

Committee Secretary
Senate Standing Committees on Rural and Regional Affairs and
Transport
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Lodged via online portal: 18 April 2024

SACOSS Submission to the Committee's Inquiry into the Shutdown of the 3G Mobile Network

The South Australian Council of Social Service (SACOSS) is the peak body for the non-government health and community services sector in our state, and has a vision of justice, opportunity and shared wealth for all South Australians. We undertake policy and advocacy work in areas that specifically affect vulnerable and disadvantaged people. Telecommunications is a particular focus – both because of its cost of living impacts and because telecommunications access and affordability is vital to inclusion in a modern digital society.

SACOSS has published a range of reports on telecommunications affordability [for those on Centrelink incomes](#) and for [those in waged poverty](#), and on digital inclusion more broadly. Most recently, our [Keys to the Digital World](#) project researched and reported on the vital role of libraries and community centres in providing digital access to disadvantaged people in regional South Australia. SACOSS is also represented on the ACMA's Consumer Consultative Forum.

SACOSS welcomes the Committee's inquiry into the shutdown of the 3G mobile network as we believe the closure raises important issues of fairness and the ability of many people, particularly those in rural and regional areas, to maintain access to vital telecommunications services.

Triple Zero Calls and the Number of Devices Impacted

In relation to the first two terms of reference, SACOSS is obviously concerned about the serious and potentially life-threatening consequences of people being left with phones that are unable to call 000 in emergencies. We are even more alarmed to find that this may impact a far more phones than first anticipated, with the government pointing to possibly 740,000 4G handsets that are configured to use 3G for calling triple zero. These sorts of numbers were not discussed when the 3G network closure was first mooted and we believe that this requires urgent action from government and industry.

However, SACOSS is also concerned that the response to date has been almost entirely centred on informing customers of the impact on their service – with the onus on the consumer to take action to replace their devices. This approach does not deal with issues of affordability. Instead customers on very low incomes are being asked to bear the cost of replacement devices. In this context, informing people of the impacts of the 3G closure is important, but it is not sufficient.

While affordability is not explicitly referred to in the Committee's terms of reference, it is relevant to or impacts on a number of the terms, and can also be considered under the generic term (j) any other related matters.

Telecommunications Affordability and the Costs of the 3G closure

Many people won't be affected by the 3G closure or can afford to upgrade their devices. However, the need to replace existing devices is problematic for those on low incomes – and it is people on low incomes, older, and digitally marginalised people who are most likely to use the phones and devices impacted by the closure. Simply being informed of the impact of the network closure is not helpful if people can't afford to replace their phones and devices.

The following example sets out the problem:

One of our staff members received an email from their service provider (Telstra) informing them that their phone would no longer be able to make 000 calls when the network is shut down in June. The communication was clear, the impacted device was identified by model number, and the recipient was directed to Telstra shops for further support. The email also linked to the sale of recommended replacement devices – from \$59 and \$79 handsets for very basic use, up to around \$300 for a Samsung smart phone or \$719 for an Apple iPhone. These offers had minimal or no discount on their normal retail price.

Our staff member can afford a replacement phone, so this communication was helpful.

However, we know that many of the most digitally marginalized people (including many people experiencing homelessness) are mobile-only customers – that is, their mobile phone is their only internet connected device. In this circumstance, the cheap basic phones offered are of no use, but at \$300 the smart phone options represent over half of one week's base income for a single age pensioner, and nearly 80% of one week's income for a single person on the JobSeeker base rate. These phones are not affordable for those who are homeless or on very low incomes, and simply informing the customer is not enough to keep them connected and out of hardship.

Arguably, when the closure of the 3G network was first proposed, the government should have planned for some form of rebate or financial support for affected low-income customers, to be paid by either industry or government. The situation now is even more problematic given the large number of people potentially involved with older 4G phones configured for 3G emergency calls. These would be generally newer phones (than the remaining 3G phones), and were bought in good faith as being 4G network compatible.

With the major 3G networks (Telstra and Optus) soon to close, urgent action is required to support those on low incomes with the transition to ensure that they can remain online, with access to emergency help, and without being forced into (further) financial hardship. At a minimum, the government needs to look to programs of direct support for the most vulnerable people through existing not-for-profit services. But a broader response is also necessary and ***we recommend that the Committee explicitly considers these affordability issues and makes recommendations about a broader response.***

Without such a response, the closure of the 3G network will cause financial hardship, potentially put people offline and at risk in emergencies, and deepen the digital divide.

Personal Medical Alerts

In relation to the Committee's Term of Reference (d), as with the cost of mobile phones, SACOSS is concerned that the need for some elderly or health-compromised people to replace their 3G medical alert devices adds additional expense for people on low incomes. Although there are cheaper systems, many 4G alert systems can cost up to \$500 or more. The South Australian government provides some rebate (up to \$380) for eligible people through the [Personal AlertSA](#) scheme, and the Commonwealth may provide funding through its Home Support or other programs, but accessing these schemes requires knowledge of their existence and the ability to navigate the application process, so some people will miss out. And even then, there may still be a cost impost on pensioner and other low-income households.

These costs may well be in addition to the cost of replacing older mobile phones or other 3G devices, and SACOSS is concerned that in the worst case scenarios, poverty combined with the 3G closure will mean that some elderly or health-compromised people simply won't have functioning phones, personal medical alarms or access to vital online services.

Case Study: Mid-Murray LGA

The Mid-Murray region of South Australia provides a useful case study for the Committee's consideration of a number of issues.

In the last iteration of the [Australian Digital Inclusion Index](#), the Mid-Murray Local Government Area had an overall score of 65.2 (out of 100 – the perfect inclusion score). The Mid-Murray score was some 8 points below the national average score of 73.2. The region is still recovering from major flooding eighteen months ago, and both the region and the Council are struggling to maintain a range of services in the area. The local council faces challenges in funding local libraries, which provide key digital inclusion facilities, yet has had to find funds to upgrade all of its Community Wastewater Management Systems which were utilizing 3G technology. There are only two GP outreach clinics in the whole local government area (6,200km²), so people are being directed to telehealth appointments (or have to drive for more than an hour for medical attention).

Against this background, local authorities advise SACOSS that they are concerned that the closure of the 3G network will result in lack of access to services. This is not only because of the impact on those on low incomes relying on 3G devices, but also because the closure may result in new mobile black spots not fully covered by the 4G network. For instance, SACOSS

was told by a senior community leader that when in Blanchetown on the River Murray, their phone could only get 3G service. This is not necessarily apparent on the service coverage maps, but is a reality for people living in some areas.

Again, the issues here will not be solved by providing information on the 3G closure. They are issues of the provision of essential services in a struggling community and the importance of maintaining affordable and accessible telecommunications in those communities.

Conclusion

We urge the Committee to investigate the affordability issues outlined in this submission, which in our view have been largely overlooked in discussion of the impacts of the closure. These affordability issues are crucial because if a service or device is not affordable, there is no real access to those services – and on the flipside, access to telecommunications services should not result in financial hardship.

SACOSS thanks the Committee for their consideration of this submission. Should you require further information, please contact our Senior Policy Analyst, Dr Greg Ogle as above.

Yours,

A handwritten signature in blue ink, appearing to read 'R Tooher'.

Dr Rebecca Tooher, Acting CEO
SACOSS