

PRIORITY ASSISTANCE

Priority assistance is a service offered by various telephone companies to customers with a diagnosed life-threatening medical condition. For these customers, priority assistance is intended to provide a higher level of service when they experience a fault or require a phone connection. Customers receiving such a service are referred to as 'priority customers'. For more information about priority assistance, see the ACA website at www.aca.gov.au (Consumer Information, Information Portals, Priority Assistance).

Under its priority assistance licence condition, Telstra is required to provide service connection and fault repair for its priority customers within 24 hours for urban and rural areas and 48 hours for remote areas.

1. Telstra's performance

Priority customer base

The ACA tracks changes in Telstra's priority customer base to monitor the level of community take-up of priority assistance and to provide a context in which to assess the fault repair, connection and service reliability indicators. At the end of March 2005, Telstra had 138,156 priority customers, of which 64,958 (47 per cent) had completed the application process to become 'validated' customers. The remaining customers were provisional or 'tagged' customers, meaning that they were entitled to receive the benefits of priority assistance but were yet to submit a form to Telstra for validation.

The total priority assistance customer base fluctuates from quarter to quarter—although in the last two quarters (December 2004 and March 2005) the customer base increased by 10 per cent and seven per cent respectively. The number of validated priority assistance customers increased by four per cent in the March 2005 quarter.

Service connection performance

Telstra's national performance in connecting priority assistance customers within licence timeframes in the March 2005 quarter remained constant at 96 per cent, the same as reported in the December 2004 quarter. During the March 2005 quarter, the number of priority assistance connection requests nationally decreased by 2.3 per cent to 16,687.

As shown in Figure 15, priority connection performance in remote areas improved by two per cent, up from 92 per cent in the December 2004 quarter to 94 per cent in the March 2005 quarter.

Figure 15: Priority customer connections – volume of connections and percentage meeting licence timeframes, March 2004–March 2005

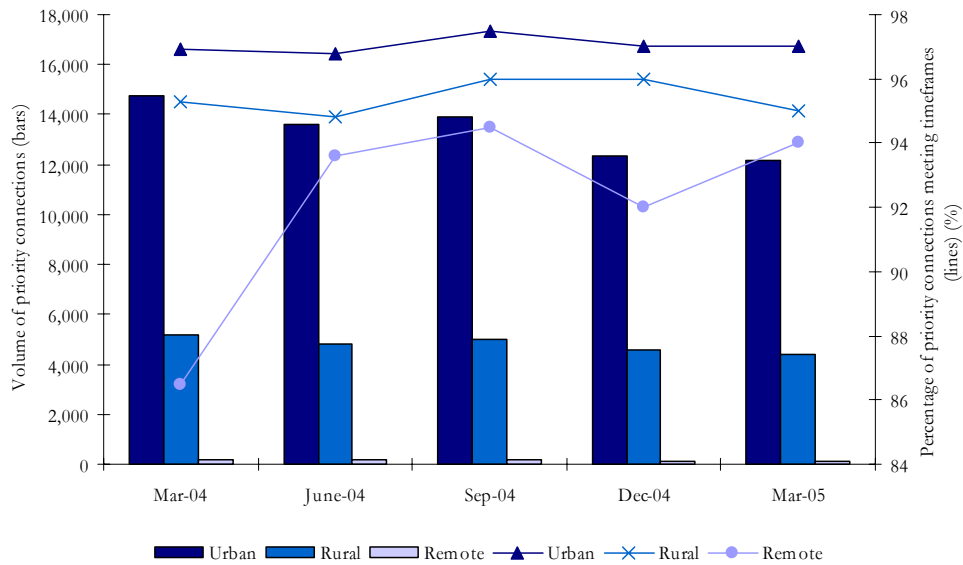
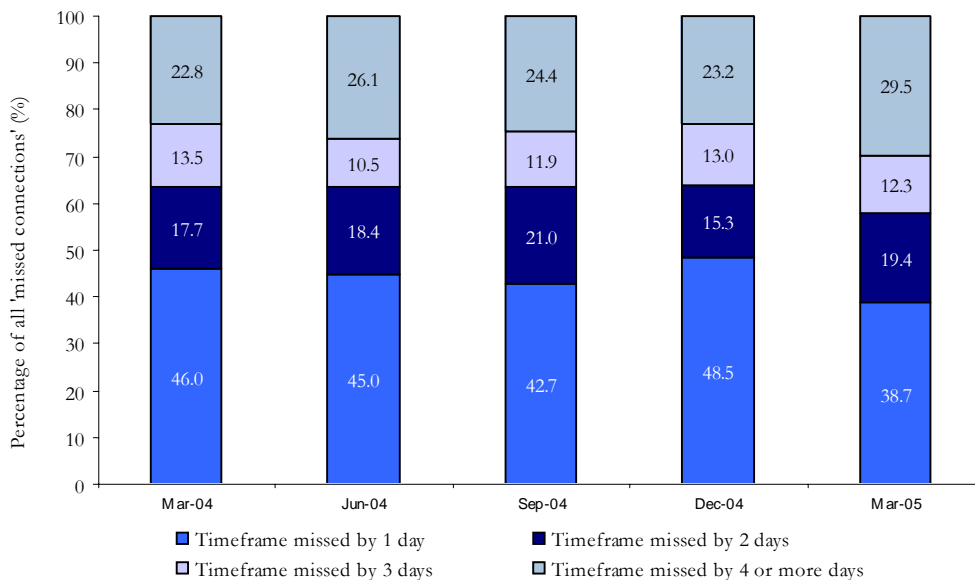


Figure 16 shows the distribution of connections that missed licence timeframes. Connections missing the timeframe by one day have decreased significantly—38.7 per cent of ‘missed connections’ missed the timeframe by one day in March 2005, compared with 48.5 per cent in the previous quarter and 46 per cent in the same quarter last year. The March 2005 performance indicates a significant drop in the number of connections missing the timeframes by less than two days (approximately 58 per cent in March 2005 compared with 64 per cent in the previous four quarters). However, connections that were completed four or more days outside the timeframes have increased from 22.8 per cent in the March 2004 quarter to 29.5 per cent in the March 2005 quarter.

Figure 16: Distribution of priority customer connections that missed licence timeframes, March 2004–March 2005



Telstra advised that the main reasons for not meeting licence timeframes were:

- (i) the appointment was revised by the customer or Telstra;
- (ii) exchange work was completed late; and

(iii) Telstra was awaiting disconnection of the previous customer's service ('connect outstanding').

Fault repair performance

More than 27,000 faults were reported by priority assistance customers in the March 2005 quarter. Fault volumes during this period increased marginally in all regions except remote areas, which remained stable. Ninety-five per cent of these faults were repaired within the licence timeframes in the March 2005 quarter, representing a one per cent increase in performance from 94 per cent recorded in the December 2004 quarter. The March 2005 performance of 95 per cent is almost at the same performance level recorded for the same period in March 2004 (95.4 per cent).

Figure 17 shows that, for the first time, the March 2005 quarter priority fault repair performance in remote areas equalled that of performance levels experienced in rural areas (noting that reported faults did not increase for the quarter).

Figure 17: Priority assistance fault repairs – volume of faults and percentage meeting licence timeframes, March 2004–March 2005

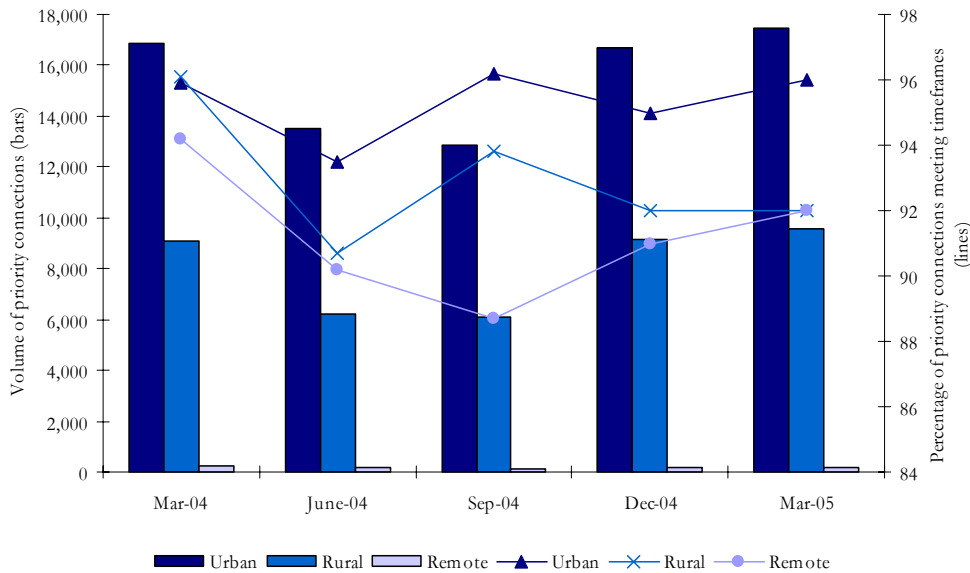
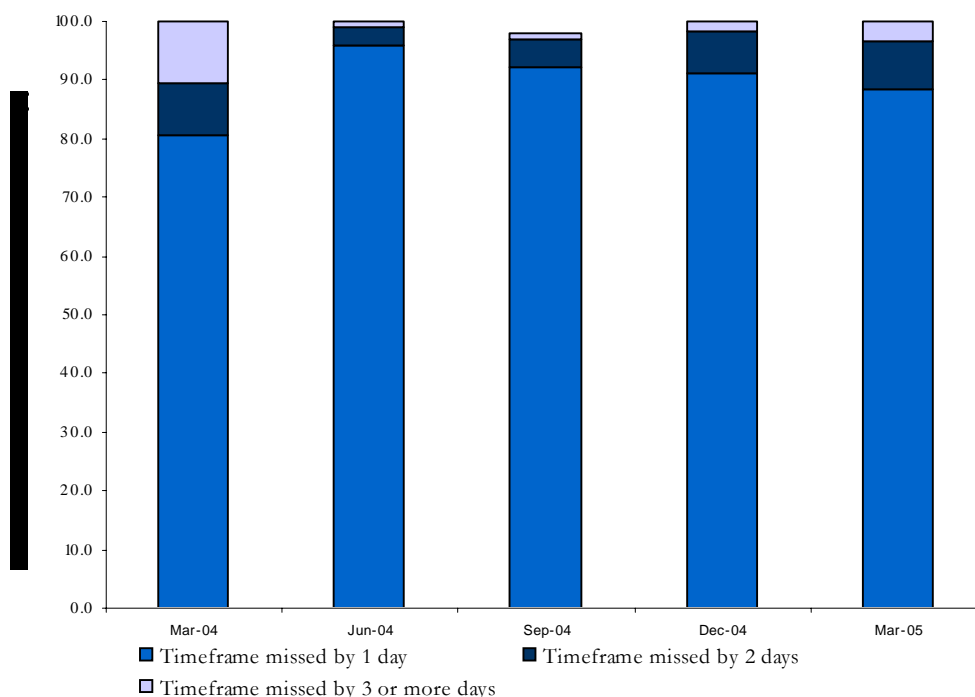


Figure 18 shows the distribution of faults being repaired in times that exceed the licence timeframes. Telstra provided data indicating that repair of 88 per cent of these faults missed the timeframe by less than one day in the March 2005 quarter compared with 91 per cent of faults in the December 2004. Of the faults during the March 2005 quarter, 69 per cent were repaired in less than six hours longer than the timeframe. Telstra reported that 1.7 per cent of customers experienced delays of three days or more.

Figure 18: Distribution of priority assistance fault repairs that missed licence timeframes, March 2004–March 2005



As in previous quarters, Telstra advised that the main reasons for not meeting licence timeframes were:

- (i) the technician was dispatched too late;
- (ii) restoration of the customer's service took longer than expected; and
- (iii) Telstra failed to fast-track the request.

In addition to meeting connection and repair timeframes, Telstra is also expected to provide priority assistance customers with a better standard of service reliability. In part, this is measured by examining the number of services experiencing repeat faults. There was an increase in the number of priority assistance customers experiencing repeat faults (defined as two or more faults in a three-month period) in the March 2005 quarter.

Telstra reported that 462 validated priority customers experienced repeat faults during the March 2005 quarter, compared with 448 in the December 2004 quarter. The repeat fault measure counts faults on validated services only. In March 2005, 0.7 per cent of Telstra's validated customer base experienced repeat faults during the quarter, which is comparable with the performance reported for the December 2004 quarter. These figures show a significant increase in the number of priority customers experiencing two or more priority assistance faults reported, compared with the figures for the June and September quarters of 2004 (255 and 271 respectively).

Telstra advised that the increase in faults for the March 2005 quarter in particular was the result of severe weather conditions in several areas, including lightning, wind squalls, hail, severe rain storms and flooding, which caused high levels of damage and significantly affected the number of customers experiencing two or more faults.

2. Other service providers

Primus and AAPT are the only other major service providers to offer priority assistance services. While the ACA has received performance data for priority assistance services since the September 2004 quarter from both carriers, implementation issues (including reporting capability problems experienced by both providers) have prevented full reporting of all performance measures.

These carriers report data to the ACA under requirements specified in the Industry Code *ACIFC609:2003 Priority Assistance for Life Threatening Medical Conditions Code*. The code puts in

place industry-wide arrangements and minimum standards for the provision of a priority assistance service by a carrier based on carrier licence conditions imposed on Telstra for the provision of priority assistance services.

In the March 2005 quarter, AAPT reported 1,289 priority assistance customers, with 79 connections (51 in urban areas and 28 in rural areas) requested during this period. Of these connections, 79 per cent of urban connections requested were completed within the code performance timeframes. During this quarter, AAPT reported there were 670 faults reported, 398 in urban areas and 272 in rural areas. In urban areas, 84 per cent of faults were repaired within the code performance timeframes, while in rural areas this figure was 78 per cent. AAPT has indicated that data reporting capabilities are still being introduced, including data provisioning streams from Telstra, which is affecting the level of available data.

Primus reported 2,783 priority assistance customers in the March 2005 quarter, with 361 connections (354 in urban and seven in rural areas), of which 60 per cent in urban areas and 57 per cent in rural areas met the code performance timeframes. Primus also indicated there were 611 faults, but was unable to provide details because it was implementing new data systems to automate priority assistance reporting.

The ACA is monitoring the provision of priority assistance data from both AAPT and Primus as their implementation of new reporting systems continues.