

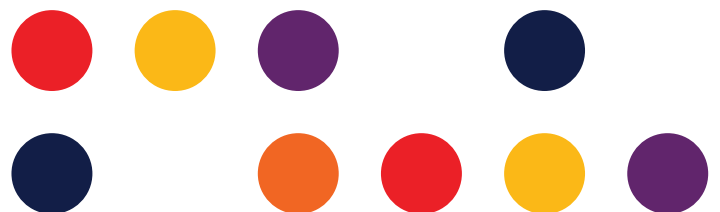
A roadmap for First Nations digital inclusion

TPG Telecom submission

First Nations Digital Inclusion Advisory Group

July 22, 2024

Confidential



Submission

Thank you for the invitation to provide feedback on 'A roadmap for First Nations digital inclusion' to the First Nations Digital Inclusion Advisory Group (the Advisory Group).

TPG Telecom acknowledges the Traditional Custodians of Country throughout Australia and the lands on which we, and our communities live, work and connect. We value the custodianship of over 65,000 years and pay our respects to Elders, past and present.

At TPG Telecom, we are committed to building better futures for First Nations peoples, customers and communities, and continuing the journey towards reconciliation. We believe everyone has a role to play in creating equity and opportunities for First Nations People.

We seek to support vibrant, connected communities. We believe that by assisting First Nations people get and stay connect will enable digital resilient a. To do this, the roadmap must enable First Nations people, communities and community organisations to lead the development and implementation of solutions to improve digital inclusion.

Throughout this submission, we use the term First Nations peoples as a collective term to describe the many distinct and diverse Aboriginal and Torres Strait Islander peoples, clans, mobs, language groups and Country across Australia; however, TPG Telecom acknowledges there is no single Aboriginal or Torres Strait Islander identity.

About TPG Telecom

TPG Telecom is Australia's third-largest telecommunications provider and home to some of Australia's most-loved brands including Vodafone, TPG, iiNet, AAPT, Internode, Lebara and felix.

We own and operate nationwide mobile and fixed networks that are connecting Australia for the better.

As an organisation that works across many locations, we have a responsibility to listen, learn and stand together with First Nations peoples and to support ongoing connection to land, waters, cultures, languages and traditions. Sovereignty was never ceded and the land on which we stand together on, always was and always will be Aboriginal and Torres Strait Islander land.

Executive summary

TPG Telecom strongly supports the development of the roadmap and the continued work of the Advisory Group to foster coordination and collaboration on digital inclusion challenges and possible solutions. There is a wealth of knowledge, data, and information available to support cost and access issues.

While acknowledging that the roadmap must be First Nations led and developed, we respectfully provide the following comments and recommendations on:

- how the digital divide presents for First Nations people, including the impact of living in urban, peri-urban, regional, and remote areas and associated connectivity issues;
- the impact on the affordability of different connectivity options;
- an audit of current telecommunications services supplying First Nations communities;
- recommending First Nations people and communities be involved at each stage of network development, through effective and culturally aware consultation;
- recommending First Nations people and communities be involved in a review of telecommunications product offering, like the School Student Broadband Initiative, to ensure there are products matched to First Nations needs;
- recommending the introduction of a First Nations designated Government funded telecommunications traineeship.

Development of a First Nations digital inclusion roadmap

What are some examples of the digital divide between metro, regional and remote areas for First Nations people?

The paper '*Discussion Paper – First Nations digital inclusion roadmap*' (**the discussion paper**) notes many examples of the digital divide impacting First Nations peoples across Australia, including the impact of living in urban, peri-urban, regional, and remote areas, digital or connectivity literacy and its impact to the accessibility of digital tools, and the associated impact on the affordability of different connectivity options (including the reliance on prepaid mobile services by First Nations consumers). The inconsistent or lack of availability of a variety of connectivity options to lower costs remains a significant issue.

The *Australian Digital Inclusion Index* found that people in remote areas experience lower quality internet services, with slower speeds and more frequent outages compared to urban areas¹. This is exacerbated by the limited presence of alternative networks in regional and remote areas, leaving communities with less choice and higher costs. The '*Mapping the Digital Gap 2023 Outcomes Report*' further outlined these issues. It found a significant gap in digital inclusion for First Nations people compared with other Australians; a gap that widens with remoteness².

As noted in the discussion paper, the impact of connectivity issues for regional and remote Australians plays a significant role in the digital divide for First Nations people, with, according to the 2021 Census, 34.9% of First Nations people living in outer regional, remote or very remote parts of Australia, compared with 9.4% of other Australians³. As described by the *2021 Regional Telecommunications Review*, connectivity in regional and remote Australia is a 'patchwork quilt'⁴.

The lack of consistent, coordinated, strategic funding and development approach has left all telecommunications consumers in these regions struggling to connect and stay connected. Given the greater proportion of First Nations consumers, combined with the affordability issues noted in the discussion paper, the connectivity issues inevitably broaden the digital divide for First Nations people.

How can we ensure government and industry design appropriate products and services to meet the needs of First Nations people?

First Nations people and communities must be involved at each stage of network development through effective and culturally aware consultation; whether infrastructure (site acquisition, environment, and design), product (service design, customer research, product testing), and service (developing an understanding of culturally appropriate customer support and assistance).

We encourage the Advisory Group to strongly consider the impacts of entrenched Government policies such as the Universal Service Obligation, which funds outdated copper technology, and does not consider the needs of First Nations peoples, such as a preference for mobility products. Rather than Government policy electing to subsidise one provider or one technology, the approach should be technology-neutral and focus on demand-side preferences.

Instead, TPG Telecom submits that the framework should include an avenue to enable collaboration between Government, First Nations people, and telecommunications carriers and carriage service providers to develop strategies, processes, and service offerings that meet the needs of and are made available to First Nations customers. Lessons can be drawn from the work of the Low Income and Digital Inclusion Forum, which bring together a wide range of members, all seeking to develop a clear, sustainable, and suitable collection of

¹ <https://www.digitalinclusionindex.org.au>

² https://apo.org.au/sites/default/files/resource-files/2023-09/apo-nid324397_0.pdf

³ <https://www.abs.gov.au/statistics/people/aboriginal-and-torres-strait-islander-peoples/estimates-aboriginal-and-torres-strait-islander-australians/30-june-2021#remoteness-areas>

⁴ <https://www.infrastructure.gov.au/departments/media/publications/2021-regional-telecommunications-review-step-change-demand>

offerings to support low-income consumers get connected digitally.

We also urge the Advisor Group to examine the Universal Service obligation to have consultation with all Carriers to ensure agreed reference design guidelines are aligned across industry when deploying new infrastructure for First Nations Communities.

How do we balance a place-based approach with the need to improve digital inclusion at the national level?

At TPG Telecom, we understand that there is no 'one size fits all' solution to address the digital divide. While a national approach may be simpler to administer, it may not consider the needs of different communities. A place-based approach should take different forms, such as districts or regions etc, while also listening to the voice of the people in community to understand their needs and wants.

We recommend an audit of current telecommunications services supplying First Nations communities, to ensure performance and grade of service is in line with the rest of the country/network. While there necessarily may be a different network approaches or preference in different locations, understanding the actual performance and availability of the current status quo is an important factor in any decision making or further planning.

How can government and industry empower communities to navigate the financial side of getting and staying connected?

We recognise the investment into free community Wi-Fi in remote communities through a contestable program, the First Nations digital support hub, and the creation of a network of digital mentors that has occurred because of the Advisory Group's initial report. This work will be further supported by the expansion of data collection on First Nations digital inclusion.

However, currently the only direct government subsidy for telephone payment support is the Telephone Allowance, administered by the Department of Social Services. This is a payment available to those receiving welfare support and is automatically paid quarterly to customers. The current amount of \$33.40 per quarter is outdated and insufficient, failing to account for the contemporary costs associated with a mobile plan or prepaid recharge amount, or the preference for prepaid mobile in remote communities. It is recommended the Government increases the Telephone Allowance to e.g. \$35 and provide universal data subsidy of e.g. 15GB (as stated in report). An alternative may be a six monthly or annual subsidy, to support stable access to a telecommunications service for six or twelve months, via plans such as Vodafone's 185 day or 365 day prepaid plans or Kogan Mobile's 365 day plan.

An alternative form of support would be a direct connectivity support mechanism, like the School Student Broadband Initiative (**SSBI**)⁵. The SSBI seeks to provide up to 30,000 eligible families with no internet at home a free National Broadband Network (**NBN**) service until 31 December 2025. While limited in its application and impacted by its complicated structure in its initial rollout, the SSBI seeks to provide stable connectivity (noting this is only available where the relevant infrastructure is available).

TPG Telecom supports the creation of a First Nations subsidy focused on digital connectivity and/or a direct connectivity support mechanism, with a focus on a technology-neutral and demand-side preference approach. Any programme must take learning from current state models, particularly the SSBI. It must be accessible and sustainable for all stakeholders, with delivery through Commonwealth government funding. There should be minimal complexity to reduce industry effort across consumers, telcos, and supporting organisations, to ensure those in need of a stable digital connection can do so without unnecessary complexity, barriers, and boundaries.

Any new assistance should be reinforced by supported the availability of devices, including device donation agreements and centralised donation banks. Solutions to the availability of devices must go beyond laptops and phones; the technology required to connect - such as gateways, modems, and routers - must also be

⁵ <https://www.infrastructure.gov.au/media-communications-arts/internet/national-broadband-network/school-student-broadband-initiative-ssbi>

considered.

How can industry be proactive in identifying where costs are prohibitive for First Nations consumers and find solutions?

Industry works today to analyse current distribution and volume of sales and services. This includes developing an understanding of location, including connections in regional and remote areas that are home to First Nations customers and comparing this with the national or metro average.

Industry can assess why customers are making certain choices with the management of their accounts or what difficulties they are facing maintaining their service. This can be an active practice in customer lifecycle management, forming part of the product development and reporting process. Responses to the outcome of this analysis can support industry approaches to products, as well as supporting fit-for-purpose Government and support service responses.

For example, First Nations consumers are not only over-represented in the use prepaid mobile products, they also recharge at a faster rate, due to the consumption of data entitlements on mobile plans. The product-level solution to this may be unlimited mobile data options for prepaid plans, however this may not solve stability of the service; keeping First Nations consumers overrepresented on prepaid mobile products.

Prepaid affordability is likely to worsen with the implementation of Telstra's decision to increase prepaid pricing by up to 20 per cent from July 2023⁶ and further rises due in October 2024⁷. This increase will exacerbate existing financial pressures on paying for other essentials, such as groceries. Although many postpaid plans may provide better value for money, the fundamental constraints of low and periodic income for many First Nations people, especially those in remote communities, means such plans are not a viable option.

Therefore, consideration also needs to be given to how to transition consumers with this spend pattern or usage history onto upfront or postpaid mobile services, to enable consistent, lower cost options (recognising for some First Nations people, linking the availability of their data service to a fixed address may have other complications). However, this doesn't come without potential risks or obstacles, such as credit assessments or set bill timings. This is where consumer protections must not create barriers or requirements that are not proportional to the risk. There must be a balance to ensure industry can develop appropriate products and consumers can access those options without invasive or complex processes.

How can we strengthen the connectivity literacy of First Nations people and communities, including raising awareness of consumer protections?

We support place-based approaches – each group and community have different needs, wants, and skills. Pop-up service hubs, workshops, classes, community events in those communities enable a targeted, accessible approach to addressing the digital divide, connected with the work of the proposed First Nations digital support hub and digital mentors. Any placed-based approach must be led by First Nations community organisations, specialising in technology and digital inclusion. There are many great placed based organisations who could be supported through grants and funding to deliver more targeted approaches.

Further support can be achieved in a variety of ways, including Government grants for designated organisations, corporate Community Outreach programs volunteering in remote and regional communities (in coordination with a First Nations group), or coordination with industry to support effective deliver.

⁶ <https://www.afr.com/companies/telecommunications/telstra-hikes-pre-paid-mobile-prices-by-20pc-more-increases-to-come-20230428-p5d3zz>

⁷ <https://www.telstra.com.au/exchange/changes-to-our-mobile-pricing-and-why#:~:text=The%20price%20for%20most%20plans,for%20our%20pre%2Dpaid%20customers.>

How can industry and government products and services be made more inclusive for those who have a low level of English literacy?

Simplicity starts upstream. When it comes to broadband services, NBN's menu of products is getting more and more complicated every day. The messages for everyday consumers are already confusing and would be more complex for those with low levels of English literacy. This is especially the case when NBN is pushing higher speed adoption, while the ACCC says NBN25 should meet the needs of most households.

The draft Telecommunications Consumer Protections Code (TCP Code) seeks to address the complexity by introducing the concept of 'plain language' into consumer protection obligations for industry⁸. Plain language is defined in the Code to mean the use of simple, clear and straightforward language, by simplifying complex ideas for easy understanding. It avoids complicated words and keeps sentences short and allows for inclusive and efficient communication. People are more likely to engage with information that is presented in a straightforward and understandable manner, so plain language concepts are particularly important when communicating with a diverse audience or when conveying important information, by reducing the risk of misinterpretation or confusion. It is especially important for effective communication with consumers with English as a second language, as well as those disabilities or learning difficulties – the goal is to communicate as simply as possible.

How can digital inclusion support economic growth?

Reliable, stable internet connection that would ensure those living in remote or regional communities can be considered for, and reliably participate in, remote employment. It also provides the ability to leverage technology to build and operate businesses from regions that otherwise have limited employment opportunities.

Connectivity and digital inclusion drive entrepreneurship and innovation. When aspiring entrepreneurs have access to digital tools and resources, they can develop and market their products and services more efficiently - giving small businesses tools and platforms bigger companies have, and leveling the playing field and growth of e-commerce, digital marketing, and online payment systems.

First Nations owned businesses create an environment where First Nations people can participate in the economy in a way that is self-determined which is an ongoing process of choice that ensures the right of First Nations people to freely determine their own unique economic, social and cultural development.

Young First Nations people are exposed to the possibilities and opportunities that business presents, which is crucial to fostering a pipeline of future entrepreneurs and business owners. This can all be achieved while living and working on Country or within their community, whether urban, regional, or remote; enabling a continued and deepening connection to Culture and Country. In turn, owners of First Nations businesses can reinvest revenue into their communities through resources, volunteering, and sponsorship.

What role can connectivity and technology play in supporting First Nations culture?

At TPG Telecom, we acknowledge the importance of being on Country for First Nations people. Digital inclusion, supported by stable and consistent connectivity, provides First Nations peoples living in community the ability to live on Country and connect with community and culture, whilst studying or working remotely.

The accessibility of education, employment opportunities, health services, and support services reduces the requirement to travel or move to access these services or opportunities. As seen across Australia post COVID, the increased regionalisation⁹ (supported by private-sector employment, population growth and economic diversification in regional areas) led to an increase in digitally-capable Australian's moving to regional centres¹⁰.

⁸ https://commsalliance.com.au/_data/assets/pdf_file/0006/96675/TCP-Code-May-20-Package.pdf

⁹ <https://www.infrastructure.gov.au/sites/default/files/documents/2021-rtirc-report-a-step-change-in-demand.pdf>

¹⁰ <https://www.abs.gov.au/statistics/people/population/regional-internal-migration-estimates-provisional/latest-release#capital-city-migration>: In the March 2021 quarter there was a net loss of 11,800 people from Australia's greater capital cities through internal migration. This was the largest net loss on record since the series started in 2001, surpassing the previous record net loss set in the September 2020 quarter (-11,200).

This was supported by digital connectivity, enabling the interstate migrates to live and work in areas previously underserved by technology. This capability must also be provided to our First Nations communities to support people to live, visit, or stay on Country.

TPG Telecom supports the introduction of a First Nations designated Government funded telecommunications traineeship, which bases First Nations recruits inside telecommunications providers to support upskilling and education on connectivity technology. The intended outcome should be to eventually have qualified First Nations people working as the local community interface into telecommunications providers, to help shape, develop, and meet their relevant telecommunications requirements.

How would digital inclusion support improved access to services?

At TPG Telecom, as a provider of digital connection, we understand the impact that a lack of access can have. Digital inclusion has a wide-ranging and significant impact on the accessibility of service. Access to health services and virtual doctor's appointments, banking, educational resources (particularly as more schooling/tertiary education becomes online-based), services such as financial counsellors and other support services, and emergency support, increasingly requires digital participation and the use of digital technologies.

When someone is unable to access these services due to digital literacy skills, they are excluded from key support options. Improving skills and understanding of digital technology enables access to opportunities and support in a wide range of circumstances.

In the telecommunications space, there is a growing number of 'digital-preferred' providers – telecommunications providers that are almost exclusively online, making use of advanced technologies including chat-bots and artificial intelligence. These telecommunications providers - including TPG Telecom's felix Mobile (felixmobile.com.au) - appeal to different groups of consumers, including small business, price-sensitive segments, customers with speech or hearing impairments who find it easier to communicate online, or those working from home. First Nations customers fall into all these category of consumers; when they are digitally excluded, they are unable to take advantage of the offers and products these innovative businesses offer.