at formal meetings of the Council, as well as more informal group meetings and one-on-one meetings with welfare and consumer organisations over a twelve-month period prior to Telstra announcing the package in April 2002.

### **3. LOW-INCOME MEASURES ASSESSMENT COMMITTEE (LIMAC)**

#### **3.1 Role**

The Low-Income Measures Assessment Committee (LIMAC) comprises representatives of such community and welfare organisations as are approved by the Minister for Communications, Information Technology and the Arts.

The role of LIMAC, as set out in its governing rules (attachment “A”), is to:

- assess proposed changes to the Telstra low-income package or to the Marketing Plan for the package;
- report annually to the Minister on the effectiveness of the Telstra low-income package and its respective marketing campaign.

#### **3.2 Membership**

The interim Committee met on 20 May 2002, and after Ministerial approval of the organisations represented, was formally constituted on 3 June 2002. LIMAC is comprised of representatives of the following organisations:

- Anglicare Australia
- Australian Council of Social Service
- Australian Federation of Homelessness Organisations
- COTA National Seniors
- Department of Family and Community Services
- Jobs Australia
- The Salvation Army
- The Smith Family

There are also a number of representatives who attend the LIMAC meetings who have “observer” status. These include representatives of the Department of Communications, Information Technology and the Arts (“DCITA”), the Australian Communications Authority (“ACA”) and Telstra.

The Committee is resourced by a secretariat maintained within Telstra.

### 3.3 Activities undertaken

Since its establishment, the Committee has generally met bi-monthly and has:

- formally endorsed its governing rules;
- elected its Chair on an annual basis, currently Mr Chris Dodds (representing Australian Council of Social Service) who was re-appointed on 27 October 2003;
- formally endorsed Telstra's Access for Everyone Marketing Plan on 3 June 2002 and has approved amendments to the Plan at various meetings to reflect any changes to program initiatives or activities;
- received regular briefings from Telstra on the development and roll-out of its programs, both formally at meetings and informally by email from the LIMAC Secretary (an employee of Telstra) by way of brief updates;
- received updates on communication activities undertaken to promote the package, including the development and updating of the website [www.telstra.com.au/accessforeveryone](http://www.telstra.com.au/accessforeveryone).

LIMAC has appointed the following:

- A working group to oversee the operation of the Telstra Bill Assistance Program
- A Research Sub-committee to oversee the research activities relevant to the fulfilment of the Committee's terms of reference
- A Report Sub-committee to oversee the development of LIMAC's annual report to fulfil the Committee's terms of reference.

Telstra has consulted LIMAC on changes to the Access for Everyone low-income programs prior to proposed price changes being announced by Telstra.

Since LIMAC's establishment, Telstra has launched all planned programs, with the exception of the "Bill Smoothing" payment option (proposed launch date 13 December 2004). (The proposed Internet option for eligible pensioners to apply their Telstra Pensioner Concession to a BigPond Internet account, rather than a fixed line service, to encourage higher levels of Internet usage, especially by Age pensioners, was unable to be pursued due to technical constraints within Telstra's billing systems.)

In April 2002, Telstra announced the Access for Everyone package, valued at \$150 million for the year ending 30 June 2003. Since the establishment of LIMAC, Telstra has regularly provided a financial report to the Committee, including capital expenditure to implement programs. Marketing, research and operational costs have not been included.

Telstra reported to LIMAC that as at 31 December 2003, with the addition of the HomeLine™ Low Income Health Care Card phone plan, the value of the package exceeded \$160 million.

### 3.4 Research program

Under the auspice of the Research Working Group, LIMAC has commissioned a research program which aims to better understand and benchmark low-income and disadvantaged Australians' attitudes toward, and usage of, telecommunications services. LIMAC was involved in a range of activities in relation to the research undertaken, including the selection of an independent market research expert, the development of the research methodology and sample design, research objectives, discussion guides and questionnaires.

Specifically, the research program has been designed to:

- explore current telecommunications needs and aspirations of low-income people within the seven targeted segments;
- understand the current usage of telecommunications services and identify limitations to usage;
- evaluate how well the proposed services and marketing plan for the Access for Everyone package will be able to reach and meet the needs of each segment;
- provide a benchmark against which the package's effectiveness can be measured annually.

The research program incorporates a mix of face-to-face and telephone interviews as appropriate for each segment, and respondents are drawn from the total market rather than just Telstra customers. A specialist research company is used for the low-income segment of consumers from non-English speaking background where interviews are conducted in other languages. The stages of the research program conducted to date are as follows:

- **Initial qualitative research** undertaken during July to August 2002, in the form of in-depth interviews and focus groups. The research was conducted with LIMAC members, welfare and support agencies, as well as people within each target group, to gain
  - insights into the telecommunication needs of low-income consumers
  - reactions from both agencies and consumers towards the Access for Everyone suite of initiatives
  - reactions to Telstra's proposed communications strategies.
- **2002 quantitative benchmark survey** was conducted in October 2002, involving 697 telephone or face-to-face interviews with people from the targeted groups. Respondents qualified for participation in the quantitative phase if they met the criteria of low income (weekly household income divided by the square root of the number of persons in household  $\leq$  \$242) and if they were identified as one of the targeted groups. This income level was selected with the advice of the National Centre for Social and Economic Modelling (NATSEM), University of Canberra, as representing the cut-off point for the bottom 20 per cent of household incomes in Australia. The benchmark research covered:

- current level of access to, and perceived affordability and accessibility of, telecommunications services. Respondents were asked their perception of their level of access to telephone services on a scale between “no access” and “full access to everything I need and want”, thus putting this measure in the context of personal needs.
  - perceptions of affordability were asked for telephone, mobile and Internet on a scale between “not affordable” and “easily affordable”.
  - current awareness, usage and potential take-up of the low-income initiatives developed as part of the Access for Everyone package.
  - an overall measure of satisfaction with the current level of access to be used for annual comparison. This measure includes consideration of access, affordability and needs, and awareness and usage of the Access for Everyone programs.
- **2003 annual quantitative survey**, conducted in September 2003, involving 700 telephone or face-to-face interviews, aimed to measure low-income Australians’ access to telecommunications services against the 2002 benchmark. Respondents qualified for participation in the quantitative phase if they met the criteria of low income (weekly household income divided by the square root of the number of persons in household  $\leq$  \$250) and if they were identified as one of the targeted groups. The sample frame was changed for this survey to include more remote areas than in 2002, particularly to ensure an adequate representation of remote Indigenous communities.
  - **2003 exploratory research study into a higher income group** (weekly household income divided by the square root of the number of persons in household  $\leq$  \$300) involving 300 telephone interviews for all segments other than transient and homeless people.

This additional research study in 2003 was undertaken at the express wish of LIMAC. The intention was to broaden the income range to explore possible differences in access, awareness and perceptions in relation to telecommunications services and the Access for Everyone programs. A detailed overview of the research is provided in section 5 of this report.

## **4. ACCESS FOR EVERYONE PROGRAMS**

This section provides a description of the main products and services that have been developed as part of the Access for Everyone package. Some are completely new, others have been improved significantly.

- 4.1 HomeLine™ Budget phone plan
- 4.2 HomeLine™ Low Income Health Care Card phone plan
- 4.3 Pensioner Concession Scheme
- 4.4 InContact®
- 4.5 Bill Assistance Program
- 4.6 MessageBox
- 4.7 Homelink® 1800
- 4.8 Sponsored Access
- 4.9 Multiple Number (Sub-Account)

After giving a current explanation of the product or service, the report gives details about its promotion to the end of December 2003, take-up, monitoring and developmental work in progress (if any).

The monitoring of a number of the programs has involved close collaboration between Telstra and LIMAC members, both to develop a number of the newer programs by discussing features, eligibility or other aspects of a program; considering results of pilot tests; and advising on roll-out strategies.

Planned promotional activities were discussed at each LIMAC meeting and members were able to offer advice to Telstra during these discussions. LIMAC has also received regular detailed reports on those activities, by way of record.

Section 5 gives more detailed information about planned communication strategies, particularly in view of the 2003 research findings.

## **4.1 HomeLine™ Budget phone plan**

### **Program description**

Under Access for Everyone, Telstra's HomeLine™ Budget phone plan has been updated and offers a lower monthly rental charge but with higher than standard per-call costs. It may provide savings to residential customers who make relatively few calls. HomeLine Budget phone plan is tariffed such that the average customer using this service will not experience price movement above CPI.

### **Target groups**

Residential customers with just one fixed line service who make very few calls, including low-income families and Age pensioners.

### **Promotion**

- Inclusion in the brochure "Guide to Telstra Services" available from Telstra shops or on request.
- Telstra's Home Phone Plans, including HomeLine Budget, are described on Telstra's website. The website provides a comparison of the plans' major features to assist customers' decision-making.
- Information is included in Telstra's "Access for Everyone –Your A-Z Guide" booklet, distributed widely to community agencies and accessible at [www.telstra.com.au/accessforeveryone](http://www.telstra.com.au/accessforeveryone).

### **Take-up**

Customer take-up of HomeLine Budget phone plan has been gradual and sustained with services in operation more than doubling during 2003.

### **Monitoring**

LIMAC sought assurances from Telstra that customers would be monitored to ensure that HomeLine Budget customers were taking up the most appropriate HomeLine plan. Telstra has since conducted two outbound telemarketing campaigns, the last in October 2003. The campaign was considered successful in re-educating customers about the service, and migrating customers who decided their calling behaviour was better suited to another plan. The campaign indicated that take-up was due to the phone service being required mainly for incoming calls, and for those on a budget this service was helpful in managing telephony expenses. A high number of customers were pensioners. The next campaign will occur in May 2004.

### **Work in progress**

No further developmental work is envisaged for this program.

Section 5 gives more detailed information about planned communication strategies, particularly in view of the 2003 research findings.

HomeLine Budget phone plan provides a calling option for people who make few calls and may be adversely impacted by price rebalancing.
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## **4.2 HomeLine™ Low Income Health Care Card phone plan**

### **Program description**

This calling plan, launched 12 May 2003, offers a lower monthly rental charge with slightly higher calling charges, and reduced connection fees which can be spread over subsequent billing cycles to people who have a Low Income Health Care Card from Centrelink. It offers savings to these people if they make relatively moderate amounts of calls.

### **Target groups**

Australian Government Low Income Health Care card-holders.

### **Promotion**

The availability of this phone plan has been generally promoted as part of the Access for Everyone package, eg on Telstra's website. Telstra is discussing ways of promoting this phone plan amongst Low Income Health Care Cardholders with Centrelink.

### **Take-up**

Take-up of this product has been low to date, peaking in December 2003.

### **Monitoring**

LIMAC has noted the low take-up and will need to consider Telstra's communication strategy to be developed when further discussions with Centrelink have occurred.

### **Work in progress**

No further developmental work is envisaged for this program.

As previously mentioned, Telstra will develop its communication strategy after further discussions with Centrelink.

<p>HomeLine Low Income Health Care Card phone plan provides a calling option for people who make few calls and may be adversely affected by rebalancing. It also offers reduced connection fees which can be spread over subsequent billing cycles. A communications plan is under development.</p>
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## 4.3 Telstra Pensioner Concession Scheme

### Program description

Telstra's Pensioner Concession Scheme was originally introduced in 1992. It provided a monthly call concession and substantial discount on new or in-place telephone connections. Later it included free access to Telstra's HomeLine™ Call Control feature.

Under Access for Everyone, the monthly discount for most Telstra preselected customers has been considerably increased and Telstra has committed to ensuring that the average eligible pensioner will not experience price movement above CPI over the period 1 July 2002 to 30 June 2005. The services covered by the concession have been expanded to take into account other relevant calling, eg. dial-up Internet services.

### Target group

Eligibility for Telstra's Pensioner Concession Scheme has been aligned with Centrelink and Department of Veterans' Affairs means tested criteria. In summary:

An eligible pensioner is a home customer who:

- (a) is billed directly by Telstra for monthly access and local calls; and
- (b) holds an eligible Australian Government pensioner concession card that is valid and was issued for a full year.

### Promotion

This has been ongoing:

- Advertorials in publications targeted at seniors, including *The Australian Senior*, *Age Pensioner News for Seniors*, and *50 Something*;
- a bill message to Telstra pensioner customers advising them of eligibility changes;
- improving visibility of the concession through improvements to the Telstra bill format;
- information is included in Telstra's "Access for Everyone –Your A-Z Guide" booklet, distributed widely to community agencies and accessible at [www.telstra.com.au/accessforeveryone](http://www.telstra.com.au/accessforeveryone);
- improving information on the Telstra website to provide a table showing how the concession can apply.

### Take-up

The number of Telstra customers receiving the Pensioner Concession has increased steadily since the launch of the Access for Everyone package. Over 1 million pensioners receive the concession.

### Monitoring

LIMAC considered changes to eligibility criteria to improve clarity and consistency.

## **Work in progress**

Other than Telstra undertaking customer validation processes, no further developmental work is envisaged for this program.

Section 5 gives more detailed information about planned communication strategies, particularly in view of the 2003 research findings.

The Pensioner Concession Scheme, while one of the earliest of Telstra's affordability initiatives, has been substantially upgraded in simplicity and value under Access for Everyone to provide ongoing protection to this target group during the current price control period. In dollar terms it is the largest by far of the Access for Everyone programs.

## **Other initiatives targeting pensioners**

### **New bill payment options**

**Centrepay** (launched 7 April 2003) offers the ability to direct government payments towards pensioners' Telstra telephone accounts.

Telstra has reported it will continue to promote this payment option and, by way of example, in February-March 2004 intends to utilise the front page of Telstra's website to promote the Centrepay option, directing users to the Access for Everyone pages on the Telstra website. This advertisement will remain in place for a month, rotating with other promotional messages.

The Committee has been kept informed of the monthly total of payments received through this service. These have steadily increased and show a promising take-up of this bill payment option.

**Bill Smoothing** (planned for launch 13 December 2004) is under development. It is intended to provide a further payment option whereby bill fluctuations can be spread across a twelve-month payment period.

## **4.4 InContact®**

### **Program description**

Telstra launched InContact® in June 1995 as a telephone service free of ongoing monthly access charges. It allowed incoming calls, with outgoing access to the emergency services number 000, Telstra Sales and Service and Telstra Homelink® 1800 numbers. Under Access for Everyone, InContact has been enhanced to enable:

- Telstra MessageBox message retrieval;
- outgoing calls to most other numbers via the Telstra PhoneAway™ service.

### **Target groups**

InContact is targeted to low-income families and job seekers. Eligibility for new InContact services is restricted to people who have a Centrelink or Department of Veterans' Affairs concession card or who are Telstra credit management customers (for a maximum period of 12 months while an outstanding debt is being resolved), or agencies eligible under the Sponsored Access program.

### **Promotion**

A letter was sent to all InContact customers confirming eligibility and enhancements. The letter also confirmed the length of time InContact will be provided to customers who have outstanding debts with Telstra.

Information is included in Telstra's "Access for Everyone –Your A-Z Guide" booklet, distributed widely to community agencies and accessible at [www.telstra.com.au/accessforeveryone](http://www.telstra.com.au/accessforeveryone).

### **Take-up**

The number of InContact services in operation remained stable in the first half of 2003, with a slight decline in the latter half-year.

### **Monitoring**

The change in eligibility for InContact in December 2002 raised some concerns about existing InContact customers who might move house and still require InContact but are not now eligible. Telstra responded that the new eligibility criteria should be used in this situation to ensure the service is properly targeted.

Feedback from the Telstra Consumer Consultative Council Credit Management Working Group has raised various customer situations where they may benefit from InContact but are not currently eligible due to having a pre-paid mobile phone. Telstra is considering this issue.

### **Work in progress**

Telstra will further enhance InContact in 2004 by:

- allowing access to make national reverse charge calls (30 April 2004);
- calls to free call numbers listed in the "Health & Help" section of the White Pages™ directories (from 31 May 2004);

- Telstra will also consider its current eligibility rules in cases where a customer has a pre-paid mobile service.

Section 5 gives more detailed information about planned communication strategies, particularly in view of the 2003 research findings.

Since its launch in 1995, InContact has been of benefit to customers on low incomes and Telstra's credit managed customers. It has been significantly upgraded under Access for Everyone to provide a more complete telephone service for eligible customers.

## **4.5 Telstra Bill Assistance Program**

### **Program description**

The Telstra Bill Assistance Program (TBAP) was launched 1 August 2002 and provides financial relief to Telstra customers (including farming families) who have difficulty paying their Telstra home phone bill. Telstra provides \$25 certificates to the value of \$5 million per annum for distribution by community welfare agencies to their clients.

Within the overall guidelines of the program, Telstra respects the assessment of the welfare agency in determining to whom they will provide bill assistance and how much.

Four lead agencies have assisted Telstra to implement the program throughout Australia. These are the Smith Family, the Salvation Army, St Vincent de Paul Society and Anglicare Australia. In addition to those agencies, their sub-agencies, branches and parishes, approximately another 160 community welfare agencies have joined the program to provide additional geographic and cultural accessibility.

### **Target groups**

Financially disadvantaged customers including low-income families, Indigenous Australians and job seekers.

### **Promotion**

Whilst recognising the need to generate customer awareness of the TBAP, Telstra has tried to be sensitive to the impacts on the welfare agencies of any mass media promotion. To that end, it was decided to advertise the program by way of a bill message to all existing residential customers over the period 29 March to 29 June 2003.

Information about TBAP was included in the new 2003–04 Australian Council of Social Service (ACOSS) Emergency Relief Handbook provided to all Commonwealth-funded emergency relief agencies. It is also included in Telstra's "Access for Everyone – Your A-Z Guide" booklet and at [www.telstra.com.au/accessforeveryone](http://www.telstra.com.au/accessforeveryone).

As part of its "Stay Connected" campaign, Telstra is currently working on the revision of a brochure, sent to all new customers upon service activation of a fixed line telephone service, to include reference to the TBAP and other affordability options.

Telstra has also responded to every opportunity and invitation to present on TBAP and Access for Everyone at community organisation and financial counselling meetings in every State and Territory, eg biennial Country Women's Association national conference, NSW Rural Financial Counselling Association, National Council of the St Vincent de Paul Society.

### **Take-up**

On average, over 3000 Telstra customers are being assisted with their bills each month.

### **Monitoring**

To assist with implementation of the program a sub-group of LIMAC consisting of Anglicare Australia, the Smith Family, the Salvation Army, together with a representative from St Vincent de Paul Society and the Chair of LIMAC meets as a Sub-committee before each LIMAC meeting, and additionally by audio-conference. The Sub-committee discusses the

take-up of the program for each reporting period as well as the communications to agencies and any policy issues.

1. Advice from welfare agencies operating in rural areas indicated that farming families who were suffering financial hardship because of extended drought conditions in much of Australia could not be assisted by the program. This was because TBAP was originally devised for residential customers with Telstra HomeLine™ services. After receiving a formal proposal from LIMAC Telstra agreed to widen the TBAP guidelines to include farming families as eligible for assistance for their home phone usage, even if it was a BusinessLine™ service and/ or in the name of a company or trust. This change was advised to all agencies by letter dated 17 March 2003.
2. The Sub-committee also discussed the applicability of TBAP to customers who have a debt with Telstra. Telstra has clarified the TBAP guidelines, which means that in many circumstances the program can assist customers with a recent Telstra debt wishing to reconnect their telephone service with Telstra.
3. The Sub-committee through its bi-monthly monitoring of take-up is able to determine areas where some mid-term reallocation of resources is warranted, thus ensuring as far as possible the full utilisation of the \$5 million assistance available under the program.
4. In the second half of 2003 Telstra undertook a formal internal audit “to ensure the TBAP is effective and Welfare Agencies complied with the TBAP Letter Agreement in relation to the correct issue of Certificates during the 2002-03 financial year”. The audit involved internal Telstra processes as well as visits to a number of welfare agencies. The audit report concluded that “The TBAP has been well received by Agencies and appears to be operating effectively”. The Sub-committee has considered the audit report, agreed on process improvements to be implemented, and welcomed its findings as assisting to maintain the effectiveness of the TBAP program.

There has been positive feedback from agencies involved in this program, including

“...It has enabled us to help people in a very real way, when they have a number of pressing problems and lessening one bill can really ease the crisis and allow them to plan a way ahead. ...we assist a very wide range of people with the Telstra vouchers, although almost all are on Centrelink payments and living below the poverty line. We have also found a particular need amongst our newest, largest and poorest families, the South Sudanese. Many of these community members are, through their own efforts and commitment, assisting others of their family or community to emigrate from refugee camps, and this often leads to large phone bills...” (Springvale, Victoria)

### **Work in progress**

The Sub-committee is actively discussing two further issues:

- the implementation model for the program and whether a centralised processing option (such as exists now in Western Australia) would provide additional flexibility and effectiveness;

- the overall geographic and cultural accessibility of the program.

Section 5 gives more detailed information about planned communication strategies, particularly in view of the 2003 research findings.

The Telstra Bill Assistance Program is one of the cornerstone initiatives of the Access for Everyone package. For the first time, welfare agencies are able to access a specific emergency relief resource to assist their clients to maintain their telephone service during a financial crisis. Now in its second funding year, the program is operating successfully with refinements under active discussion to further improve its already substantial effectiveness. Based on current take-up, it is expected that for the full (2003-04) year of operation, the \$5 million assistance under the program will be fully utilised.



## **4.6 Telstra MessageBox**

### **Program description**

Telstra MessageBox is a free message service for people who do not have access to a working or secure telephone service and who are homeless, experiencing financial hardship or are in a crisis situation (eg. domestic violence situations). MessageBox provides customers with a telephone number and MessageBox number that they can give out to people, who can then call the number (0417 777 555) and confidentially leave messages for them. These messages can be retrieved for free when calling (1800 777 555) from most Telstra fixed line phones (including InContact®) and Telstra public payphones in Australia.

The program was launched on a pilot basis on 3 December 2002, with general availability from 1 March 2003. Within the overall guidelines of the program, Telstra respects the assessment of the welfare agency in determining to whom they will provide a MessageBox service.

Distribution of MessageBox services has relied on community and welfare agencies that are in contact with eligible people and join the program. These include Supported Accommodation and Assistance Program (SAAP) agencies, Domestic Violence outreach services, and Job Network agencies. More recently Centrelink social workers and personal advisors are joining the program to provide MessageBox to their clients.

### **Target groups**

People without stable accommodation, including transient people, people in domestic violence situations, people (including job seekers) who do not have any reliable telephone service.

### **Promotion**

MessageBox was initially promoted to 1200 crisis accommodation agencies, the Australian Federation of Homelessness Organisations (AFHO) and then through the Jobs Australia network, which resulted in substantial interest. Poster presentations and promotional materials have been made available at relevant national conferences such as convened by AFHO in April 2003.

Information is included in Telstra's "Access for Everyone –Your A-Z Guide" booklet, distributed widely to community agencies and accessible at [www.telstra.com.au/accessforeveryone](http://www.telstra.com.au/accessforeveryone).

### **Take-up**

Telstra has distributed over 10,000 cards across approximately 300 agencies supporting this program. The number of cards used peaked in November 2003 with 755 messages retrieved. Where clients are using the service, they do so regularly.

### **Monitoring**

LIMAC was directly involved in the development of Telstra MessageBox and given specific feedback.

1. To overcome some concerns about potential complexity for users a number of blank "business" cards are provided with the Telstra MessageBox pack, which

users can fill out and give to family, employers or community workers who may wish to leave a message for them through this service.

2. Telstra commissioned some in-depth interviews with participating agencies in June 2003 to better understand the effectiveness of the distribution program and to identify issues of take-up. Key findings indicate that because the program in itself was seen as not directly addressing a primary need of a homeless person (eg. shelter) service providers see its usefulness in emergency situations as secondary. However, where there is ongoing contact between the service provider and the client, agencies and clients alike place considerable value on the service. In response, Telstra has developed a number of extra marketing communications materials to try to optimise take-up and activation. These include MessageBox posters for agency waiting rooms, desk-top stands to hold the cards and large print instructions for use, and note pads and “post-it” notes for use in agencies as reminders of the program.
3. Despite slow take-up, where used, there has been positive feedback from agencies. However, agencies do report that they are not providing the service as often as they first thought they would.

“Working well, helpful to keep in touch with transient clients” (North Melbourne VIC).

“This program has been very beneficial to the young people on the Job Placement and Training Program (JPET)” (Maryborough QLD).

“Limited uptake by clients at this stage, but no negative feedback from those utilising the option” (Flemington VIC).

“Since he received MessageBox he has been successfully linked to counselling support...he has been able to apply for houses with real estate agents and for vans at caravan parks...his children leave him messages every day to let him know that they are thinking about him and they love him.” (Gippsland, VIC).

4. Specific feedback from some agencies notes that homeless young people often have (unreliable) mobile phones and so were not eligible to use MessageBox. Telstra has responded by amending the eligibility guidelines from 1 January 2004 to allow the provision of MessageBox in these situations.
5. Specific feedback from some agencies points to the design limitation of MessageBox in not allowing users to actually make or return calls. Telstra has noted that its PhoneAway™ and Phonecard pre-paid products are generally available for this purpose. However, this issue will be revisited when LIMAC reviews MessageBox in the second half of 2004.

### **Work in progress**

The Committee considers that a further evaluation of this program is warranted in the second half of 2004.

Section 5 gives more detailed information about planned communication strategies, particularly in view of the 2003 research findings.

MessageBox is a first attempt to provide a communications solution for people who are homeless or transient. LIMAC has noted on several occasions that this is one of the most challenging target groups to engage and results to date would highlight that challenge. The Committee will re-evaluate this program in the second half of 2004 after the above work in progress has taken effect.

## **4.7 Homelink® 1800 enhancement**

### **Program description**

A cashless calling service designed to help families maintain communication. It provides a 1800 phone number that is linked to a fixed Telstra phone service. It was launched by Telstra in late 1997. There is no charge to the caller of the Homelink® 1800 number. Instead, the legal lessee of the fixed telephone service pays for calls at Telstra public payphone rates.

Under Access for Everyone, from 3 December 2002, this service now provides a further option to the caller if the Homelink 1800 number does not answer or is busy, callers are given the option to be connected to another party through Telstra National Reverse Charge.

### **Target groups**

Low-income families, Indigenous communities, people who are transient, not-for-profit welfare organisations who need to maintain contact with certain clients and InContact® customers.

### **Promotion**

- Bill message to Homelink account holders advising them of the enhancement to the service (December – March 2003).
- Information included in letter to 1200 Supported Accommodation and Assistance Program (SAAP) providers.
- Information is included in Telstra's "Access for Everyone –Your A-Z Guide" booklet, distributed widely to community agencies and accessible at [www.telstra.com.au/accessforeveryone](http://www.telstra.com.au/accessforeveryone).

### **Take-up**

Homelink 1800 calling has been available since late 1997. Use of the reverse charge call option has been growing steadily.

### **Monitoring**

Feedback received from the Isolated Children's Parents' Association (ICPA) NSW branch queried the call pricing for Homelink 1800 calls and the eligibility of farming families with BusinessLine™ accounts to have this service. Telstra responded formally to these queries inviting further feedback, which LIMAC noted.

### **Work in progress**

No further work is proposed for this service.

Section 5 gives more detailed information about planned communication strategies, particularly in view of the 2003 research findings.

Homelink 1800 is an important service for people who are out and about or who rely on InContact. The enhancement under Access for Everyone provides a further option for making a call when without readily available means.
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## **4.8 Sponsored Access**

### **Program description**

Since 1 July 2002 Sponsored Access has offered an InContact® telephone service in Crisis Accommodation Program (CAP) properties. In this circumstance, InContact offers a relatively secure telephone service, free of ongoing charges, for use by residents.

Previously, InContact was only available to individual residential customers. With Sponsored Access Telstra allows the Crisis Accommodation agency itself to become the lessee of the service thus ensuring a permanent service in the property. If requested, Telstra also supplies at no charge the silent line status for a Sponsored Access service.

### **Target groups**

People in need of emergency housing.

### **Promotion**

In conjunction with the National Data Collection Agency (NDCA) Telstra sent a letter to all SAAP agencies (approx. 1200) in March 2003. Ongoing promotion has occurred through general Access for Everyone materials.

Information on this service was included in a pack sent to over 300 MessageBox agencies.

Information is included in Telstra's "Access for Everyone – Your A-Z Guide" booklet, distributed widely to community agencies and accessible at [www.telstra.com.au/accessforeveryone](http://www.telstra.com.au/accessforeveryone).

### **Take-up**

There has been a marked increase in the number of services connected since 30 June, with approximately 480 services in operation as at 31 December 2003.

### **Monitoring**

Some CAP agencies and members of LIMAC have queried the higher cost of making local calls from a Sponsored Access service using a PhoneAway™ card. Telstra has noted that providing PhoneAway cards to tenants has been the practice of some emergency accommodation services prior to Sponsored Access. Telstra also noted that other options were available to agencies, such as having a standard telephone service restricted to local calls only, or using a "Blue" or "Gold" leased payphone.

Another issue raised in regard to Sponsored Access is where agencies require their tenants to have access to a *FREECALL*™1800 number to allow tenants to contact their own staff in emergencies. This is not generally possible from an InContact service. However, Telstra has responded by undertaking further enhancements to InContact to enable users to call the free call numbers listed in the "Health & Help" sections of the White Pages™ directories. This should go a long way to overcoming this limitation on Sponsored Access.

### **Work in progress**

Telstra will further enhance Sponsored Access in 2004 by:

- allowing access to make national reverse charge calls (30 April 2004);

- calls to free call numbers listed in the “Health & Help” section of the White Pages directories (from 31 May 2004).

These enhancements will be communicated directly to Sponsored Access agencies at the appropriate time. Telstra will also conduct a specific promotion of Sponsored Access among Aboriginal Hostels.

Sponsored Access assists SAAP agencies in providing a secure telephone service in their crisis accommodation properties. With the planned enhancements due early in 2004, it offers a wider range of features and access for their clients.

## **4.9 Multiple Number (Sub-Account Service)**

### **Program description**

This service provides the ability to have a split account on the one telephone line service by dialling a short account code prior to calling the desired phone numbers. It enables different people in the household to take responsibility for their own calling costs. An individual sharing a house can charge their calls to their own 'number' and recognise when an incoming call is for them via a different ring tone. Further, by using HomeLine™ Call Control on either or both sub-accounts this splitting can be enforced.

### **Target group**

Independent youth still "living at home" within low-income families.

### **Promotion**

Multiple Number is described in detail, with user guide, on Telstra's website. No specific communication programs have yet been undertaken.

### **Monitoring**

LIMAC will monitor the impact of Telstra's proposed communications program.

### **Work in progress**

No further developmental work is envisaged for this program.

Section 5 gives more detailed information about planned communication strategies, particularly in view of the 2003 research findings.

Whilst this program has been included in the Access for Everyone package for shared households, Multiple Number is but one of a number of products (such as call barring and communic8™ pre-paid home) that offer ways to secure the telephone in such households.
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## 5. LOW-INCOME TARGETED GROUPS UNDER ACCESS FOR EVERYONE

Income measures are useful in understanding the ability of people to provide for themselves and their families, even if they do not completely define instances of poverty in Australia. Low-income households tend to spend a higher proportion of their household income on essential items such as housing, food and utilities<sup>1</sup>, experience multiple hardship and have high levels of financial stress<sup>2</sup>. The Salvation Army estimates that there are 2.1 million Australians living in poverty, which is approximately 11.5 per cent of the population<sup>3</sup>.

Poverty needs to be viewed, not only from the perspective of purchase power or material deprivation but also, in light of the ability to function as a full member of society - hence, the important role of affordable telecommunications in increasing the ability to participate on a social and community level and assisting in the reduction of exclusion and isolation.

Telstra recognises that affordability of telecommunications is important to ensure all customers are able to make use of the telecommunications services they require. Access to a phone is often a necessity for many low-income customers. Uses include the need to contact and be contactable for employment, emergency or medical needs or keeping in touch with family and friends.

In recognition of the needs of low-income groups, Telstra has a range of programs targeting seven specified groups. Some programs are generally available, others are restricted to people who meet eligibility criteria. These initiatives, known as “Access for Everyone”, are detailed in section 4.

To assist in the development of the Access for Everyone initiatives, seven low-income segments have been identified:

- Age pensioners
- Low-income families
- Indigenous Australians
- People from non-English speaking backgrounds (NESB)
- People with disabilities
- Transient and homeless people
- Unemployed persons.

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<sup>1</sup> *The Smith Family*, “Barriers to Participation Financial, Educational and Technological. A report into the barriers to societal participation among low-income Australians”. 2003.

<sup>2</sup> *Bray JR “Hardship in Australia” Department of Family and Community Services. Occasional Paper No 4. December 2001.*

<sup>3</sup> *The Salvation Army “Poverty in Australia” Fact Sheet. September 2003.*



This section of the report provides a profile for each of the low-income<sup>4</sup> targeted groups. For the purposes of the 2003 quantitative research study<sup>5</sup>, respondents qualified for participation if they met the criteria of low income (weekly household income divided by the square root of the number of persons in household  $\leq$  \$250) and if they were identified as one of the targeted groups. This income level was selected with the advice of the National Centre for Social and Economic Modelling (NATSEM), University of Canberra, as representing the cut-off point for the bottom 20 per cent of household income.

The profile includes:

- a general description of the segment;
- current level of personal access to telecommunications services including access to fixed line and mobile telephones, and the Internet;
- perceived levels of accessibility<sup>6</sup> and affordability<sup>7</sup> of, and satisfaction<sup>8</sup> with, telecommunications services;
- current awareness, usage and potential take-up of the low-income initiatives;
- work in progress;
- conclusions and future directions.

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<sup>4</sup> For the purpose of the market research “low income” was defined as that household income which fell in the lowest 20% of Australian households. See also section 3 for further details on the LIMAC commissioned market research.

<sup>5</sup> Further details on the objectives and methodology of the market research conducted can be found in section 3.

<sup>6</sup> Accessibility – has been derived from a 11 point rating scale (0=no access/10=full access to everything) question asked of all respondents in respect to their perceived access to telephone services presently.

<sup>7</sup> Affordability - has been derived from 11 point rating scale (0=not at all affordable/10=easily affordable) questions asked of all respondents in respect to their perceived affordability levels of fixed line telephones, mobiles and the Internet

<sup>8</sup> Satisfaction - has been derived from 11 point rating scale (0=not at all satisfied/10=completely satisfied) question asked of all respondents in respect to their satisfaction with their current access levels to telephone services.

## 5.1 Age pensioners

The Australian Bureau of Statistics (ABS) recorded that, as at 30 June 2002, 12.7 per cent of Australia's population were aged 65 years or more, or around 2,500,000 people. Males comprised around 44 per cent and women 56 per cent of the 65 years or more age group. The proportion of the population aged over 65 years will almost double to around 25 per cent over the next 40 years<sup>9</sup>.

The majority of people aged over 65 years live in households in the community, with only 5 per cent living permanently in residential aged care. The 2001 ABS population census indicated that while 69 per cent live with a spouse, partner or other relatives, 30 per cent live on their own. Over half of women aged 75 years or more were likely to be living on their own.

Of those receiving income support payments, the aged comprise 2,114,000 which is over 44 per cent of the total recipients of income support payments, and they are generally receiving an age pension from the Department of Family and Community Services (FaCS)<sup>10</sup>. This represents some 82 per cent of Australians aged 65 years or more.

Income security during retirement years is important for living adequately and for maximum community participation. The source and amounts of incomes vary widely for older Australians. According to the Australian Institute of Health and Welfare<sup>11</sup> (AIHW), only 11 per cent of income units with reference to people aged 65 years or more, receiving a government pension and allowances, had a gross income greater than \$400 per week. One-third of those units had a gross weekly income of less than \$200.

### Age pensioners sample

One hundred telephone interviews. Respondents qualified on the basis of income and who indicated they received an aged pension. Respondents included Telstra customers and those of other service providers, or with no service provider.

### Access to and affordability of telecommunications services

The LIMAC commissioned research findings show that low-income Age pensioners have significantly increased their level of access to fixed line telephones in the past year and in 2003, 97 per cent had access to one or more personal telecommunication service.

Although perceived cost is still a barrier for some, in 2003 the main reason for not purchasing a mobile phone is personal choice. Disinterest, as well as personal choice and lack of computer skills, were main reasons for not having Internet access.

The perceived overall accessibility of telephone services has also significantly increased in the past year and this low-income segment has one of the highest and increasing levels of

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<sup>9</sup> *Commonwealth of Australia Discussion Paper Australia's demographic challenges 2004.*

<sup>10</sup> *Australian Budget 2002-03 #5.*

<sup>11</sup> *Karmel R, Jenkins A, Angus P, Bowler E, Braun P 2003. Ageing and Aged Care In: Australia Institute of Health and Welfare. Australia's Welfare. Canberra.*

satisfaction with their current level of access to telephone services as compared to other low-income target groups.

Further, access to fixed line telephones increased by ten per cent in the past year.

**Table 1 - Access to Telecommunications Services**

*Q4a Which of the following do you personally have access to in your household?*

	General Population		Low Income Age pensioners Sample	
	%		%	
	2002	2003#	2002	2003
<b>Fixed line telephone</b>	96*	94	87	97
<b>Mobile telephone</b>	74*	71	35	27
<b>Internet</b>	37**	60	12	11
<b>None of these</b>	N/a	3	8	3

\* Source: Panorama 2002 *Do you have a home phone in your household? Do you own or use a mobile phone?*

\*\* Source: ABS, Nov/2000 *Households with access to the Internet at home*

# Source: Roy Morgan Research June-August 2003 *How many separate telephone lines do you have coming into your house and are they for private or business use? Do you own or use a mobile phone? Do you have an Internet connection at home/work/school? (response for home)*

### Information and assistance

When seeking information on low-income telecommunication initiatives or assistance while experiencing financial hardship, Age pensioners, as with most other low-income segments, tend to contact a telephone company for assistance. Around one in ten would turn to a welfare agency or Centrelink, and one-fifth would not know what to do.

Of those Age pensioners who found themselves in an emergency situation, all had access to a phone when there was a need to make a call.

This low-income segment was the most likely to have access to a phone to make or receive calls compared to other low-income segments. Six per cent reported needing but not having the ability to access a telephone in situations other than an emergency.

### Awareness and usage of Telstra's low-income initiatives

The following Access for Everyone initiatives (outlined in more detail in section 4) were developed to assist Age pensioners:

- enhancements to the Telstra Pensioner Concession Scheme
- Centrepay bill payment option.

Other programs, which may also assist Age pensioners under the package, include

- Telstra Bill Assistance Program

- InContact®
- HomeLine™ Budget phone plan
- Bill Smoothing (under development).

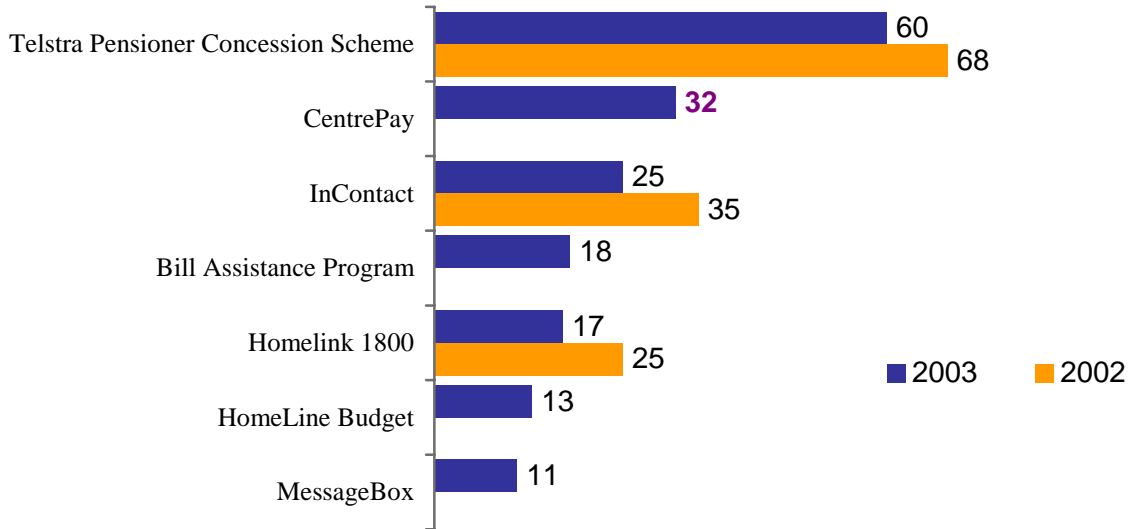
The Telstra Pensioner Concession Scheme recorded the highest levels of awareness across all low-income initiatives with nearly two-thirds of the Age pensioners segment recalling this service. One in three of this target sample were aware of Centrepay and one in four were aware of InContact. InContact demonstrated a significant decline in awareness in the past year.

The Telstra Pensioner Concession Scheme has the highest current usage levels, but uptake has been slower amongst the other initiatives, with the following showing promising potential take-up:

- Telstra Bill Assistance Program
- HomeLine Budget phone plan
- Bill Smoothing.

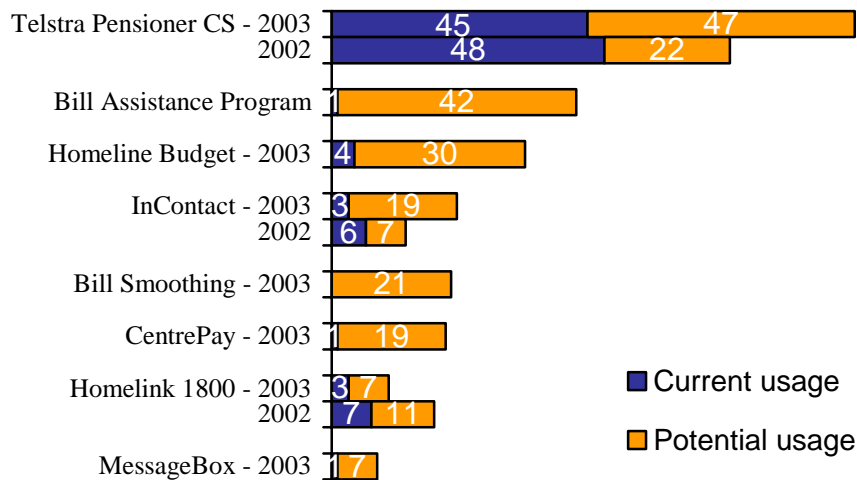
**Table 2 Awareness of Telstra's Low-Income Initiatives  
Low-Income Age pensioners Segment 2002 - 2003**

*Q9b. Which services do you recall? / Q12a. Are you aware of the following Telstra programs, designed to provide more affordable telephone services?*



**Table 3 Current & Potential Usage of Telstra's Low-Income Initiatives  
Low-Income Age pensioners Segment 2002 - 2003**

*Current Usage: Q11. Which ones do you receive?/Q12b. Do you currently make use of this service?*



*Potential Usage: Q12c. Would any of the services that you have just heard about be useful to you to improve your access to a phone service?*

## **Work in progress**

Eligibility for Telstra's Pensioner Concession Scheme has been clarified in line with Centrelink and Department of Veterans' Affairs means-tested criteria. These changes were undertaken in consultation with LIMAC. Telstra reported to LIMAC on its communications activities including a bill message to Telstra pensioner customers to advise them of eligibility changes, changes to the Telstra bill format to improve customers' visibility of the concession, and changes to the Access for Everyone website to provide a table showing how the concession can apply. Telstra has reported to LIMAC on its series of advertorials in publications targeting older Australians including the *Australian Senior*, *Age Pensioner News for Seniors*, *50 Something*, etc.

Telstra has supported the Australian Seniors Computer Clubs Association (ASCCA) in its skilling of older people to use computers and the Internet. This support is by way of a distribution agreement based on ASCCA members becoming BigPond™ members.

## **Conclusions and future directions**

Telecommunications services are important for older Australians on low incomes. For many pensioners with impaired mobility due to age or illness, telecommunications services are important services enabling them to overcome being "housebound" or geographic/mobility limitations. The phone is a means of social contact, and it is a source of security. It is also a means to contact government and welfare agencies.

In the 2002 to 2003 period there has been a significant increase in access to fixed line telephones. Rather than perceived cost being a primary barrier to access, people choose not to have a mobile phone or Internet access. Internet access is also impacted by lack of computer skills.

In addition, this low-income segment demonstrated one of the highest and increasing satisfaction levels of current access as compared to other low-income target groups.

The Telstra Pensioner Concession Scheme recorded the highest levels of awareness, usage and potential uptake.

## **Planned activities**

- Telstra has reported that communication activities will continue to target this low-income segment, such as continued advertorials in two key seniors' publications to increase awareness of the Telstra Pensioner Concession Scheme.
- Telstra has reported it will trial the inclusion of a Centrepay application form in one pensioner bill cycle to measure improved take-up of the Centrepay option.
- LIMAC will maintain its strong interest in the development and take-up of bill payment options such as Centrepay and Bill Smoothing, the latter being still under development by Telstra.

## 5.2 Low-income families

The past few decades have seen changes, not only to the composition of families, but also to the economic and social fabric of Australia and the choices available to Australians. While most Australians have benefited from these, in some cases they have placed, or exacerbated the problems of, families in financial and emotional hardship.

It has also been identified that the type of family one is in impacts on the likelihood of living in poverty. Those families at risk include:

- Sole parent families
- Families impacted by unemployment
- Indigenous families
- Families that are solely on Government income support.

In 2001, 14.8 million Australians lived with at least one other family member, a total of 4.9 million families. While couples with children remain the most prevalent family type, there has been a 53 per cent increase of sole parent families between 1986 and 2001. In comparison, the number of couple families with children at home increased by three per cent and couple families without children at home increased by 33 per cent over the same period<sup>12</sup>. The Australian Bureau of Statistics (ABS) 2001 Census of Housing and Population reported that, 15.6 per cent of all families were one-parent families. The Commonwealth Department of Family and Community Services reported that in 2003, around 62 per cent of one-parent families' primary source of income is government income support as compared to 11 per cent of coupled families.

In 1998, the OECD reported that Australia had one of the highest jobless household rates for households with children. Although the majority of Australian families have at least one parent in paid employment, a significant proportion of families have no parent employed. In 2003, 6.3 per cent or 109,300 couple families with children under the age of 15 years had neither parent employed. This compares to 54 per cent or 259,000 one-parent families with children under 15 years where no parent was employed.<sup>13</sup>

### Low-income family sample

One hundred telephone interviews conducted. Respondents qualified on the basis of income and indicated they were part of a low-income family. Respondents included Telstra customers and those from other service providers, or with no service provider.

### Access to and affordability of telecommunications services

The LIMAC commissioned research findings show 98 per cent of respondents from low-income families have access to one or more personal telecommunications services,

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<sup>12</sup> ABS *Australian Social Trends*, Family and Community – Living Arrangements: Changing families, 2003

<sup>13</sup> ABS *Australian Social Trends*, Family and Community: National Summary Tables, 2003

demonstrating a significant improvement over the 2002 benchmark study. Access levels across specific services were as follows:

- significantly higher level of access to fixed line telephones in 2003 as compared to 2002 (96 per cent and 89 per cent respectively), which is comparable to Australian population as a whole;
- over half had access to mobile phones. Perceived cost has become a secondary factor, while personal choice is now the primary reason for not having a mobile;
- nearly one-third had access to the Internet. Of those who did not have access, lack of computer skills or personal choice are the main reasons identified.

Perceived accessibility and affordability, and satisfaction levels have significantly increased over the 2002 to 2003 period.

The median monthly spend for low-income families surveyed decreased from \$70 in 2002 to \$63 in 2003.

**Table 4 Access to Telecommunications Services**

*Q4a Which of the following do you personally have access to in your household?*

	General Population		Low-Income Families Sample	
	%		%	
	2002	2003#	2002	2003
<b>Fixed line telephone</b>	96*	94	89	96
<b>Mobile telephone</b>	74*	71	50	56
<b>Internet</b>	37**	60	27	31
<b>None of these</b>	N/a	3	8	2

\* Source: Panorama 2002 *Do you have a home phone in your household? Do you own or use a mobile phone?*  
 \*\* Source: ABS, Nov/2000 *Households with access to the Internet at home*  
 # Source: Roy Morgan Research June-August 2003 *How many separate telephone lines do you have coming into your house and are they for private or business use? Do you own or use a mobile phone? Do you have an Internet connection at home/work/school? (response for home)*

**Information and assistance**

When seeking information on low-income telecommunication initiatives or assistance when experiencing financial hardship around half the respondents would contact a telephone company for assistance, while 13 per cent would turn to a welfare agency or Centrelink, and one-quarter would not know what to do.

One-quarter of respondents found themselves in an emergency situation where they needed to make an emergency call. Of these, 90 per cent had access to a phone when there was a need to make an emergency call.



One in five of this low-income segment reported needing but not having the ability to access a telephone in a situation other than an emergency. There has been a significant reduction in the incidence of low-income families in this situation over the last year.

### **Awareness and usage of Telstra's low-income initiatives**

The following initiatives were developed specifically to assist low-income families:

- Telstra Bill Assistance Program
- InContact®
- Homelink® 1800
- Sub-account service (known as "Multiple Number")
- HomeLine™ Budget phone plan

The Telstra Pensioner Concessions Scheme and Low Income Health Care Card phone plan are also likely to be of benefit to this low-income segment, including sole parent households.

Forty-five per cent of the low-income family respondents were aware of the Telstra Pensioner Concession Scheme with one in four using the Scheme.

Thirty-nine per cent were aware of Homelink 1800. InContact showed a significant decline in awareness in the past year. In 2002 recall levels were around 43 per cent as compared to 30 per cent in 2003. Both initiatives demonstrated a significant decline in usage over the past year.

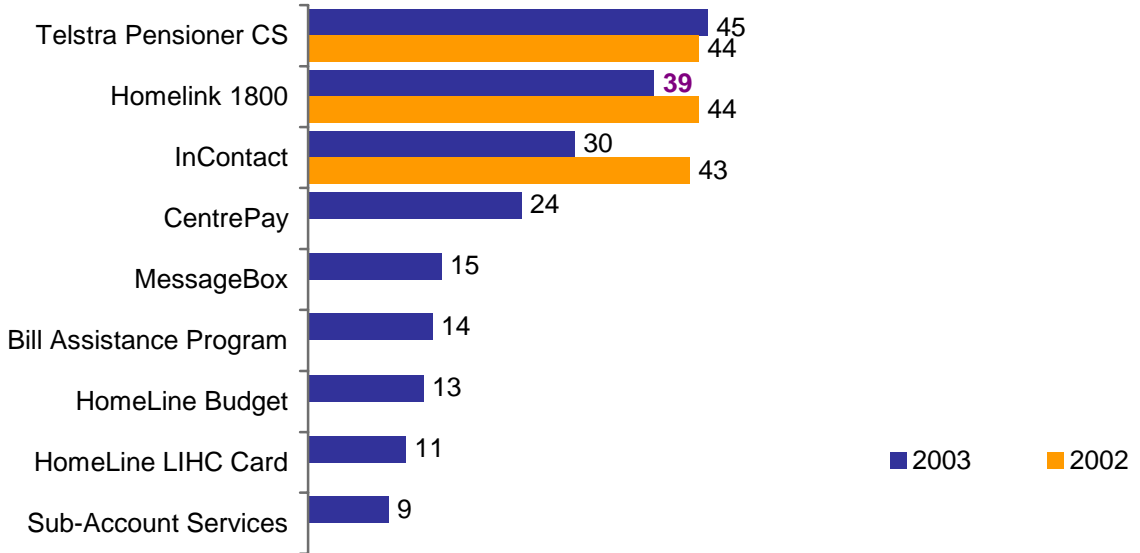
The Telstra Pensioner Concession Scheme has shown a significant increase in interest in the period, with potential to double take-up for this low-income group.

Interest was also shown in the following more recent initiatives:

- HomeLine™ Low Income Health Care Card phone plan
- Telstra Bill Assistance Program
- HomeLine Budget phone plan
- Bill Smoothing.

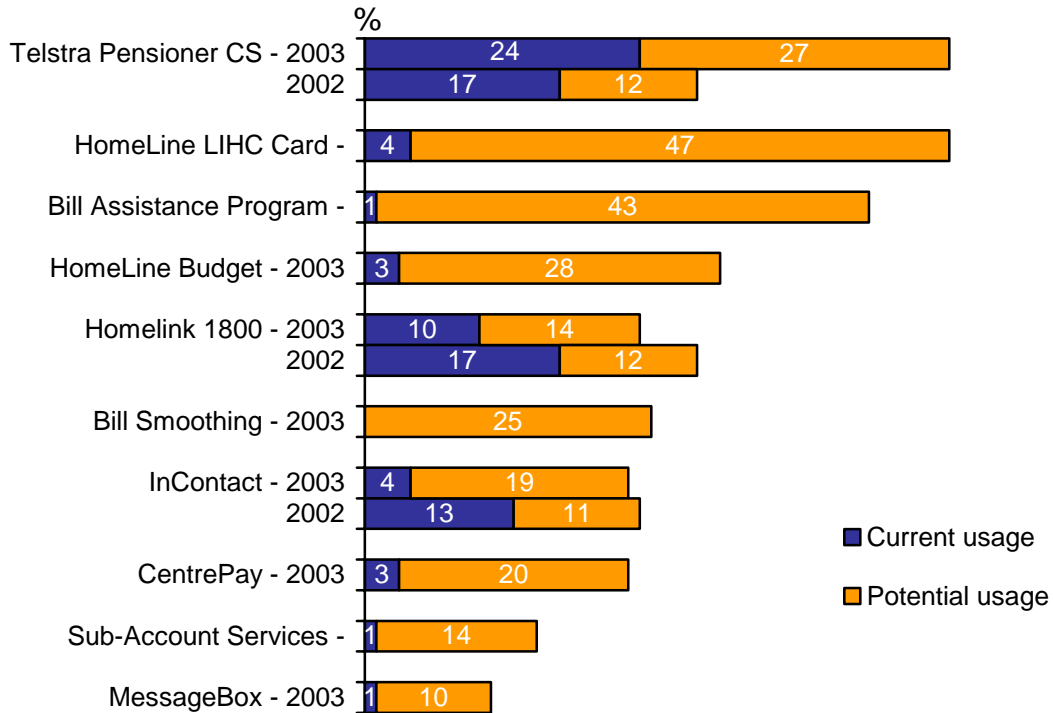
**Table 5 Awareness of Telstra's Low-Income Initiatives**  
**Low-Income families Segment 2002 - 2003**

*Q9b. Which services do you recall? / Q12a. Are you aware of the following Telstra programs, designed to provide more affordable telephone services?*



**Table 6 Current & Potential Usage of Telstra's Low-Income Initiatives**  
**Low-Income families Segment 2002 - 2003**

*Current Usage: Q11. Which ones do you receive?/Q12b. Do you currently make use of this service?*  
*Potential Usage: Q12c. Would any of the services that you have just heard about be useful to you to improve your access to a phone service?*



## **Work in progress**

Telstra has consulted with LIMAC on its proposed Access for Everyone communication strategies for 2004. As part of that strategy, it intends to include low-income families as one of the priorities amongst the seven target low-income groups.

As mentioned earlier, Telstra is seeking the advice of FACS/ Centrelink on ways it can promote HomeLine Low Income Health Care Card phone plan. It is proposed that this will be done in a targeted way to people who may be working but are eligible for a Low Income Health Care Card due to the income they receive.

Telstra is enhancing the InContact service to provide access to free call numbers listed in the "Health & Help" section of the White Pages™ directories, and access to reverse-charge calling.

Telstra is updating its "Welcome to Telstra" kit, sent to all new Telstra fixed line customers, to include information on the availability of the Telstra Bill Assistance Program.

## **Conclusions and future directions**

Access to affordable telecommunications services is important for low-income families. Options that allow family budgeting are also of benefit, particularly in situations where non-dependant children are still at home.

The 2002-2003 period has resulted in a significant improvement, with nearly all low-income family respondents having access to one or more personal telecommunications services. Perceived accessibility and affordability as well as satisfaction levels have significantly increased over the 2002 to 2003 period.

The Telstra Pensioner Concession Scheme demonstrated the highest awareness and usage levels across all initiatives and has potential to double take-up.

While awareness levels were also reasonable for Homelink 1800 and InContact, both initiatives demonstrated significant decline in usage over the past year.

The following more recent initiatives demonstrated the most interest amongst this low-income segment:

- HomeLine Low Income Health Care Card phone plan
  - Telstra Bill Assistance Program
  - HomeLine Budget phone plan,
- as well as
- Bill Smoothing (under development).

## **Planned activities**

Telstra has reported on a number of planned activities which will target low-income families, including some previously mentioned:

- development of advertorials for relevant publications on Access for Everyone programs;
- developing a general brochure and poster on Access for Everyone programs and discussing ways of disseminating the promotional material with Centrelink and community agencies.

### 5.3 Indigenous Australians

In 2001 Indigenous Australians<sup>14</sup> made up 2.4 per cent of the Australian population. Around 50 per cent of Indigenous Australians live in or near major cities. Twenty-seven per cent of the Indigenous population live in remote areas as compared to two per cent of other Australians. The Indigenous population currently accounts for approximately half of the total remote population of Australia. In remote areas the Indigenous population is increasing.

**Table 7 Estimated Indigenous population by Remoteness**

	<b>Major Cities</b>	<b>Inner regional</b>	<b>Outer Regional</b>	<b>Remote</b>	<b>Very remote</b>	<b>Total</b>
<b>Indigenous population (n)</b>	138 494	92 988	105 875	40 161	81 002	458 520
<b>% total Indigenous population</b>	30.2	20.3	23.1	8.8	17.7	100.0
<b>% total region</b>	1.1	2.3	5.3	12.4	45.4	2.4

According to an Aboriginal and Torres Strait Islander Commission (ATSIC) submission on Indigenous poverty to the *Senate Inquiry into Poverty and Financial Hardship*, 30 per cent of Indigenous households are experiencing financial hardship, with an estimated 50 per cent of Indigenous adults reliant on some form of income support. The unemployment rate is around 20 per cent and the Indigenous population tend to earn less and have lower per capita income levels as compared to other Australians<sup>15</sup>.

A higher proportion of Indigenous Australians also experience substandard housing as compared to the Australian population as a whole. Indigenous Australians make up 2.4 per cent of the total Australian population yet comprise 18 per cent of Supported Accommodation and Assistance Program (SAAP) homeless clients in 2002-03<sup>16</sup>.

Indigenous Australians are disadvantaged across a range of socio-economic indicators. For example, they are three times more likely to experience illness as compared to other Australians and are more likely to experience poor educational outcomes. An intrinsic feature of any remote community is the challenges faced due to its isolation. This remoteness exacerbates the range of socio-economic disadvantages already described.

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<sup>14</sup> The socio-demographic population profile data has been derived mainly from the ATSIC Annual Report 2002-2003.

<sup>15</sup> This figure excludes those involved in Community Development Employment Projects (CDEP). The unemployment rate including CDEP in 2001 was 34.2%.

<sup>16</sup> Australian Federation of Homelessness Organisations, Facts and Stats 2002/2003, p1.

The Regional Telecommunications ('Estens') Inquiry<sup>17</sup> found that "Remote Indigenous communities remain the most disadvantaged telecommunications users in Australia and face unique difficulties in accessing adequate services. These difficulties are closely linked with broader social disadvantages faced by these communities."

The availability of telecommunications services, including low-income initiatives, is a vital tool in assisting Indigenous Australians lessen the disparities they face, particularly as Indigenous culture traditionally relies on oral communication. Access to, and availability of, telecommunications services is important in assisting the economic development and self-sufficiency of remote Indigenous communities as well as ensuring access to government and other support services.

In addition to the socio-demographic factors already discussed, other issues may also present barriers to the take-up of personal telecommunications. For example, standard telephone services, business models and service solutions being out of step with cultural practices such as the shared usage of an individually leased telephone service.

In recognition of these issues the Federal Government through its Department of Communications, Information Technology and the Arts (DCITA) has initiated the Telecommunications Action Plan for Remote Indigenous Communities (TAPRIC). This plan provides for a coordinated approach by Government and the telecommunications industry. Its four key objectives are:

- improved take-up and sustained use of telephone services;
- improved take-up and effective use of Internet services;
- improved viability and provision of broadband services for community service delivery and community development;
- increased awareness of telecommunications opportunities and rights.<sup>18</sup>

It is important to view the initiatives targeting Indigenous Australians in the Access for Everyone package within the wider context of the TAPRIC plan.

### **Low-income Indigenous sample**

One hundred interviews conducted either face-to-face or by telephone. Respondents qualified on the basis of income and indicated they identified as an Aboriginal or Torres Strait Islander. More remote areas were surveyed in 2003 than 2002. Twenty-two per cent were residing in a boarding house or refuge, and 37 per cent were in public rental accommodation.

Respondents included Telstra customers and those of other service providers, or with no service provider.

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<sup>17</sup> *Connecting regional Australia. The report of the Regional Telecommunications Inquiry. Commonwealth of Australia November 2002.*

<sup>18</sup> *Telecommunications Action Plan for Remote Indigenous Communities – Report on the Strategic Study for Improving Telecommunications in Remote Indigenous Communities, Department of Communications Information Technology and the Arts, Canberra, May 2002.*

## Access to and affordability of telecommunications services

Noting that many remote Indigenous communities rely on payphones as their primary form of telecommunications, Indigenous Australians surveyed are the second least likely of all targeted groups surveyed to have access to any form of personal telecommunications services<sup>19</sup>. LIMAC commissioned research findings<sup>20</sup> show that 25 per cent of Indigenous respondents do not have access to any household telephone services and are least likely to perceive that telephone services are accessible and affordable.

Other findings<sup>21</sup> for those surveyed in the low-income Indigenous segment include:

- proportions of those who have current access to particular services were significantly lower than for the general population and most other low-income target groups surveyed;
- perceived levels of access to a fixed line telephone and the Internet appear to have significantly decreased in the past year;
- perceived cost continues to be the main barrier to access and use of fixed line and mobile phones, and the Internet. The perceived hardware costs were also given as a major reason for lack of Internet access;
- while most low-income segments surveyed, in the main, were spending less than ten per cent of their monthly income on telecommunications expenses, which was considered by them to be a fair proportion, the majority of low-income Indigenous respondents were spending less than 20 per cent and reported that to be a fair to large proportion;
- low-income Indigenous respondents had the lowest satisfaction with their current level of access to telephone services. This was the only low-income segment in which satisfaction declined significantly over the past year.<sup>22</sup>

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<sup>19</sup> Twenty-five per cent of low-income Indigenous respondents do not have access to any telecommunications service, and the segment least likely to have access to any service was the homeless at 44 per cent.

<sup>20</sup> The sample distribution of Indigenous respondents in the 2003 survey was as follows – Capital City (28%), Regional Centre (31%) and Rural (42%). Time comparisons across the data for the Indigenous segment should be considered in the light that more interviews were conducted in remote areas in 2003 as compared to 2002 where there is a heavier reliance on public payphones.

<sup>21</sup> *Ibid*

<sup>22</sup> *Ibid*

**Table 8 Access to Telecommunications Services**

*Q4a Which of the following do you personally have access to in your household?*

	General Population		Low-Income Indigenous Sample	
	%		%	
	2002	2003#	2002	2003
<b>Fixed line telephone</b>	96*	94	69	61
<b>Mobile telephone</b>	74*	71	46	38
<b>Internet</b>	37**	60	16	9
<b>None of these</b>	N/a	3	17	25

\* Source: Panorama 2002 *Do you have a home phone in your household? Do you own or use a mobile phone?*

\*\* Source: ABS, Nov/2000 *Households with access to the Internet at home*

# Source: Roy Morgan Research June-August 2003 *How many separate telephone lines do you have coming into your house and are they for private or business use? Do you own or use a mobile phone? Do you have an Internet connection at home/work/school? (response for home)*

### Information and assistance

When seeking information on low-income telecommunication initiatives or assistance when experiencing financial hardship, Indigenous respondents, as with most other low-income respondents, tend to contact a telephone company for assistance. Around one in ten would turn to a welfare agency or Centrelink, and over one-third would not know what to do.

Of the 22 per cent of Indigenous Australians on low income who needed to make an emergency call in the last year, one quarter or six<sup>23</sup> of the people surveyed did not have telephone access.

Although there has been a decrease over the past year, over one-third reported they could not access a phone when there was a need to make a call in a situation other than an emergency. This was experienced infrequently.

### Awareness and usage of Telstra's low-income initiatives

The Telstra Bill Assistance Program was developed to help address the specialised needs of Indigenous Australians on low incomes as part of Telstra's Access for Everyone package.

Other programs within the Access for Everyone package that may also assist Indigenous Australians on low income are:

- Homelink® 1800

<sup>23</sup> Small sample size, results should be treated as indicative.



- InContact®
- Telstra Pensioner Concession Scheme
- HomeLine™ Low Income Health Care Card phone plan
- Telstra MessageBox
- Telstra Sponsored Access Program.

Homelink 1800 demonstrated the highest level of awareness across all initiatives with 44 per cent of Indigenous respondents recalling this service.

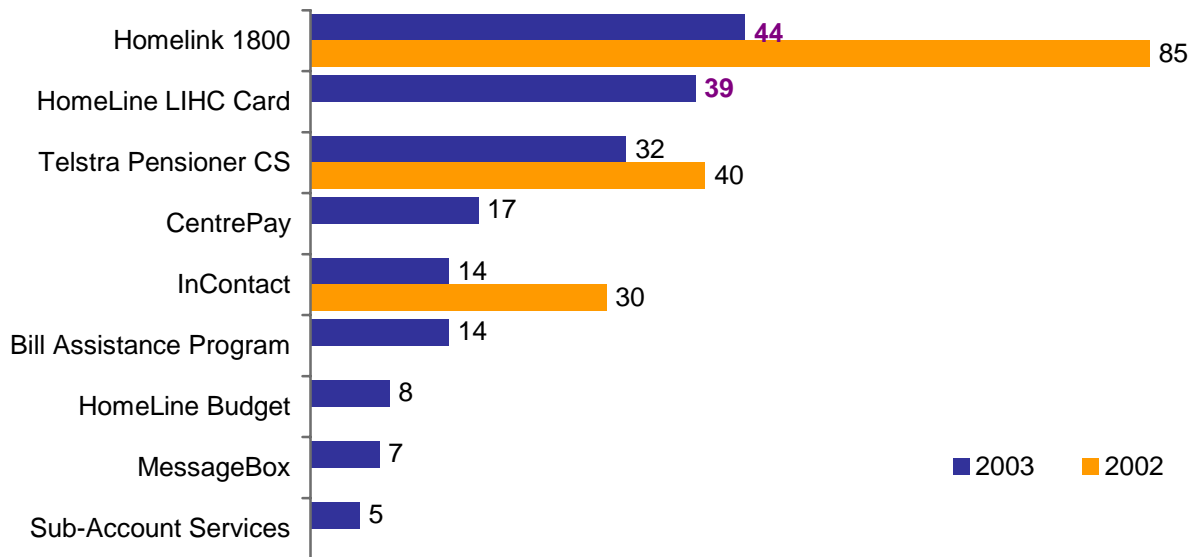
Although uptake is low for most initiatives, the low-income Indigenous segment has the highest uptake levels of Homelink 1800 and HomeLine Low Income Health Care Card phone plan and moderate uptake of the Telstra Pensioner Concession Scheme as compared to other low-income target groups.

Most initiatives showed promising potential take-up, particularly:

- HomeLine Low Income Health Care Card phone plan
- Telstra Bill Assistance Program
- Telstra Pensioner Concession Scheme.

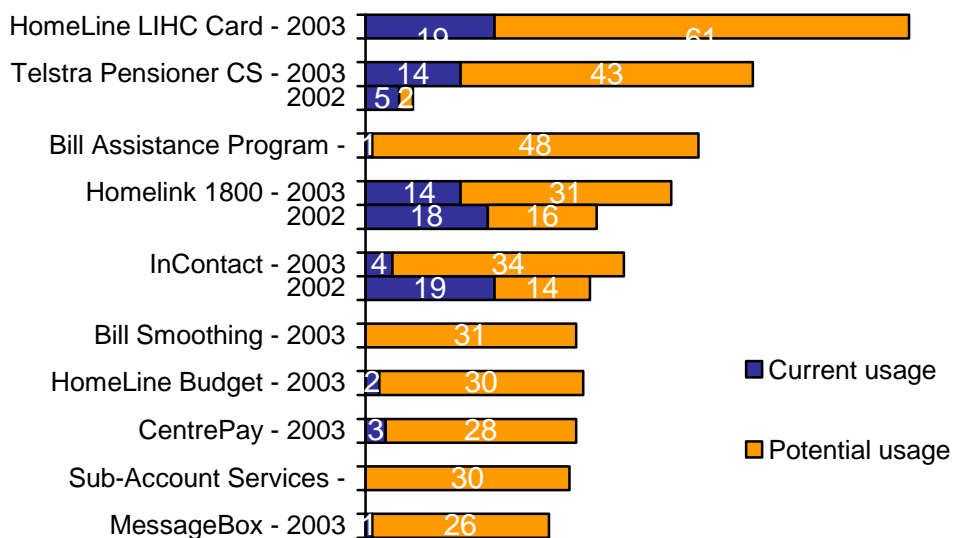
**Table 9 Awareness of Telstra's Low-Income Initiatives  
Low-Income Indigenous Segment – 2002 - 2003<sup>24</sup>**

*Q9b. Which services do you recall? / Q12a. Are you aware of the following Telstra programs, designed to provide more affordable telephone services?*



**Table 10 Current & Potential Usage of Telstra's Low-Income Initiatives<sup>25</sup>  
Low-Income Indigenous Segment – 2002 - 2003**

*Current Usage: Q11. Which ones do you receive?/Q12b. Do you currently make use of this service?  
Potential Usage: Q12c. Would any of the services that you have just heard about be useful to you to improve your access to a phone service?*



<sup>24</sup> Time comparisons across the data for the Indigenous segment should be considered in the light that more interviews were conducted in remote areas in 2003 as compared to 2002 where there is a heavier reliance on public payphones

<sup>25</sup> Ibid

## **Work in progress**

Telstra is committed to working proactively with Indigenous stakeholders and State and Federal Governments to significantly increase the take-up of appropriate communications products in the cities, regional and particularly remote communities. In addition to implementing the Access for Everyone package, Telstra is playing a major role within the TAPRIC and is currently developing and/or implementing the following initiatives:

*TAPRIC Database:* One of the challenges in designing better programs for Indigenous communities is the current lack of accurate data on Indigenous populations and their locations. To address this, Telstra, the ACA, DCITA and ATSIC - ATSI have created a data collection group comprising representatives from each organisation to correlate information provided by ATSIC - ATSI and DCITA (populations and locations) with Telstra information on infrastructure and service availability. Telstra has invested significant resources in populating this database with current information on telecommunications infrastructure, and through an extensive program of field visits has now completed the first comprehensive survey of infrastructure available in Indigenous communities. Telstra has commenced the significant task of reviewing this data to assess what options exist to deliver culturally appropriate services.

*Additional Payphone Installations.* Telstra has completed its review of 40 remote Indigenous communities identified as a priority, ie those remote Indigenous communities currently without access to telecommunications of any kind. A payphone has been installed where a community has met the installation criteria under the Universal Service Obligation. An assessment of an additional 81 communities is now almost complete and installations at sites, which meet the installation criteria, will be undertaken.

Telstra is reviewing the 2001 Australian Bureau of Statistics (ABS) Census and the 2001 ABS "Community Housing and Infrastructure Needs Survey" (CHINS) to identify any additional communities that may meet the criteria for installation of a payphone.

*Networking the Nation.* Telstra is supporting a number of Networking the Nation (NTN) projects to increase the take-up of telephone services in Indigenous communities. For example, the Island Watch project aims to provide prepaid phone services to homes in the Torres Strait Community. Other supported projects include Mornington Island, PY Media and the Outback Digital Network (ODN).

*Staffing.* Telstra plans to employ around 50 additional Indigenous staff to enhance contact with, and understanding of, Indigenous Australians. Telstra Country Wide® has 15 Indigenous staff located in its regional offices across Australia who assist Indigenous customers and improve understanding of cultural needs. Telstra's Regional Service Operations group employs a significant number of Indigenous field staff who visit regional and remote Indigenous communities as part of their installation and maintenance work. Telstra is offering Indigenous traineeships and cadetships for tertiary studies as well as educational scholarships.

*Community Phone.* A pre-paid calling card only (eg. PhoneAway™) "rugged phone", designed by the Centre for Appropriate Technology in Alice Springs NT, as an alternative to the standard payphone, is being developed and assessed.

*Pre-paid calling card product:* Telstra is investigating a number of prepaid calling card options that may better meet the needs of Indigenous Australians.

*Indigenous Communities Helpline.* Telstra has trained specialised call centre staff, recruited from Indigenous communities, to assist Indigenous callers to the FREECALL™ 1800 444 403 helpline number.

*“Iridium” Payphone.* A pre-paid calling card only (eg. PhoneAway) phone that operates over the Iridium satellite system is being developed.

*Telstra Country Wide (TCW).* Area General Managers, particularly in WA, NT, SA and QLD, continue to engage on a regular basis with Indigenous communities, and their representatives, on telecommunications needs.

Telstra’s Access for Everyone package is specifically contributing to the TAPRIC by enhancing the InContact service to allow pre-paid outgoing calls via a PhoneAway prepaid card, the free retrieval of MessageBox messages, access to free call numbers listed in the “Health & Help” section of the White Pages™ directories, and access to reverse-charge calling.

It is understood that bill payment and credit/ debt issues are barriers to take-up of personal communications for many in Indigenous communities. Telstra is responding through the development and/ or enhancement and promotion of pre-paid calling options such as PhoneAway and communic8™ Pre-paid Home services.

### **Conclusions and future directions**

Indigenous respondents on low incomes are one of the low-income segments least likely to have current access to personal telecommunications services. A significant proportion of those surveyed are not aware that they have contact avenues for information and assistance in respect to low-income telecommunication initiatives.

The main highlights in respect to awareness, usage and potential uptake of the low-income initiatives for the low-income Indigenous segment are as follows:

- Homelink 1800, HomeLine Low Income Health Care Card phone plan and Telstra Pensioner Concession Scheme have the highest awareness and current usage levels. Usage levels for these initiatives is moderate to high as compared to other low-income target groups.
- Over the past year there has been a significant decline in awareness of Homelink 1800.
- The uptake of the Telstra Pensioner Concession Scheme has increased significantly.

Interest levels have increased across the initiatives, with the following programs showing promising potential:

- HomeLine Low Income Health Care Card phone plan
- Telstra Bill Assistance Program
- Telstra Pensioner Concession Scheme.

### **Planned Activities**

Telstra acknowledges the need to work not only with government but, more importantly, with the Indigenous communities to ensure the development of culturally appropriate services and

related communications that meet the differing needs within the low-income Indigenous population. To this end, Telstra has reported that the following activities are planned:

- promotion of the Telstra Indigenous Communities Helpline through Indigenous specific media post-launch from February 2004.
- briefing of the Indigenous Helpline staff in regard to Access for Everyone and credit management options in conjunction with the above promotion.
- general promotion of relevant Access for Everyone options through Indigenous specific media, including Indigenous Hostels providing accommodation to transient Indigenous Australians.
- a pre-paid calling card is being developed by Telstra for remote Indigenous communities.
- development of advertorials for relevant Indigenous newspapers and other relevant print media on the various programs, including the Centrepay option for Centrelink clients.
- developing a general brochure, poster on Access for Everyone programs and discussing ways of disseminating the promotional material with Centrelink and community agencies.
- previously mentioned activities, such as promotion of Telstra's Bill Assistance Program in a brochure sent to all new Telstra customers and letters to Sponsored Access agencies advising them of further enhancements to the InContact service.

LIMAC has taken a particular interest in the telecommunications needs of Indigenous Australians. Telstra Country Wide has briefed the Committee on Telstra's undertakings to improve access and affordability for this segment. Developments will continue to be closely monitored by LIMAC through the market research results and the TAPRIC database.

## 5.4 People from non-English speaking backgrounds (NESB)

Multicultural Australia is made up of people from more than 100 nationalities. According to the ABS<sup>26</sup>, as at June 2001, Australia's overseas-born residents comprised 4.5 million, 23 per cent of the total estimated resident population (19.4 million).

For many of these new settlers and other Australians, English is not their first language. Over 200 languages are spoken including 48 Australian Indigenous languages. In 2001, 2.8 million or 16 per cent of the total Australian population spoke a language other than English at home. This represents an increase of eight per cent of people speaking a language other than English at home since 1996.

The four most common languages spoken at home other than English in the 2001 Census were:

- Chinese languages            401, 357 (2.1 %) (Cantonese 1.3 %; Mandarin 0.8 %)
- Italian                            353, 605 (1.9 %)
- Greek                              263, 717 (1.4 %)
- Arabic (inc. Lebanese)    209, 400 (1.2 %)

Although Australia's population diversity has many positive and exciting aspects there are also challenges that exist with language and cultural differences<sup>27</sup>.

- Over half a million<sup>28</sup> of Australians who speak a language other than English at home are not proficient in English. The proficiency of speaking English amongst people who speak a language other than English at home varies with age and whether they are born in Australia. That is, those born overseas and those aged 45 years or more are less likely to speak English well or very well.
- A disproportionate number of non-English speaking immigrants remain in low skilled, low paid employment.
- New arrivals continue to suffer high levels of unemployment.
- Many NESB women also face problems of poverty, isolation and cultural tensions and conflict particularly in respect to women's role in society.

Access to affordable telecommunications services is an important tool in the process of establishing oneself in a different country. Maintaining contact and links with family and friends "back home" can see telephone costs associated with international calls increase substantially.

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<sup>26</sup> Department of Immigration & Multicultural Affairs (May 2001).

<sup>27</sup> Department of Immigration & Multicultural Affairs.

<sup>28</sup> ABS Year Book Australia 2003 Population Languages (Cat #1301.0).

The need to maintain contact with family and friends in their country of origin is further exacerbated for refugees who are also faced with fear and trauma relating to the safety of loved ones back home.

### **Low-income non-English speaking background sample**

One hundred interviews were conducted by telephone or face-to-face. Respondents qualified on the basis of income and who indicated they were from a non-English speaking background. Interviews were conducted in Mandarin, Cantonese, Korean, Arabic, Serbian and English. Respondents included Telstra customers and those of other service providers.

### **Access to and affordability of telecommunications services**

The LIMAC commissioned research<sup>29</sup> findings show that all of those surveyed had access to one or more personal telecommunications services. Access levels across specific services were as follows:

- Access to fixed line telephones is comparable to Australian population as a whole.
- Although those surveyed from this segment were significantly less likely to have access to a mobile telephone in 2003 as compared to 2002 (65 per cent and 79 per cent respectively), this level of access is also comparable to the level of access to mobiles by the general Australian population.
- Over one-third of those surveyed has access to the Internet. This is the highest Internet access level across all low-income target groups surveyed.

Overall perceived accessibility and satisfaction levels have remained positive and stable over the 2002 to 2003 period.

The perceived affordability of maintaining access to fixed line telephones, mobiles and the Internet have remained stable in the past year but has still remained negative to neutral. Perceived cost continues to be the main barrier to telecommunications services access for those surveyed in the NESB target segment. The median monthly spend has also increased from \$64 in 2002 to \$70 in 2003.

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<sup>29</sup> NESB respondents were interviewed in Mandarin, Cantonese, Korean, Arabic, Serbian and English. Sixty three per cent of the sample had been living in Australia for less than 4 years and 14% were on Temporary Protection Visas.

**Table 11 Access to Telecommunications Services**

*Q4a Which of the following do you personally have access to in your household?*

	General Population		Low-Income NESB Sample	
	%		%	
	2002	2003#	2002	2003
<b>Fixed line telephone</b>	96*	94	94	92
<b>Mobile telephone</b>	74*	71	79	65
<b>Internet</b>	37**	60	46	35
<b>None of these</b>	N/a	3	2	0

\* Source: Panorama 2002 *Do you have a home phone in your household? Do you own or use a mobile phone?*

\*\* Source: ABS, Nov/2000 *Households with access to the Internet at home*

# Source: Roy Morgan Research June-August 2003 *How many separate telephone lines do you have coming into your house and are they for private or business use? Do you own or use a mobile phone? Do you have an Internet connection at home/work/school? (response for home)*

### **Information and assistance**

When seeking information on low-income telecommunication initiatives or assistance when experiencing financial hardship around one-third of those surveyed within the NESB segment tend to contact a telephone company for assistance. This proportion is much lower compared with most other low-income segment proportions in these circumstances. Thirty-nine per cent would turn to a welfare agency or Centrelink (more so than other segments), and one-fifth would not know what to do.

One in ten found themselves in an emergency situation where they needed to make an emergency call. Of these, all had access to a phone when there was a need to make an emergency call.

One-fifth of those surveyed reported needing but not having the ability to access a telephone in the past year in situations other than an emergency. When this situation occurred, it did so infrequently.

### **Awareness and usage of Telstra's low-income initiatives**

The NESB low-income segment surveyed had low awareness of most of the Telstra low-income initiatives and interviewer feedback suggested that translated information about the initiatives is not readily available.

One in five were aware of the Telstra Pensioner Concession Scheme and around one in seven were aware of the Telstra Bill Assistance Program, InContact® and Homelink® 1800. InContact demonstrated a significant decline in awareness in the past year, although this service showed promising potential take-up.



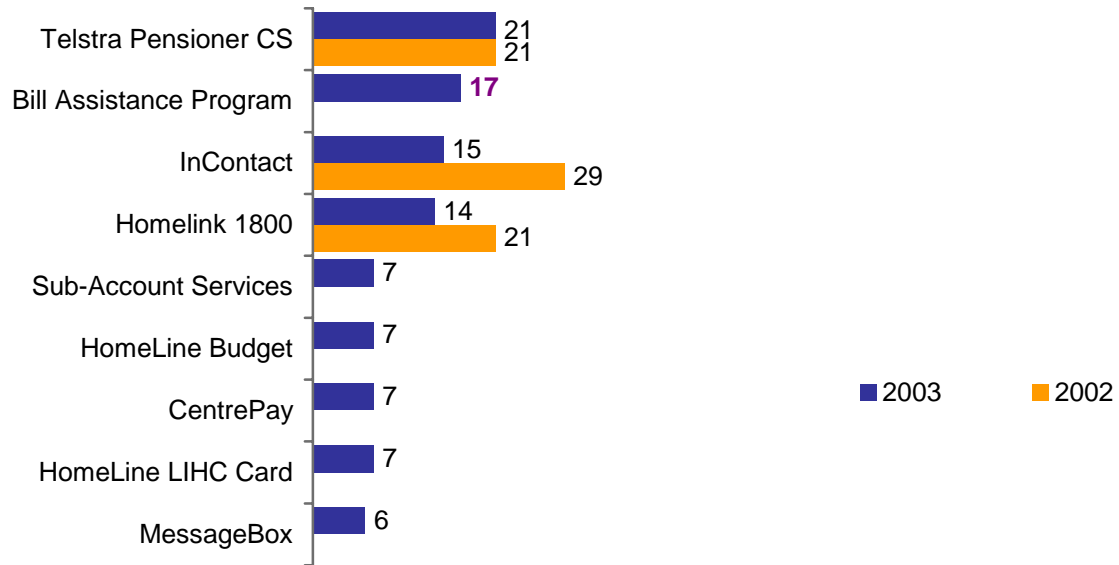
The Telstra Pensioner Concession Scheme demonstrated the highest take-up levels in 2003, with most other initiatives showing slow take-up.

The following initiatives demonstrated the most interest:

- Telstra Bill Assistance Program
- HomeLine™ Low Income Health Care Card phone plan
- HomeLine™ Budget phone plan
- InContact®.

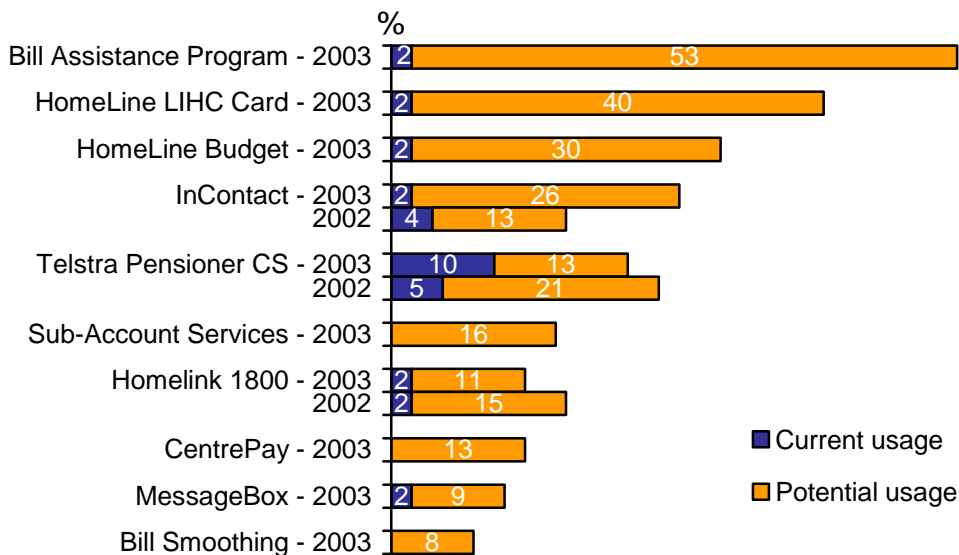
**Table 12 Awareness of Telstra's Low-Income Initiatives  
Low-Income NESB Segment 2002 - 2003**

*Q9b. Which services do you recall? / Q12a. Are you aware of the following Telstra programs, designed to provide more affordable telephone services?*



**Table 13 Current and Potential Usage of Telstra's Low-Income Initiatives  
Low-Income NESB Segment 2002 - 2003**

*Current Usage: Q11. Which ones do you receive?/Q12b. Do you currently make use of this service?  
Potential Usage: Q12c. Would any of the services that you have just heard about be useful to you to improve your access to a phone service?*



## **Work in progress**

Telstra reported to LIMAC that it had initiated an awareness campaign, to communicate to a number of ethnic communities, that they can discuss their telecommunication requirements with Telstra in their own language via Telstra's Multicultural Call Centre. The press and radio campaign was undertaken in Mandarin, Cantonese, Vietnamese, Korean, Indonesian, Greek and Italian. In December 2002, Telstra added two new languages to the Multicultural Call Centre, Arabic and Spanish. A press and radio campaign ran from December 2002 to January 2003.

Telstra has also placed notices in immigration books, distributed by the Department of Immigration and Multicultural and Indigenous Affairs to migrants before their departure to Australia, promoting the Telstra Multicultural Call Centre.

Recognising the assistance that Migrant Resource Centres, Australian Migrant Education Services, Australian Migrant English Programs and English Language Programs provide low-income migrants as they establish themselves in Australia, Telstra has provided each centre with information outlining how people can contact Telstra for assistance in "Getting Started" with telecommunications. The material included posters displaying the Telstra Multicultural Call Centre numbers and was distributed to over 650 organisations.

## **Conclusions and future directions**

Language and cultural barriers prevent many NESB Australians gaining access to education, employment and social welfare services available. These barriers can include a lack of understanding of the structures, limited options in information sources, access to communications infrastructure and training on how to obtain and use the service and reliance on intermediaries, either community workers or family members. Telecommunications services are important for social support and interaction given that migrants are trying to establish themselves and their families in a different culture. They also are important in enabling them to get and keep jobs.

The respondents from NESB on low income have access to at least one personal telecommunications service. Although perceived accessibility and satisfaction levels have remained positive and stable over the 2002 to 2003 period, perceived affordability of telecommunications services remains an issue.

Low awareness levels were also demonstrated across all Access for Everyone low-income initiatives. The Telstra Pensioner Concession Scheme demonstrated the highest take-up and the following initiatives generated the most interest:

- Telstra Bill Assistance Program
- HomeLine Low Income Health Care Card phone plan
- HomeLine Budget phone plan
- InContact.

## **Planned activities**

- Access for Everyone media release planned for ethnic press and radio planned for early 2004

- Follow-up distribution of Access for Everyone information kit (under development) to database of 650 organisations including Migrant Resource Centres, Australian Migrant Education Services, Australian Migrant English Programs and English Language Programs
- Advertorials in key ethnic press and channels to increase awareness of Pensioner Concession Scheme.

## 5.5 People with disabilities

The 1998 Survey of Disability, Ageing and Carers (SDAC)<sup>30</sup> reported that people with disabilities represent nearly 19 per cent of the Australian population. Of those people with disabilities, four per cent aged between five and 64 years are categorised as having a severe or profound core activity restriction.

The SDAC 1998 also confirmed the relationship between income and disability, demonstrating that people with high incomes are less likely to have disabilities. Of those households earning \$250 per week or less, 17 per cent are households with the presence of at least one household member with a disability. This compares to a disability rate of around eight per cent with household incomes of \$600 per week or more.

Other socio-economic disadvantages faced by people with disabilities include:

- Age is a strong predictor of disability with the rate of disability increasing as age increases, affecting just over half (54 per cent) of those people aged 65 years and over<sup>31</sup>.
- People with disabilities are less likely to be employed. The SDAC 1998 demonstrated that around one-quarter of working age people without disabilities were not employed, compared to over half of the people with disabilities<sup>32</sup>
- The prevalence of disability decreases as educational attainment increases<sup>33</sup>.

People with a disability who are likely to experience difficulties with communications are people with

- a hearing impairment including people who are severely/profoundly deaf;
- a mobility impairment;
- a dexterity impairment;
- a vision impairment or who are blind;
- a speech impairment and communications disability;
- an intellectual disability.

It is understood that people with disabilities have different needs for telecommunications products and require products, services and information that are accessible. The benefits of readily accessible telecommunications products include access to employment, opportunities to maintain and create social links, increased independence and a generally increased ability to participate in the broader community.

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<sup>30</sup> ABS Survey of Disability, Ageing and Carers, Australia Summary of Findings 1998 Cat# 4430.0, 1999 inc. data available on request.

<sup>31</sup> ABS (Australian Bureau of Statistics) Australian Social Trends, 2003, p.10

<sup>32</sup> ABS (Australian Bureau of Statistics) Disability and Disabling Conditions 2000, Cat #4422.0

<sup>33</sup> ABS (Australian Bureau of Statistics) Education and Training Experience, Australia, 2001, Cat#6278.0

## **Low-income sample of people with disabilities**

One hundred telephone or face-to-face interviews, including respondents with a range of physical disabilities (eg epilepsy, blindness, arthritis, paraplegia, heart disease, emphysema); intellectual disabilities (eg brain damage) and mental illnesses (eg drug/alcohol abuse, unipolar/bipolar depression, schizophrenia).

Respondents qualified on the basis of income and indicated they received disability support pension and/or had a disability or chronic illness. Respondents included Telstra customers and those of other service providers or with no service provider. **Access to and affordability of telecommunications services**

The LIMAC commissioned research findings show that 13 per cent of those surveyed within this target segment do not have access to any personal telecommunications services.

The past year has seen increases in the perceived accessibility and affordability of maintaining access to fixed line and mobile telephone services, as well as the Internet for this segment.

Whilst perceived cost is the main barrier for those who do not have access to a fixed line telephone, mobile phone or the Internet, around the same proportion also do not have access to a mobile because they choose not to, and in the case of the Internet, because of disinterest, lack of computer skills or personal choice.

Other highlights for this segment include:

- the monthly median expenditure on telecommunications increased from \$42 in 2002 to \$50 in 2003;
- the low-income disability segment, in the main, was spending less than ten per cent of their monthly income on telecommunications expenses, which was considered to be a fair to small proportion;
- people with disabilities on low incomes have one of the highest levels of satisfaction with their current level of access to telephone services as compared to other low-income segments.

**Table 14 - Access to Telecommunications Services**

*Q4a Which of the following do you personally have access to in your household?*

	General Population		Low-Income Disabled Sample	
	%		%	
	2002	2003#	2002	2003
<b>Fixed line telephone</b>	96*	94	77	80
<b>Mobile telephone</b>	74*	71	41	41
<b>Internet</b>	37**	60	23	17
<b>None of these</b>	N/a	3	15	13

\* Source: Panorama 2002 *Do you have a home phone in your household? Do you own or use a mobile phone?*

\*\* Source: ABS, Nov/2000 *Households with access to the Internet at home*

# Source: Roy Morgan Research June-August 2003 *How many separate telephone lines do you have coming into your house and are they for private or business use? Do you own or use a mobile phone? Do you have an Internet connection at home/work/school? (response for home)*

### **Information and assistance**

When seeking information on low-income telecommunication initiatives or assistance when experiencing financial hardship, people with disabilities on low incomes, as with most other low-income segments, tend to contact a telephone company for assistance. Around one in five would turn to a welfare agency or Centrelink, and one-fifth would not know what to do.

Ninety-one per cent of those surveyed within this segment had access to a phone when there was a need to make an emergency call. One in four also reported not having access to a telephone in a situation other than an emergency at some point over the past year. This figure represents a significant improvement since 2002.

### **Awareness and usage of Telstra's low-income initiatives**

A number of the programs within the Access for Everyone package which can assist people with a disability on low incomes include:

- Telstra Pensioner Concession Scheme
- InContact®
- HomeLine™ Budget phone plan
- Homelink® 1800
- Telstra Bill Assistance Program.

The Telstra Pensioner Concession Scheme recorded the highest levels of awareness of all the low-income initiatives with nearly half of those surveyed recalling this service. Homelink 1800 and InContact also demonstrated good recall.

The Telstra Pensioner Concession Scheme and Homelink 1800 also have the highest current usage levels, with the Concession Scheme showing potential to double its uptake.

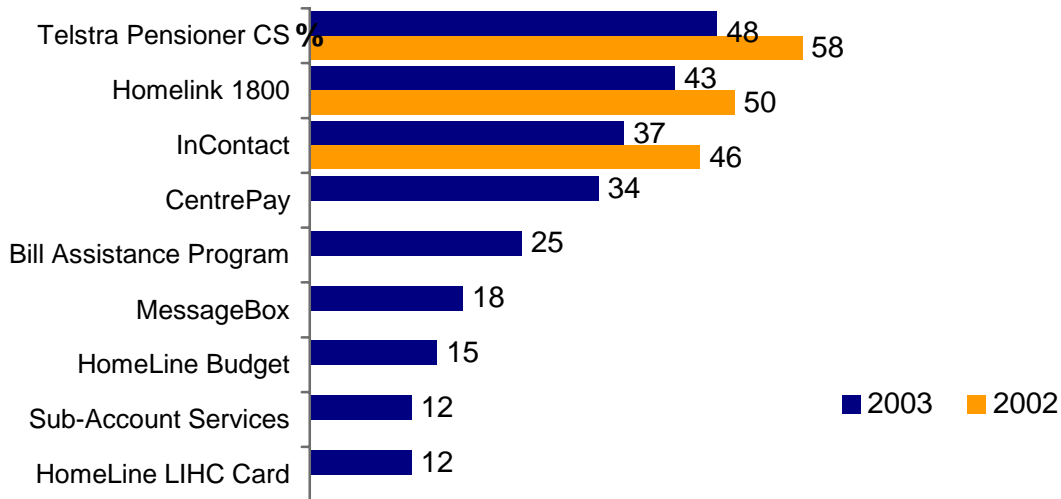
A number of low-income initiatives showed promising potential take-up, including:

- Telstra Bill Assistance Program
- HomeLine™ Low Income Health Care Card phone plan
- Bill Smoothing
- MessageBox
- InContact
- Centrepay.



**Table 15 Awareness of Telstra's Low-Income Initiatives  
Low-Income People with Disabilities Segment 2002 - 2003**

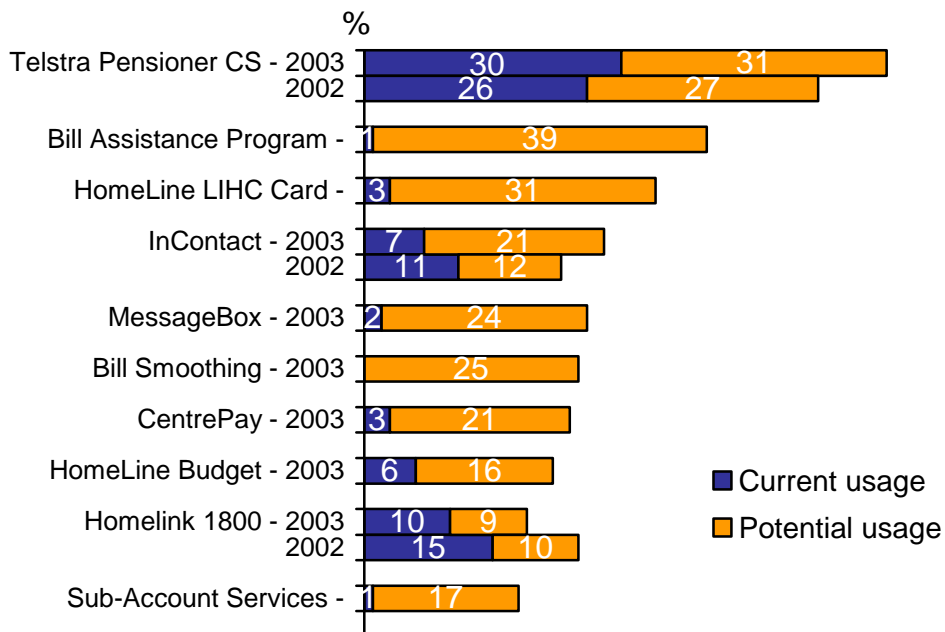
*Q9b. Which services do you recall? / Q12a. Are you aware of the following Telstra programs, designed to provide more affordable telephone services?*



**Table 16 Current & Potential Usage of Telstra's Low-Income Initiatives  
Low-Income People with Disabilities Segment 2002 - 2003**

*Current Usage: Q11. Which ones do you receive?/Q12b. Do you currently make use of this service?  
Potential Usage: Q12c. Would any of the services that you have just heard about be useful to you to improve your access to a phone service?*

**Work in progress**



Telstra has added a new “affordability” section to its revised catalogue for older people and people with a disability (released in July 2003) promoting low-income initiatives such as the Pensioner Concession Scheme, InContact, HomeLine Budget phone plan, Homelink 1800 and the Telstra Bill Assistance Program. The catalogue is published on Telstra’s website and has been distributed to community agencies, health professionals and service providers.

### **Conclusions and future directions**

In addition to the accessibility and provision of telecommunications services and products for those who are unable to use a standard telephone, the Telstra low-income initiatives provide people with disabilities on low incomes affordable options to maintain contact with friends and family and ensure contactability for employment, emergency, medical and other needs.

The 2003 market research has identified that presently around 87 per cent of the low-income disability segment has access to one or more personal telecommunications services. While perceived cost is the main barrier for access, personal choice also has an impact on take-up of mobiles and Internet access.

One in two people with disabilities were aware of the Telstra Pensioner Concession Scheme and one in three had subscribed to it. The Concession Scheme also demonstrates the potential to double its uptake.

Although uptake is slow amongst most initiatives, many of the more recently launched initiatives demonstrate good potential take-up.

### **Planned activities**

- Telstra will continue to consult with its Disability Forum on its communication strategy in relation to the Access for Everyone programs which are relevant for customers with a disability.
- Telstra will distribute the Access for Everyone information kit under development to approximately 370 disability organisations, health professionals and service providers.
- Telstra will promote Access for Everyone programs in *Link* magazine, which provides information on disability-related services and issues.

## 5.6 Transient and homeless people

Over the last decade Australia has seen a rapid increase in homelessness and, in 2001, the Australian Bureau of Statistics (ABS) Census<sup>34</sup> found that seven in 1,000 Australians were in impoverished homes, tents or sleeping out.

The Commonwealth Advisory Committee on Homelessness<sup>35</sup> (CACH) has identified three distinct categories of homelessness:

- **Primary homelessness** is experienced by people without conventional accommodation (ie. sleeping rough and in impoverished dwellings).
- **Secondary homelessness** is experienced by people who frequently move from one temporary shelter to another (ie. emergency accommodation, youth refuges, friends places).
- **Tertiary homelessness** is experienced by people staying in accommodation that falls below minimum community standards (ie. some boarding houses and caravan parks).

Although it is difficult to provide an accurate profile of the characteristics of Australia's homeless population, according to the Supported Accommodation Assistance Program (SAAP) client database (2002-2003), the homeless segment was profiled as:

- Male (42 per cent) – average age 30 years
- Female (58 per cent) – average age 33 years
- Aboriginals and Torres Strait Islanders (18 per cent)
- People from non-English speaking background (14 per cent)
- Less than 25 years (35.5 per cent)
- 25 – 34 years (28.2 per cent)
- 35 – 44 years (21.6 per cent)
- 45 years or more (14.7 per cent).

A number of factors contribute to homelessness including poverty, unemployment, violence and housing affordability, and access to accommodation. In turn, and amongst numerous other issues, homeless people have very limited or no ability to participate socially or economically within the community. The less settled people are, the less able they are to develop links to others in the community and to provide, and be given, the support by family and friends. Given these considerations, LIMAC is mindful of the difficulties in effectively targeting homeless and transient people.

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<sup>34</sup> ABS *Selected Social and Housing Characteristics. Australia 2001, 2015.0.*

<sup>35</sup> *Commonwealth Advisory Committee on Homelessness, Towards a National Homelessness Strategy, 2001.*

Whilst telephone services for homeless people provide a means of maintaining contact and being contacted or “found”, the nature of homelessness presents challenges in effectively marketing telecommunications services to this group. Keeping in contact with support networks or welfare agencies as well as finding and keeping jobs may be difficult for people in these circumstances. Their need for affordable services is high, including their need to keep in touch on a limited budget.

### **Homeless sample**

One hundred face-to-face interviews were undertaken in Melbourne and Sydney. Respondents were more likely to be male than female. Respondents qualified on the basis of income and indicated they had unstable accommodation, were experiencing homelessness or were transient. (Sixty-three per cent of respondents lived in a boarding house or refuge, and 23 per cent in public rental accommodation.)

Respondents included Telstra customers and those of other service providers or with no service provider.

### **Access to and affordability of telecommunications services**

Although the homeless segment is one of the least likely segments to perceive that telephone services are affordable for them, this is not reflected in their satisfaction with the level of access they currently have. Overall they claimed to be reasonably satisfied with their level of access, and this remained stable over the last 12 months. This would seem to indicate that their perceived needs for personal access to telephone services is lower than for other segments.

Forty-four per cent of those surveyed have no access to any personal telecommunications services and are therefore dependent on access via friends, family, welfare agencies and public payphones. Mobile phones and Internet are considered to be even less affordable than a fixed phone, thus inhibiting takeup of a mobile alternative to a fixed phone. Other results for this low-income group include:

- they were the least likely across all segments to have access to any form of telecommunications services;
- that proportions of those who have access to particular services are substantially lower than the general population and other low-income segments;
- significantly lower levels of access to a fixed line telephone and mobile telephone in 2003 compared to 2002;
- Internet access is limited by lack of computer skills and interest, as well as cost;
- the median monthly expenditure on telecommunications services increased in 2003 from \$25 to \$30. This segment has the lowest monthly spend compared to other segments.

**Table 17 Access to Telecommunications Services**

*Q4a Which of the following do you personally have access to in your household?*

	General Population %		Homeless Sample %	
	2002	2003#	2002	2003
<b>Fixed line telephone</b>	96*	94	56	40
<b>Mobile telephone</b>	74*	71	34	26
<b>Internet</b>	37**	60	19	7
<b>None of these</b>	N/a	3	33	44

\* Source: Panorama 2002 *Do you have a home phone in your household? Do you own or use a mobile phone?*

\*\* Source: ABS, Nov/2000 *Households with access to the Internet at home*

# Source: Roy Morgan Research June-August 2003 *How many separate telephone lines do you have coming into your house and are they for private or business use? Do you own or use a mobile phone? Do you have an Internet connection at home/work/school? (response for home)*

### Information and assistance

When seeking information on low-income telecommunication initiatives or assistance when experiencing financial hardship, homeless people, as with most other low-income segments, tend to contact a telephone company for assistance. Over one in four would turn to a welfare agency or Centrelink, whilst one in five would not know what to do.

Thirty-five per cent of the homeless group needed to make an emergency call in the past year. Of those who needed to make an emergency call, 19 per cent or eight of the homeless people surveyed could not access a telephone.

Although there has been a decrease over the past year, over one-third of those surveyed could not access a phone when there was a need to make a call, other than emergency calls. A quarter of these felt this happened a lot, most felt it had happened a few times in the past year.

### Awareness and usage of low-income initiatives

The following programs were developed specifically to help address the specialised needs of homeless or transient people as part of Telstra's Access for Everyone package:

- Sponsored Access
- Telstra MessageBox

Other programs within the Access for Everyone package may also assist people who are homeless or transient:

- Homelink® 1800

- Telstra's InContact® service
- Telstra Bill Assistance Program
- Telstra's Pensioner Concession Scheme.

Awareness of the initiatives was highest for Homelink 1800, InContact and Telstra Pensioner Concession Scheme, and there was also encouraging awareness for MessageBox and Bill Assistance. Homelink 1800, InContact and Telstra Pensioner Concession Scheme also have the highest current usage levels. InContact, however, has seen a significant decline in both awareness and current usage in the past year.

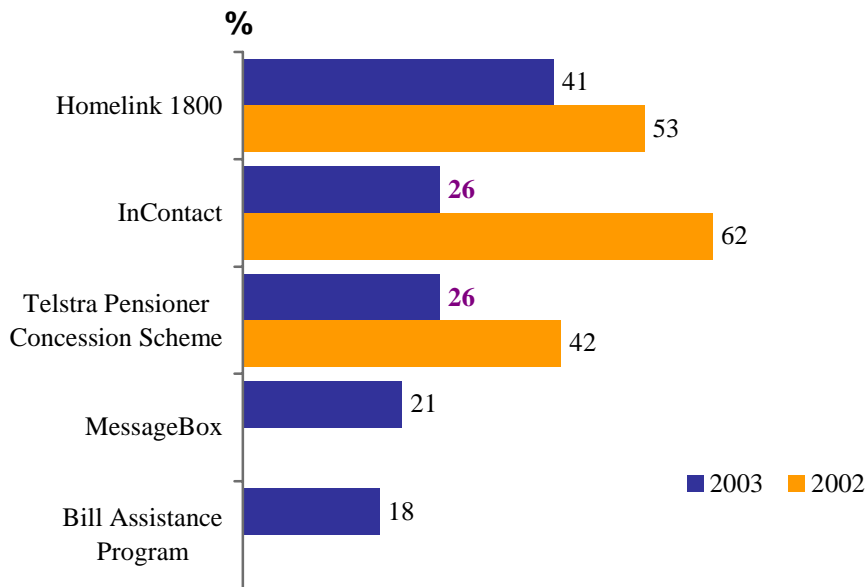
The following initiatives demonstrate promising potential take-up:

- MessageBox
- Telstra Bill Assistance Program
- InContact.

**Table 18 Awareness of Low Income-Initiatives 2002 – 2003**

**Homeless Segment**

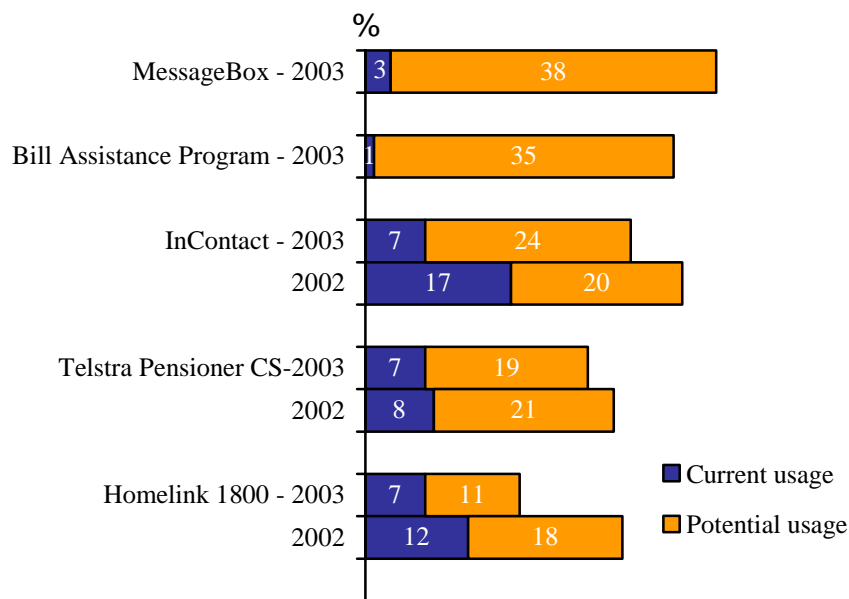
*Q9b. Which services do you recall? / Q12a. Are you aware of the following Telstra programs, designed to provide more affordable telephone services?*



**Table 19 Current & Potential Usage of Low-Income Initiatives 2002-2003**

**Homeless Segment**

*Current Usage: Q11. Which ones do you receive?/Q12b. Do you currently make use of this service? Potential Usage: Q12c. Would any of the services that you have just heard about be useful to you to improve your access to a phone service?*



## **Work in progress**

**Telstra MessageBox** was designed specifically for homeless or transient people and was introduced in 17 March 2003, after a three-month pilot.

As reported in section 4, Telstra commissioned further qualitative market research with a range of social and community support agencies across Australia to better understand the factors hindering take-up and to assist in identifying strategies for improving marketing communications.

The research highlighted the need for marketing communications refinement in order to optimise take-up and activation. Further strategies that have been implemented include:

- the distribution of MessageBox cards and 800 \$2 phonecards were distributed at the “Big Give” Christmas lunch in Melbourne in December 2003;
- Centrelink has agreed to trial the Telstra MessageBox program and distribute the MessageBox cards through its Social Work network. This service will be offered to customers in emergency situations by Centrelink Social Workers. It is being trialed in a limited number of offices initially, with the rest of the network to follow in a phased approach during 2004;
- following further feedback from some agencies about their clients having difficulty maintaining their telephone service, the guidelines for MessageBox have been relaxed to allow eligibility for people who may have a home or mobile service. Agencies are able to use their discretion in these circumstances.

**Sponsored Access** was launched on 1 July 2002. With the assistance of the SAAP National Data Collection Agency, information was provided to 1200 SAAP providers to advise them of this initiative in March 2003, and since that time demand has steadily increased.

## **Conclusions and future directions**

In summary, homeless people are the least likely across all low-income segments surveyed to have current access to telecommunications services. In addition, a significant proportion are not aware that they have contact avenues for information and assistance in respect to low-income telecommunication initiatives. This, together with their intrinsic “hidden” nature and the difficulty in designing and implementing targeted communication strategies to heighten awareness of, and interest in, the low-income initiatives, creates some challenges in effectively targeting this disadvantaged segment.

The highest levels of awareness and current usage are demonstrated with the Homelink 1800, InContact and Telstra Pensioner Concession Scheme initiatives. MessageBox, Telstra Bill Assistance Program and InContact demonstrate promising future usage.

The support of community agencies will be necessary to achieve improvement in take-up of services. By way of example, promotion by the Australian Federation of Homelessness Organisations and Jobs Australia in September 2003 contributed to a substantial increase in the number of agencies distributing Telstra MessageBox. This promotion will be repeated in March 2004. Australian Federation of Homelessness Organisations (AFHO) has provided support via a link between its website and Telstra’s Access for Everyone website and by agreeing to co-branded letters to its members encouraging them to join the MessageBox program.



## Planned activities

In order to heighten awareness, interest and uptake of those initiatives that are relevant to this low-income segment, marketing and communications strategies will need to be strengthened. Telstra has reported that the following activities are under development for implementation in early 2004:

- Telstra will work with Centrelink to implement the availability of Telstra MessageBox for its clients on a national basis. It is expected that this will significantly enhance access to the service.
- Telstra will provide new promotional Telstra MessageBox materials to distributing agencies to improve awareness amongst agency staff and clients. These materials will also be distributed in regional areas by Telstra Country Wide® staff.
- Telstra has indicated it will undertake a research study amongst SAAP agencies who have taken up Sponsored Access, and their clients who use the service, to obtain their feedback. It is likely this research will be undertaken in 2004-05.
- A mail-out to Sponsored Access agencies advising them of further enhancements to the InContact service will be undertaken after the launch of the reverse charge calling capability and provision of access to free call numbers listed in the “Health & Help” section of the White Pages™ directories.
- Ongoing distribution of MessageBox cards, brochure and notepads at conferences, eg. Homeless Peoples Association conference March 2004.
- Promotion of MessageBox via Indigenous hostels specifically providing accommodation to transient Indigenous Australians.
- Development of advertorials in relevant publications (targeting low-income Indigenous Australians and families) on MessageBox, Homelink 1800 and the PhoneAway prepaid calling card as options for families with children living away from home or people travelling looking for work.
- Telstra will promote the availability of its Bill Assistance Program in a brochure that is sent to all new customers.
- Telstra is investigating “touch screens” located in Job Network agencies and whether information on MessageBox and bill management solutions can be made available.

Conscious of the practical difficulties of targeting homeless and transient people, LIMAC will require some support from agency workers to assist in generating improved awareness and take-up. It will be closely monitoring the take-up of services for this segment and the impact of Telstra’s communication strategy. Agencies’ feedback and the next round of research in 2004 will assist in determining whether this low-income segment’s access to telecommunications services is improving.

## 5.7 Unemployed persons

Unemployment has declined over the past decade, from a high of around 11 per cent in 1992 to around six per cent in 2002. In March 2002, the ABS estimated 609,400 people were unemployed<sup>36</sup>.

Although anyone can become unemployed, the most likely are the following:

- Indigenous Australians
- Recently arrived migrants
- People with disabilities
- Young people
- People living in regional and remote communities
- Older workers who have been retrenched.

The major increases in poverty risk over recent years appear to be amongst those who are unemployed. The Australian Council of Social Service (ACOSS), drawing on social security data, found that 50 per cent of all people on unemployment benefit have been out of work for a year, and of these, most have been unemployed for over two years<sup>37</sup>. It also found that in December 2002, there were more people on unemployment benefits for more than one year than there was seven years prior.

Being unemployed is likely to erode a person's self-confidence and isolate them from their social networks. It has been recognised that it is important for people to not only obtain, but also keep jobs. Among the more severe personal obstacles to employment for low-income earners are homelessness, drug and alcohol dependency and mental illness<sup>38</sup>.

### Unemployed sample

One hundred telephone interviews were conducted. Respondents qualified on the basis of income and indicated they were unemployed and looking for work. The respondents were more likely to be male than female. Respondents included Telstra customers and those of other service providers, or with no service provider.

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<sup>36</sup> ABS 2002 Seasonally adjusted figure.

<sup>37</sup> ACOSS 5/2/2003 'Overcoming Joblessness in Australia: 12 Budget priorities' p 2.

<sup>38</sup> Joint Media Release from Senator the Hon Amanda Vanstone, Minister for Family and Community Services & The Hon Tony Abbott MP, Minister for Employment, Workplace Relations and Small Business: 'Overcoming Obstacles to Employment – Personal Support Programme;' May 22, 2001.

## Access to and affordability of telecommunications services

The LIMAC commissioned research findings show that 92 per cent of the unemployed people surveyed had access to one or more personal telecommunications services, with perceived levels of accessibility remaining positive and stable in the past year.

Although perceived cost continues to be the main access barrier to telecommunications services for those surveyed, restricted household access to fixed line telephones, personally choosing not to purchase a mobile and the cost of purchasing a computer associated with Internet access have also hindered access.

The perceived affordability of maintaining access to fixed line telephones, mobiles and the Internet has improved significantly in the past year. The median monthly spend for unemployed persons has also increased from \$51 in 2002 to \$65 in 2003.

Satisfaction levels have remained positive and stable over the 2002 to 2003 period.

**Table 20 Access to Telecommunications Services**

*Q4a Which of the following do you personally have access to in your household?*

	General Population		Low-Income Unemployed Sample	
	%		%	
	2002	2003#	2002	2003
<b>Fixed line telephone</b>	96*	94	84	85
<b>Mobile telephone</b>	74*	71	46	55
<b>Internet</b>	37**	60	31	30
<b>None of these</b>	N/a	3	12	8

\* Source: Panorama 2002 *Do you have a home phone in your household? Do you own or use a mobile phone?*

\*\* Source: ABS, Nov/2000 *Households with access to the Internet at home*

# Source: Roy Morgan Research June-August 2003 *How many separate telephone lines do you have coming into your house and are they for private or business use? Do you own or use a mobile phone? Do you have an Internet connection at home/work/school? (response for home)*

## Information and assistance

When seeking information on low-income telecommunication initiatives or assistance when experiencing financial hardship, unemployed people surveyed, like most other low-income segments, tend to contact a telephone company for assistance. Around one-quarter would turn to a welfare agency or Centrelink, and one-fifth would not know what to do.

Around one-third found themselves in an emergency situation where they needed to make an emergency call. Of these, 88 per cent had access to a phone when there was a need to make a call.

There has been a significant reduction in the proportion of unemployed people needing but not having the ability to access a telephone in a situation, other than an emergency, in the past year. When this situation occurred, it did so infrequently.

### **Awareness and usage of Telstra's low-income initiatives**

The following programs (outlined in more detail in section 4) were developed to help address the needs of unemployed customers on low income:

- Telstra Bill Assistance Program
- InContact®.

The following programs within the Access for Everyone package may also assist unemployed customers:

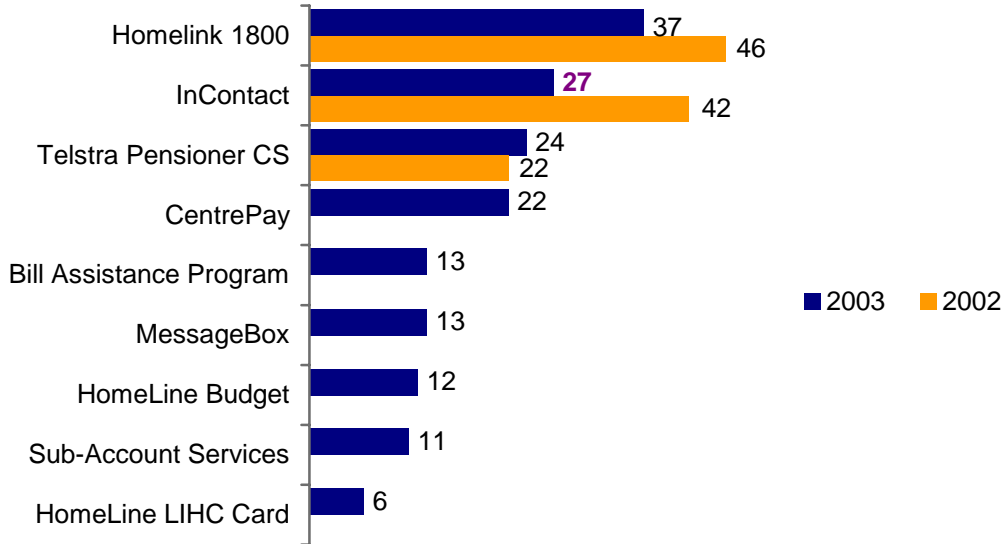
- Sponsored Access
- HomeLine™ Budget phone plan
- Telstra MessageBox
- Homelink® 1800
- Centrepay.

Over one-third of the unemployed segment surveyed was aware of the Homelink 1800 initiative and around one-quarter was aware of the Telstra Pensioner Concession Scheme and InContact. These low-income initiatives also displayed the highest usage levels in 2003.

While there was a significant decline in awareness of InContact the past year, the results show potential for a significant increase in take-up. The results also show that take-up levels for Homelink 1800 and the Telstra Pensioner Concession Scheme could potentially double. The Telstra Bill Assistance Program, HomeLine Budget and Low Income Health Card phone plans all show high levels of interest.

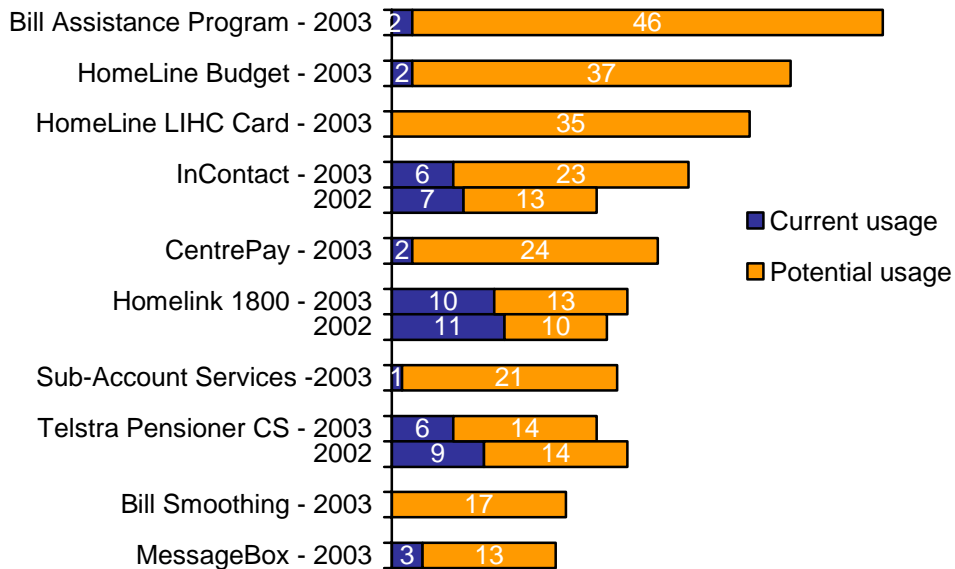
**Table 21 Awareness of Telstra's Low-Income Initiatives  
Low-Income Unemployed Segment 2002 - 2003**

*Q9b. Which services do you recall? / Q12a. Are you aware of the following Telstra programs, designed to provide more affordable telephone services?*



**Table 22 Current & Potential Usage of Telstra's Low-Income Initiatives  
Low-Income Unemployed Segment 2002 - 2003**

*Current Usage: Q11. Which ones do you receive? /Q12b. Do you currently make use of this service?  
Potential Usage: Q12c. Would any of the services that you have just heard about be useful to you to improve your access to a phone service?*



**Work in progress**

Telstra has consulted with LIMAC on its proposed Access for Everyone communication strategies for 2004. As part of that strategy, it intends to include job seekers on low income as one of the priorities amongst the seven low-income target groups.

Telstra seeking the advice of the Department of Family and Community Services and Centrelink to promote the HomeLine Low Income Health Care Card phone plan in a targeted way to people who may be working but are eligible for a Health Care Card due to the low income they receive.

Telstra is enhancing the InContact service to provide access to free call numbers listed in the “Health & Help” section of the White Pages™ directories, and access to reverse-charge calling.

Telstra is updating its “Welcome to Telstra” kit, sent to all new Telstra fixed line customers, to include information on the availability of the Telstra Bill Assistance Program.

By way of a further initiative to assist job seekers on low income, Telstra, in conjunction with the Department of Employment and Workplace Relations and representatives from the Job Network, has sponsored a trial program whereby 200 suitable job seekers will be given free access to pre-paid CDMA mobile phones to help them find work. The trial, announced 6 February 2004, is being conducted in the Liverpool/Fairfield areas of Sydney.

### **Conclusions and future directions**

It is estimated that 1.3 million unemployed or underemployed Australians are without the paid work required to support themselves or their families<sup>39</sup>. Unemployed Australians require affordable telecommunications services and the ability to keep in contact with Centrelink, job placement agencies and their support networks. Telecommunications access is also an important mechanism for minimising social isolation through the ability to maintain contact with family and friends.

Currently, 92 per cent of unemployed segment have access to one or more personal telecommunications services. Perceived levels of accessibility and affordability have increased significantly in the past year.

Awareness and usage was highest for the Homelink 1800, Telstra Pensioner Concession Scheme and InContact initiatives. A number of the more recently released programs show promising potential for this target group.

### **Planned activities**

As previously documented, Telstra has reported on a range of activities to promote awareness and usage of MessageBox, including working with Centrelink, distribution of new promotional materials, including via Indigenous hostels, and is exploring the possibility of including information on “touch screens” located in Job Network agencies.

New InContact enhancements will be promoted to InContact customers and to Sponsored Access agencies.

Telstra will promote the availability of its Bill Assistance program in a brochure which is sent to all new customers.

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<sup>39</sup> ACOSS 5/2/2003 ‘Overcoming Joblessness in Australia: 12 Budget priorities’ p 2.

## **5.8 Planned communications activities covering all target groups**

Telstra has reported that it is in the process of developing an Access for Everyone information kit which will include general information on the Access for Everyone package; an explanation of the target groups and relevant products/solutions available to each group; and the “Access for Everyone – Your A-Z Guide” booklet. The kit is proposed to be distributed to welfare agencies, at conferences/open days, in speakers’ packs, etc. Telstra Country Wide® will also distribute the kit in regional areas to relevant agencies and groups and at community events.

Telstra has proposed the development of a database of relevant community agencies operating in a number of postcodes with the lowest socio-demographic indicators. The establishment of the database will provide an opportunity for Telstra to provide information to those agencies, undertake some follow-up telephone contact and, as appropriate, also undertake some face-to-face contact. Telstra has indicated it will seek the advice of LIMAC members on this initiative.

Whilst the information kit is being developed, an interim brochure and poster will be developed, providing a very general overview of the Access for Everyone package. It will be distributed to welfare agencies through the proposed database for display in the waiting rooms for clients to access.

As a result of the 2003 research findings, LIMAC has agreed on the need to focus on improving communications to homeless and Indigenous people, particularly to remote Indigenous communities, and more effective targeting of communications across all low-income segments.

## **5.9 Exploratory research study 2003**

As reported in section 3.4, an exploratory study involving 300 telephone interviews covering all target groups (except homeless) in a higher income band (\$250-\$300 per week) indicated that in general the perceived affordability of telecommunications services is higher in this income band, than in the lower income band reported at length in this section. The median spend on telecommunications was higher than the lower income band respondents in all segments, and all respondents in the higher income band had access to one or more telecommunications service in their household. In addition, fewer respondents in the higher band reported an occasion when they needed to make a phone call but did not have access.

Overall satisfaction with the level of access to telephone services<sup>40</sup> was quite similar when comparing the two income bands for most of the segments, although Indigenous respondents in the higher income band reported substantially higher satisfaction with their level of access to telephone services, compared to the Indigenous respondents in the lower (up to \$250 per week) income band.

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<sup>40</sup> Q14. On a scale of 0 to 10, where 0 means ‘not all satisfied’ and 10 means ‘completely satisfied’, overall how satisfied are you with the level of access that you currently have to telephone services?

## 6. SETTING UP AND MAINTAINING TELECOMMUNICATIONS SERVICES

People in most target groups<sup>41</sup> were most likely to contact a phone company in setting up a new, or maintaining, an existing service in times of financial hardship. Welfare agencies and Centrelink are also significant contact points for people in the unemployed, disabled, NESB and homeless segments. Of concern, however, are the number of respondents in most segments who do not know whom to approach in these circumstances.

In order to manage telecommunications expenditure, most people in the seven low-income groups choose to limit the number of calls made and make calls mainly during off-peak times. Other management strategies include the use of prepaid services or cards and/or consciously budgeting for their phone costs on a weekly basis.

The following Access for Everyone initiatives are relevant for people on low incomes trying to set up or maintain a telephone service:

- HomeLine™ Low Income Health Care Card phone plan, which provides a lower cost connection fee payable over a period of time as well as a lower line rental
- InContact®
- Telstra Bill Assistance Program
- Telstra Pensioner Concession Scheme, which provides eligible pensioner customers a discount on new telephone connections, a monthly concession on eligible telephone bills and free access to Call Control whereby certain call types can be restricted by a customer-controlled PIN.

### **Telstra's "Stay Connected" campaign**

In addition to the Access for Everyone initiatives, Telstra has briefed LIMAC on its "Stay Connected" public education campaign, announced in December 2003, to help address the issue of maintaining a telephone service. This campaign consists of the following elements:

- a courtesy call from Telstra being piloted with customers whose calling exceeds certain thresholds that indicate atypical telephone usage;
- a new "Stay Connected" brochure included with information sent to all new Telstra customers;
- public education by way of increased media profile, information kits and fact sheets sent to welfare agencies, and a "Stay Connected" page on [www.telstra.com.au/accessforeveryone](http://www.telstra.com.au/accessforeveryone);

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<sup>41</sup> All statistical references are made to those earning less than \$250 gross equivalised weekly household income or the lowest 20% of household income, unless otherwise mentioned.



- continuing regular consultation with welfare agencies through the Telstra Consumer Consultative Council's Credit Management Working Group;
- continuing regular briefings in all States and Territories of community Financial Counsellors in Access for Everyone and Telstra Credit Management Services' options for people to maintain their telephone service;
- continuing availability of the Telstra Credit Management Fact Sheets for use by welfare agencies that assist customers with Telstra accounts.

Telstra has committed to keeping LIMAC informed on the "Stay Connected" campaign.

## 7. SUMMARY OF RESEARCH FINDINGS

Although each low-income segment has been reported separately to ensure that specific needs and issues are highlighted, it is recognised that there are similarities across the segments that can be addressed at a broader level. It is also noted that there is also significant overlap in disadvantage and many people who meet the low-income criteria also qualify for multiple segments.

The key findings in respect to the current status of access and affordability of telecommunications services for the seven low-income segments can be summarised as follows:

1. For respondents in the bottom 20 per cent of household income, access to telecommunications services generally falls below that of the general population, highlighting the ongoing need for the Access for Everyone low-income initiatives.
2. The Age pensioners and low-income family segment respondents reported the highest levels of satisfaction with their current level of access to telephone services, and both showed significant increases in comparison to the 2002 benchmark study.
3. Respondents who use Telstra are significantly more satisfied with their level of access to telephone services (mean 7.8) than respondents who use other telecommunications providers (mean 6.4).
4. Homeless and Indigenous respondents on low income are still most likely to question their perceived level of access to telecommunications services, and were highlighted as the most disadvantaged in terms of their current level of access with over 44 per cent and 25 per cent respectively not having access to any personal telecommunications services.
5. Perceived cost continues to be the main barrier to telecommunications access for the respondents. In the Age pensioners and low-income family segments, personal choice also rated highly as a reason for not having access to mobile telephones and the Internet in the household.
6. A significant proportion of people on low income in all segments are not aware of the various contact avenues for information and assistance in times of financial difficulties and in respect to credit management. Most respondents would contact a telephone company or approach Centrelink or a welfare agency.
7. Despite most low-income segments having lower levels of access to telecommunications than the general population, the majority of respondents were satisfied with their current level of access to telephone services, though there is still room for improvement.
8. Homelink® 1800, the Telstra Pensioner Concession Scheme and InContact® received the highest levels of awareness with the former two also recording the highest levels of usage across the low-income segments.
9. A direct comparison in levels of awareness between 2002 and 2003 can be made for the three most established programs, Homelink® 1800, Pensioner Concession Scheme, InContact. These comparisons generally show a decline in awareness, particularly for InContact.

10. Amongst the low-income segments there is a high level of potential future usage of the initiatives suggesting that the Access for Everyone program has the ability to improve telecommunications access levels. Interest levels varied by segment, indicating that a range of initiatives is necessary to satisfy different needs:
- i. Telstra Bill Assistance Program generated most interest from the unemployed, disabled and NESB respondents, although all low-income segments found this initiative appealing.
  - ii. The Telstra Pensioner Concession Scheme has increased interest from the Age pensioners, Indigenous and family segments since 2002.
  - iii. The highest level of interest for the HomeLine™ Low Income Health Care Card phone plan came from Indigenous and low-income family respondents. Interest was also shown by the NESB respondents and those with a disability.
  - iv. InContact demonstrated strong interest by respondents in all segments.
  - v. The low-income aged, unemployed, NESB and families segments reported interest in HomeLine™ Budget phone plan.
  - vi. Bill Smoothing was of most interest to Indigenous, family and disabled segments.
  - vii. MessageBox was most appealing to the homeless and Indigenous segments.
  - viii. The Indigenous and unemployed respondents showed the strongest interest in Centrepay, although interest was evident across all segments.

### **Exploratory research study summary of findings**

An exploratory study involving 300 telephone interviews covering all target groups (except homeless) in a higher income band (\$250-\$300 per week) indicated that:

1. in general the perceived affordability of telecommunications services is higher in this income band than in the lower income band reported at length in this report;
2. the median spend on telecommunications was higher than the lower income band respondents in all segments, and all respondents in the higher income band had access to one or more telecommunications service in their household;
3. fewer respondents in the higher band reported an occasion when they needed to make a phone call but did not have access;
4. overall satisfaction with the level of access to telephone services was quite similar when comparing the two income bands for most of the segments, although Indigenous respondents in the higher income band reported substantially higher satisfaction with their level of access to telephone services, compared to the Indigenous respondents in the lower (up to \$250 per week) income band.

## 8. LIMAC CONCLUSION

LIMAC members believe that Telstra has responded genuinely and comprehensively to the licence requirement to provide a program assisting low-income Australians to access telecommunications services. Telstra personnel involved in the Access for Everyone package have worked closely and collaboratively with LIMAC over the course of its development and implementation and Committee members are confident that this approach will continue into the future.

LIMAC endorses and supports Telstra's commitment to a broad communications program focused on the population groups identified in the Report. The Committee has been briefed on its development and during the year expects to be fully briefed on its implementation. As the program evolves, it is expected that Telstra will gain more experience in these markets and a better understanding of low-income customers' needs and circumstances.

In overall terms, the Access for Everyone package is still in its early phases of implementation. Some products are quite recent and more time is required for them to be taken up within the target communities. One initiative is still under development, and another is being improved. Some may require further adjustment and refinement to increase their effectiveness.

The findings of the research commissioned by Telstra for LIMAC have been carefully considered by the Committee. The research findings:

- suggest that the Access for Everyone package has the potential to meet the needs of low-income Australians;
- provide valuable insights which will guide and inform the future development of Telstra's communication strategy for the package and further refinement and adjustment of various elements of the package;
- highlight the need for different communications strategies and approaches for some segments of the overall target population, such as, people who are homeless and Indigenous people;
- provide a sound basis for monitoring the impact of the programs in 2004.

LIMAC is mindful that some of the programs, such as MessageBox, have been developed to meet the particular, and often complex, needs and circumstances of low-income groups within the community, and the Committee appreciates that there are challenges in communicating effectively to these groups. The report notes that there is significant overlap in disadvantage as many low-income people are included in more than one of these different groups. This may well serve to increase the difficulty and complexity of connecting and communicating with them.

Some products have had the benefit of delivery and/or promotion by community welfare agencies which have complemented Telstra's own marketing activities. Telstra will need to continue to seek the support of agencies to disseminate information and to otherwise improve take-up of some products, and LIMAC is confident that relevant community agencies will continue to be willing to provide that support.

While the research findings provide valuable guidance to LIMAC and to Telstra, the Committee is aware that Telstra receives other feedback, for example, from its customers and

community agencies which can also provide valuable insights into ways of better meeting the needs of people on low incomes. This calls for a willingness to investigate and address issues that may be raised, and LIMAC notes Telstra's responsiveness to matters raised to date.

In considering the findings of the research and from discussions during preparation of this report, LIMAC identified the following key issues for more detailed consideration. Improving communications to homeless and Indigenous people, particularly to remote Indigenous communities, and more effective targeting of communications will be priority issues for future LIMAC meetings.

Notwithstanding the many challenges involved, LIMAC is confident that further progress will be made in the year ahead to enhance access and affordability of telecommunications services for low-income Australians.

## 9. CONTACTS

Information about the Access for Everyone package is available online at [www.telstra.com.au/accessforeveryone](http://www.telstra.com.au/accessforeveryone)

### Phone:

- For enquiries about residential services please call 13 2200 between 7 am and 6 pm Monday-Friday and between 9 am and 5 pm Saturday (Eastern Standard Time).
- The TTY number for those customers who use a teletypewriter is FREECALL™\* 1800 808 981.
- **Indigenous Communities Helpline** to assist Indigenous consumers in rural and remote areas with specialised products and services which may assist them: FREECALL™\* 1800 444 403.
- Consumers from non-English speaking backgrounds can call the relevant FREECALL™\* Multicultural Call Centre lines. The service is available in the following languages:

Cantonese	FREECALL™ 1800 677 008
Mandarin	FREECALL™ 1800 678 876
Italian	FREECALL™ 1800 649 013
Greek	FREECALL™ 1800 189 129
Indonesian	FREECALL™ 1800 429 432
Korean	FREECALL™ 1800 773 421
Arabic	FREECALL™ 1800 726 001
Spanish	FREECALL™ 1800 726 002
Vietnamese	FREECALL™ 1800 644 500

The service is available from 9am-5pm for Italian, Greek, Indonesian, Korean, Arabic and Spanish speakers, from 9am-9pm for Mandarin, Cantonese and Vietnamese speakers.

For other languages, the Australian Government's Translating and Interpreting Service offers a translation service via 13 1450.

### LIMAC Secretariat

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\* A free call from most fixed phones.

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ABN 33 051 775 556.

## Low-Income Measures Assessment Committee

### Governing Rules

#### **1. Establishment**

- 1.1 This Committee, to be called the Low-Income Measures Assessment Committee, is established by Telstra in accordance with Carrier Licence Conditions (Telstra Corporation Limited) Declaration 1997 (the Licence Conditions) and is to be governed in accordance with these rules. Telstra may vary the terms of these rules from time to time provided that they comply with the Licence Conditions.

#### **2. Committee Terms of Reference**

- 2.1 To produce a report annually which:
- a) assesses whether the resources committed under the low-income package by Telstra are best allocated to the needs of low-income consumers;
  - b) evaluates the effectiveness of the low-income package in making telecommunications services available to the disadvantaged and those on low-incomes;
  - c) advises on the effectiveness of the promotion of the low-income package; and
  - d) makes recommendations on how Telstra can improve the utilisation of resources committed under the low-income package to maximise the benefits to low-income telecommunications consumers.
- 2.2 To assess proposed changes to the low-income package or to the marketing plan for the low-income package.

#### **3. Provision of Report to Minister and Publication**

- 3.1 The Committee's report must be provided to the Minister for Communications, Information Technology and the Arts. The Minister has the discretion to make the report publicly available.
- 3.2 The publication of the report must not result in the publication of any commercially sensitive information.
- 3.3 If the report is made publicly available, the report will be made available on Telstra's Internet site and distributed as determined by the Committee.

#### **4. Powers and role of the Committee**

- 4.1 The Committee may engage an independent market research expert to provide research relevant to the fulfilment of the Committee's terms of reference.
- 4.2 It is the role of the Committee to:
- a) select the researcher and endorse the methodology and sample design;
  - b) design the market research brief, specifically the research parameters, research objectives, research budget and project timing;

- c) oversee the research project, including, recommending discussion guides and questionnaires, recommending stimulus material and observing qualitative research, if appropriate; and
- d) on completion of the research, confirm that the research has been conducted in accordance with the aims and objectives.

4.3 Prior to instructing the market research expert to commence work, the Committee must consult with Telstra in relation to the market brief and obtain Telstra's approval for the total cost of the research work.

## **5. Committee Membership**

5.1 The Committee will initially be comprised of a representative from each of:

- i) Australian Council of Social Service
- ii) COTA National Seniors
- iii) The Salvation Army (Eastern Territory)
- iv) The Smith Family
- v) Australian Federation of Homelessness Organisations
- vi) Jobs Australia
- vii) Anglicare Australia
- viii) Department of Family and Community Services.

5.2 In accordance with the carrier licence condition to which Telstra is subject, Telstra will seek the agreement of the Minister to each of the welfare organisations to be represented on the Committee. An organisation's right to representation on the Committee may be removed from time to time by the Minister.

5.3 In addition, representatives of the following organisations shall have observer status:

- a) The Department of Communications, Information Technology and the Arts;
- b) The Australian Communications Authority;
- c) The Salvation Army (Southern Territory); and
- d) Telstra Corporation Limited.

5.4 Observers shall be entitled to participate in meetings of the Committee but shall have no right to vote on any decision being taken by the Committee.

5.5 Each organisation represented on the Committee has full discretion to appoint the person who is to represent it at meetings of the Committee.

## **6. Meetings and Attendance**

### **6.1 Chair**

The Chair will be determined by the Committee on an annual basis.

### **6.2 Committee Secretary**

The Committee Secretary:



- a) co-ordinates the activities of the Committee;
- b) ensures compliance with agreed governance procedures for the Committee;
- c) manages the Committee secretariat; and
- d) attends Committee meetings,

but does not vote in Committee meetings.

### **6.3 Meetings**

- a) Meetings of the Committee will be convened by the Committee Secretary in accordance with an agreed research plan or as required.
- b) The meetings may be held face to face or by videoconference or teleconference.

### **6.4 Quorum**

A quorum for any formal meeting of the Committee is five members of the Committee.

### **6.5 Agenda**

Every effort will be made to distribute an agenda and any relevant supporting documents by the Committee Secretary to the Committee members at least one week prior to the Committee meetings.

### **6.6 Minutes**

Draft minutes of the meeting and resolutions will be kept by the Committee Secretary and distributed to the Committee members no later than one week after the Committee meetings for ratification.

## **7. Decision-making**

- 7.1 It is expected that the Committee's decision-making and particularly the report recommendations will be achieved on a consensus.
- 7.2 If the Committee cannot achieve a consensus on a decision, the decision will be made by majority vote of the members present. The Chair will have a casting vote.

## **8. Confidentiality**

- 8.1 It is expected that confidentiality will be maintained on sensitive issues which may arise. Examples may be those concerning reputation, commercial or competitive considerations.

## **9. Resourcing**

- 9.1 Telstra will pay:
  - a) for the provision of the Committee Secretariat (including making a person available to perform the role of Committee Secretary);
  - b) the reasonable expenses, e.g. travel costs and out of pocket expenses, of the Committee members (except those who are representatives of a Commonwealth Department); and
  - c) the approved costs of the research undertaken by the market research expert.