

18 July 2024

Digital Inclusion Section
Communications Infrastructure Division
Department of Infrastructure, Transport, Regional Development, Communications and the
Arts
GPO Box 594
Canberra ACT 2601

By email to: firstnationsdigitalinclusion@infrastructure.gov.au

Dear Digital Inclusion Section,

Discussion Paper – First Nations digital inclusion roadmap

Thank you for the opportunity to provide feedback to the First Nations Digital Inclusion Advisory Group's consultation on a roadmap to First Nations digital inclusion. This letter offers insights about complaints the Telecommunications Industry Ombudsman (TIO) has received from First Nations consumers, and comments on the need for improved mobile connectivity and information about mobile coverage to prevent mis-selling to First Nations consumers living in regional areas.

The TIO will also be providing a submission to the 2024 Regional Telecommunications Review about issues affecting consumers living in regional, rural, and remote areas generally.

Complaints to the TIO by First Nations consumers

The TIO began capturing demographic data about First Nations consumers from August 2023. This data will help us to identify systemic issues affecting First Nations consumers, allowing us to investigate and address these issues directly with telco providers.

Our Quarter 3 complaints data¹ found that 388 consumers who identify as belonging to the First Nations Community made complaints to the TIO, which is an 11.2 percent increase in the number of consumers as compared to 349 consumers in the last quarter. There was an increase in complaints across the top four keywords: 'no or delayed action by provider,' 'service and equipment fees,' 'no phone or internet service,' and 'intermittent service or drop outs.'

¹ TIO [Quarter 3 Complaints Data](#).

The number of consumers from First Nations communities who experience telco issues is likely higher than what is represented by our complaint numbers, for a number of reasons. We rely on consumers volunteering their demographic data, which does not always give us a full picture of the consumers who use our service. Consumers from First Nations communities may also rely on representatives, who raise issues that may relate to multiple consumers. Finally, language barriers may limit the number of consumers who raise complaints about their services, let alone those who seek assistance from an external dispute resolution scheme.

An increased focus on mobile accessibility is required to improve connectivity for First Nations consumers living in regional, rural, and remote areas

Although mobile services are a critical essential service, they are not covered under the Universal Service Obligation scheme. For many consumers living in regional, rural, and remote areas, particularly First Nations consumers, a mobile service is their only phone service. Consumers rely on mobile services for many aspects of their day to day lives. With the increased use of verification codes sent via SMS to mobiles to verify identity for a range of financial and government services, it is now more important than ever that consumers receive accurate information about mobile coverage when signing up for a mobile service.

Our complaints show consumers using mobiles as an alternative to traditional fixed line services are experiencing coverage and reliability issues. Certain locations lack adequate mobile coverage and some consumers have affordability concerns. Events like natural disasters can also put significant pressure on mobile networks, particularly in rural and regional areas. They can quickly disrupt mobile networks and consumer services often when consumers need them most.

Our 2022-23 Annual Report² revealed that poor mobile coverage (8.2% of complaints) was in the top five complaint issues for mobile services. More recently, our FY24 Quarter 3 complaints data also shows that mobile services remained the most complained about service type, increasing 5.4 percent from the previous quarter.

Our office handles complaints from consumers who live in regional or remote First Nations communities who rely on prepaid mobile services and payphones, rather than expensive or less-accessible fixed-line services. In our submission to the Department of Infrastructure, Transport, Regional Development, Communications and the Arts' (Department) consultation on the *Better delivery of universal services*,³ we recommended that as part of a modernisation project for the Universal Service Obligation, the Department should consult with First Nations groups to identify the most appropriate access methods, technologies, and affordable plans to suit those communities.

² [TIO Annual Report 2022-23](#).

³ TIO, [Submission to the consultation on the Better delivery of universal services](#) (March 2024), page 5.

Improved mobile infrastructure in regional, rural, and remote areas would further support the availability and reliability of mobile connectivity for First Nations consumers as an alternative option to fixed line telephone and internet services.

We also support the Advisory Group's recommendation that the Government develop a national device bank to provide low-income earners in First Nations communities with refurbished donated devices for free (or subsidising mobile devices that can access both standard mobile networks and satellite networks). When evaluating telecommunications infrastructure programs, grants committees should expressly consider programs aimed at improving connectivity for remote First Nations communities.

Improved information about mobile coverage could help prevent mis-selling of mobile services to First Nations consumers

We receive complaints from consumers who said they were given incorrect advice about the level of mobile coverage available in regional areas, including from First Nations consumers. Some consumers reported that their telco misrepresented, or did not check, the level of mobile coverage available at their address. Consumers who purchase mobile plans and devices based on these representations often find themselves left with expensive devices they cannot use.

Case Study – Milli was sold a mobile service she could not use

Milli is a First Nations person living in a remote community in the Northern Territory. She has limited financial literacy and little understanding of mobile phone services or contracts.

During a trip to Darwin, Milli visited a telco store and purchased a mobile service and handset. Although Milli told the sales representative where she lived, the representative did not check whether there was mobile coverage there.

When Milli went home, she found there was no mobile coverage in her area, and she could not use her mobile service. When she tried to cancel her plan, she was told she would have to pay over \$4,000 to cancel the contracts.

After we investigated Milli's complaint, her telco agreed it shouldn't have sold her the mobile service and device and waived the full cost of cancelling the contract.

** Names of all parties have been changed.*

In order to combat the occurrence of situations described in the case study above, the Government could consider standardising mobile coverage information that is provided by telcos. The current obligation contained in the Telecommunications Consumer Protections Code⁴ to make information available to consumers about the network coverage for mobile services (including maps or diagrams of mobile coverage) is vague and may not operate consistently to provide accurate and useful information to consumers.⁵

⁴ [C628:2019 Telecommunications Consumer Protections Code](#), clause 4.3.1(g). This Code is currently under revision.

⁵ See also [TIO Submission to Communications Alliance Discussion Paper – Telecommunications Consumer Protections Code Review 2023](#) (June 2023) page 16.

Under current industry practice, each telco provides coverage information in its preferred format and in our experience different telcos may use different descriptors for coverage levels. It is not clear what information, or what parameters, are used to produce the maps. Some telcos make claims about mobile coverage that is expressed in terms of how much of the Australian population is covered. This could create the impression that a carrier's mobile coverage is more geographically extensive than it is, potentially misleading consumers. Mobile coverage maps also only provide information about the extent of coverage but does not provide information about the quality of the coverage, including data speed.

Better access to information about what services are available could allow consumers to make more informed decisions, encourage competition, and lead to better outcomes for both telcos and consumers at the point of sale and beyond.

In some cases, consumers may be more likely to contact a third party to help them choose a suitable telecommunications service. These third parties, which may include financial counsellors or consumer support groups, could use access to information about the services available in a given area to choose a suitable plan or low-cost service for their clients.

While the TIO cannot handle complaints about the adequacy of mobile infrastructure, we can take complaints about mis-selling of coverage availability, misleading conduct, or disputed charges during periods of poor coverage. This is because our jurisdiction is somewhat limited by the lack of obligations on telco providers to offer consumers a mobile service or a service that meets minimum quality and speed standards. The TIO supports efforts by government and industry to improve coverage for consumers living in regional, rural, and remote Australia, particularly for First Nations consumers.

First Nations representation

The TIO currently seeks consultative support on an ad hoc basis to ensure that our strategy and frameworks have a strong First Nations voice. We are also continuing to work on our Reconciliation Action Plan and some staff members have completed First Nations cultural awareness training. The TIO is also a member of Reconciliation Australia and the Diversity Council Australia. The co-chair of our Consumer Panel also provides us with a First Nations voice.

However, the TIO acknowledges that there is more we could do to increase our First Nations representation and we are actively identifying opportunities for increased representation.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Cynthia Gebert', with a long horizontal flourish extending to the right.

Cynthia Gebert
Telecommunications Industry Ombudsman