

Telecommunications Inquiry
Productivity Commission
PO Box 80
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RE: Inquiry Submission

From: Roosy Singh
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We refer to Telecommunications (Consumer Protection and Service Standards) Act 1999 (Part 9A):

With provision of this Act and subsequent withdrawal of Cable and Wireless Optus in providing services referred to in the Act, we submit that the Act itself has created opportunity for a monopoly within Telstra, as other providers find it no longer equitable to maintain such a service.

New contracts have been issued by Telstra since the bill being passed, and must be complied with in order to maintain services referred to in the Act. This has created a “comply or else” attitude toward 1900 service providers.

Many arguments have been submitted to all major parties of government via the Eros Foundation regarding this Act and the relevance of its aim, given that all points in it would have been irrelevant had small amendments to service provider practices been implemented.

We strongly recommend that this legislation be reversed allowing viable competition between telecommunications providers, and with amendments recommended by Eros Foundation, would achieve a better result than the legislation intended.

Industry arguments relating to this legislation can be accessed via the following URL

<http://www.eros.com.au/issues-moment.htm>



Attachment to Submission 1 (<http://www.eross.com.au/issues-moment.htm>)

Burning issue of the moment...

Phone Sex: Pick up the phone John Howard

This is a background briefing on the phone sex industry that was sent to all federal Coalition and Labor MPs setting out the effects of the new legislation on the phone sexual services industry.

What is the present situation?

At the moment all phone owners can opt-out of certain phone services. At our office we opt-out of call waiting because it drives us mad. Other phone owners place STD-ISD bars on their phones - opting out of long distance services. And some households opt out of 1900 numbers. This has always been the case.

The federal government now wants to turn this very workable system on it's head. Instead now if you would like to access phone sex services you have to opt in. That is write a letter to both telecommunications carriers, Optus and Telstra who will then need to notify billing companies. Then ten days later, well after the impulse has passed, you will be issued with a PIN number and you will be allowed to access a telephone sex service.

With its new legislation the only phone service the federal government is targeting are those of a sexual nature. Is this an attempt to win over a Tasmanian Senator? Or has the government adopted wowserism independently?

Another Australian industry moves offshore

The customer profile of phone sex service callers is generally someone acting spontaneously. They do not want to take time out to write a letter to Telstra or be identified by a PIN number attached to their telephone account.

While debating this Bill the government could not answer concerns regarding privacy and the rights of adults accessing phone sex services. If phone sexual services are transformed to an opt-in system rather than the opt-out service currently provided, given the customer profile the industry will be decimated. They will be left without callers.

However phone sex lines will be available without PIN verification by dialling 0011 first and speaking with a phone sex operator in Tuvalu, Israel or Brazil. This kind of service has no restrictions, the federal government has no control and they do not pay Australian taxes unlike our home grown operators.

What sort of industry is this?

The phone sexual service industry generates \$150 million dollars a year and each month there are 1.4 million calls made to these lines. That's a lot of voters. And while this Bill is in the house, before each phone service a warning is delivered to the caller as to which party is supporting the Consumer Protection Bill and who not to vote for at future elections.

At present the industry operates aboveboard, it has clear paper trails and pays its share of tax. If the Bill is passed undoubtedly the industry will be forced underground, cease paying tax and will operate under counselling or friendship euphemisms. Is this what the government wants?

How will it be policed?

This is a very good question that it appears the government does not have a handle on. Sure the lines will be cut but how will they know a Transgender help line is not a Transgender spank line? Will the government begin tapping phones? The government's response: "Of course it involves listening to it," said Senator Alston in Hansard.

Why ban phone sex lines?

is the only politician who invited letters of complaint in a *Tasmanian Age* interview.

Considering 1.4 million calls are made every month a handful of complaints does not reflect poorly on the phone sex industry considering the sheer volume of satisfied customers. This can be compared with the 1900 phone competition lines which receive a far higher volume of complaints with a much lower volume of calls.

Essentially the phone lines are innocuous. Children are frequently cited as the ones who need to be protected from this telephonic evil. The truth is adolescents have to actively seek out the service. They then have to go through a number of age verification screening measures before actually accessing the service. If by chance they do get through they are no more likely to hear anything more offensive than a conversation that can be overheard on public transport. Should adolescents be barred from catching trains?

Your parents will find out!

That is a message that runs before most adult phone services. And it is true. Unlike most things teenagers get up to, calling up a phone sex line is the one thing that parents will definitely find out about. There is no getting around it. Without doubt the Karma Sutra Love Line in bold type will clearly show up on the parental phone bill. And then what?

If parents decide teenagers in their home can not be trusted or as parents they can not provide adequate supervision under the present system they can very easily opt-out of 0055 or 1900 numbers. Parents choosing to opt out is a technologically feasible system. To change to an opt in system is a nightmare for our national carriers. Optus has already advised the government that it can not do it and Telstra will take 12 months to change over when the Government has allowed 6 months in its legislation.