

Payphone (Assessment of Net Social Benefit) Guidelines

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1. Overview

Name of guidelines

- 1.1 These guidelines are the Payphone (Assessment of Net Social Benefit) Guidelines.

Preparation of guidelines

- 1.2 The ACMA has prepared these guidelines for the purposes of paragraph 6(5)(e) and paragraph 20(2)(f) of the Payphone Location Determination.

Commencement of guidelines

- 1.3 These guidelines take effect from 7 February 2012.

Queries about the guidelines

- 1.4 If you have any queries about the guidelines, please contact:

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2. Definitions

2.1 In these guidelines, unless the contrary intention appears:

Decile means any one of the numbers or values in a series dividing the distribution of the individuals in the series into ten groups of equal frequency.

Minister means the Minister for Broadband, Communications and the Digital Economy.

Net Social Benefit is an economic methodology which is consistent with the ACMA's 'public interest test' and the government's approach to assessing regulatory proposals. In these guidelines, an assessment is made against 11 parameters for payphone removals and nine parameters for payphone installations.

Payphone Complaint Rules Determination means the Telecommunications Universal Service Obligation (Payphone Complaint Rules) Determination No 1 2011 made under section 12EH of the *Telecommunications (Consumer Protection and Service Standards) Act 1999* (TCPSS Act). This is available on Comlaw at www.comlaw.gov.au/Details/F2011L02704.

Payphone Location Determination means the Telecommunications Universal Service Obligation (Location of Payphones) Determination No 1 2011 made under subsection 12EF(1) of the TCPSS Act. This is available on Comlaw at www.comlaw.gov.au/Details/F2011L02706.

Payphone Public Consultation Determination means the Telecommunications Universal Service Obligation (Public Consultation on the Location or Removal of Payphones) Determination 2011 made under section 12EG of the TCPSS Act. This is available on Comlaw at www.comlaw.gov.au/Details/F2011L02707.

Primary Universal Service Provider (PUSP) has the meaning given by [section 12A](#) of the TCPSS Act.

TCPSS Act means the [Telecommunications \(Consumer Protection and Service Standards\) Act 1999](#).

Universal Service Obligation (USO) has the meaning given by [section 9](#) of the TCPSS Act.

2.2 In these guidelines, unless the contrary intention appears, the following terms have the meaning given to them in the Payphone Location Determination:

- > ACMA
- > adequate mobile phone coverage
- > existing payphone site
- > new payphone location
- > new payphone site
- > payphone site
- > site.

3. Purpose and application

Legislative background

- 3.1 Under subsection 12EF(1) of the TCPSS Act, the minister made the Payphone Location Determination, which commenced on 1 January 2012. The Payphone Location Determination establishes rules regarding the places and areas at which a payphone is required to be located and rules about the removal of a payphone from a particular site.
- 3.2 Under subsection 6(4) of the Payphone Location Determination, a Primary Universal Service Provider (PUSP) is not required to install a payphone at a new payphone location if:
- > the PUSP has complied with the Payphone Public Consultation Determination for a proposal to install a payphone at the new payphone location and
 - > either:
 - > installing and maintaining a payphone at the new payphone location would not deliver a net social benefit (NSB) to the local community or
 - > the PUSP cannot reasonably install and operate a payphone at the new payphone location.
- 3.3 Section 20 of the Payphone Location Determination stipulates rules for the removal of a payphone from a site if, because of section 6 of that Determination, a PUSP must ensure that a payphone is located at that site. Under subsection 20(2) of the Payphone Location Determination, a payphone may only be removed from such a site if:
- > the decision to remove the payphone has been made in accordance with the rules in relation to the process for public consultation on the removal of a payphone set out in the Payphone Public Consultation Determination and
 - > one or more of the following criteria applies:
 - > maintaining the payphone at the payphone site would not deliver a NSB to the local community
 - > there is demonstrated community support for the removal of the payphone from the payphone site
 - > the PUSP cannot continue to reasonably operate a payphone at the payphone site
 - > if the existing payphone site is at a place or area of a type described in Division 1 of Schedule 1 to the Payphone Location Determination—a payphone is to be relocated at a new payphone site within that place or area.
- 3.4 Paragraphs 6(5)(e) and 20(2)(f) of the Payphone Location Determination stipulate that, for the purpose of assessing whether the installation of a payphone at a new payphone location, or the removal of the last payphone from a payphone site¹, would not deliver a NSB to the local community, the PUSP must have regard to any guidelines prepared by the ACMA which detail the format and methodology for making an assessment in relation to NSB.

¹ Subsection 20(9) of the Payphone Location Determination provides that the criterion relating to a net social benefit does not apply where a PUSP removes a payphone from a site where there is at least one payphone remaining after removal.

- 3.5 The ACMA has prepared these guidelines for the purposes of paragraphs 6(5)(e) and 20(2)(f) of the Payphone Location Determination.
- 3.6 These guidelines consider the costs and benefits—both financial and non-financial—to all stakeholders and the broader social impacts; to determine the net social benefit under these guidelines, an on-balance assessment of the impacts on all affected stakeholders, including the PUSP and the local community concerned, is undertaken.

What the PUSP must have regard to in assessing NSB

- 3.7 Part 4 of these guidelines details the format and methodology for consideration by the PUSP when assessing whether the removal of the last payphone at a payphone site would deliver a NSB to the local community for the purposes of paragraph 20(2)(f) of the Payphone Location Determination.
- 3.8 Part 5 of these guidelines details the format and methodology for consideration by the PUSP when assessing whether the installation of a payphone at a new payphone location would deliver a NSB to the local community for the purposes of paragraph 6(5)(e) of the Payphone Location Determination.
- 3.9 In undertaking an assessment of NSB to a local community under subsection 6(5) or subsection 20(2) of the Payphone Location Determination, the PUSP must have regard to the matters set out in Part 5 or Part 4 of these guidelines respectively.

Payphone removal complaint referred to the ACMA

- 3.10 If a payphone removal complaint about a final decision by the PUSP to remove a payphone is referred to the ACMA, the PUSP must provide the ACMA with certain information (see subsection 13(2) of the Payphone Complaint Rules Determination).
- 3.11 In the event that a payphone removal complaint (regarding a final decision by the PUSP to remove a payphone) is referred to the ACMA, and the PUSP has breached its obligations under the Payphone Location Determination or the Payphone Public Consultation Determination, the ACMA may issue a direction under section 12EI of the TCPSS Act regarding the payphone concerned. A direction under section 12EI may require the PUSP not to remove the payphone concerned or to reinstall the payphone, if it has already been removed. The PUSP must comply with a direction issued under section 12EI.

4. Guidelines on matters the PUSP must consider when removing payphones

- 4.1 The PUSP must have regard to the guidelines set out in the table below for the purpose of assessing whether maintaining the last payphone at a payphone site would not deliver a NSB to the local community under subsection 20(2) of the Payphone Location Determination. Please note that this test only applies to the removal of the last payphone at a site.
- 4.2 This assessment may be required if the criterion being applied relates to the NSB to the local community as specified in paragraph 20(1)(b) of the Payphone Location Determination.
- 4.3 For the purpose of assessing whether maintaining a payphone at the payphone site would not deliver a NSB to the local community, the PUSP must have regard to all of the legislative requirements outlined in the left-hand column of the table below. The right-hand column of the table provides ACMA guidance on the mandatory factors listed in the left-hand column, which the PUSP must also take into consideration.
- 4.4 As provided for in subsection 20(3) of the Payphone Location Determination, subsection 20(2) limits the matters to which the PUSP must have regard when assessing whether maintaining a payphone would not deliver a NSB to the local community.

Net social benefit assessment

- 4.5 Upon the PUSP completing each of the social benefit assessments for payphone removals (there are 11 listed in the right-hand column of the table below), if (on-balance (say) six or more out of the 11) there is an **overall increased likelihood** that the payphone would provide a social benefit to the local community, this would indicate that maintaining the payphone at the payphone site would deliver a NSB to the local community. In these circumstances, subparagraph 20(1)(b)(i) of the Payphone Location Determination would not apply to excuse the removal of the payphone.
- 4.6 Upon the PUSP completing each of the social benefit assessments for payphone removals, if (on-balance (say) six or more out of the 11) there is an **overall decreased likelihood** that the payphone would provide a social benefit to the local community, this would indicate that maintaining the payphone at the payphone site would not deliver a NSB to the local community. In these circumstances, subparagraph 20(1)(b)(i) of the Payphone Location Determination would appear to apply to excuse the removal of the payphone.
- 4.7 Upon the PUSP completing each of the social benefit assessments for payphone removals, if there is an **equal number of increased and decreased likelihoods** that the payphone would provide a social benefit to the local community, this would indicate that maintaining the payphone at the payphone site would deliver a neutral NSB to the local community. In these circumstances, subparagraph 20(1)(b)(i) of the Payphone Location Determination would not apply to excuse the removal of the payphone.

Removals—Legislative requirement Subsection 20(2) of the Payphone Location Determination	Guidelines
<p>a) the commercial viability of maintaining the payphone, including all reasonable steps that may be taken to minimise the costs of maintaining the payphone at the payphone site</p> <p><i>Note: Reasonable steps to minimise the costs of maintaining a payphone may include the installation of a robust phone or card only phone.</i></p>	<p>For the payphone concerned, the PUSP should take into consideration the total revenues and total costs at least for the most recent 12 months from the date of assessment.</p> <p><i>Note: it is expected that the total revenues include funding (if any) provided to the PUSP to install or maintain the payphone, including any payments made to the PUSP by the Commonwealth.</i></p> <p>If applicable, the average USO funding per payphone should be calculated as follows:</p> $\frac{\text{Total payphone-related USO funding for the most recent financial year}}{\text{Total number of payphones as at 30 June for the most recent financial year}}$ <p>The PUSP must also describe the ‘reasonable steps’ that have been taken to minimise the costs of maintaining the payphone, which may include the installation of a robust phone or card only phone.</p> <p>The difference between the total revenues and total costs is taken to estimate the commercial viability—that is, a net profit occurs when total revenues exceed total costs, or a net loss occurs when total costs exceed total revenues.</p> <p>Social benefit assessment no. 1: A net profit would suggest a payphone is commercially viable and indicate an increased likelihood that the payphone would provide a social benefit, given that the PUSP is also a stakeholder in the local community. A net loss would suggest a payphone is not commercially viable and indicate a decreased likelihood that the payphone would provide a social benefit, given that the PUSP is also a stakeholder in the local community.</p>
<p>b) call usage patterns for the payphone</p>	<p>For the payphone concerned, the PUSP should review call usage (which includes both outgoing and incoming calls² (where applicable)) patterns for at least the most recent 24 months from the date of assessment. This period of time will enable the effects of seasonality (if any) to be taken into consideration by the PUSP.</p> <p>Social benefit assessment no. 2: A steady or increasing call usage pattern would indicate an increased likelihood that the payphone would provide a social benefit to the local community. A declining call usage pattern would indicate a decreased likelihood that the payphone would provide a social benefit to the local community.</p>
<p>c) whether the revenues from the payphone will cover the depreciation</p>	<p>For the payphone concerned, the PUSP should take into consideration the total revenues and total depreciation and maintenance costs for at least the most recent 12 months from the date of assessment.</p>

² The ACMA understands that a significant number of USO payphones in Indigenous communities are configured by the PUSP to enable both way calling.

<p>and maintenance cost of maintaining the phone on an annual basis</p>	<p>Social benefit assessment no. 3: If the total revenues³ equal or exceed the total depreciation and maintenance costs—that is, they are ‘covered’—this would indicate an increased likelihood that the payphone would provide a social benefit, given that the PUSP is also a stakeholder in the local community. If the total revenues are less than the total depreciation and maintenance costs—that is, they are not ‘covered’—this would indicate a decreased likelihood that the payphone would provide a social benefit, given that the PUSP is also a stakeholder in the local community.</p>
<p>d) the extent to which funding (if any) provided to the PUSP to install or maintain the payphone, including any payments made to the PUSP by the Commonwealth, will contribute to covering the depreciation and maintenance costs of maintaining the payphone on an annual basis</p>	<p>For the payphone concerned, the PUSP should take into consideration the total funding (if any) provided to the PUSP to install or maintain the payphone, including any payments made to the PUSP by the Commonwealth and the total depreciation and maintenance costs for at least the most recent 12 months from the date of assessment.</p> <p>Social benefit assessment no. 4: If the total funding (if any) provided equals or exceeds the total depreciation and maintenance costs—that is, they are ‘covered’—this would indicate an increased likelihood that the payphone would provide a social benefit, given that the PUSP is also a stakeholder in the local community. If the total funding (if any) provided is less than the total depreciation and maintenance costs—that is, they are not ‘covered’—this would indicate a decreased likelihood that the payphone would provide a social benefit, given that the PUSP is also a stakeholder in the local community.</p>
<p>e) all the circumstances relating to the location of a payphone at the payphone site, including:</p>	
<p>i) the benefit to the local community arising from the location of a payphone at the payphone site</p>	<p>The PUSP should consider whether there is a community facility or national park located within a one-kilometre radius of the proposed payphone removal site. For example, community facilities may include schools, community halls, hospitals, pre-school centres, public swimming pools, post offices or the retail centre of a small village.</p> <p>Social benefit assessment no. 5: If there is at least one community facility or national park located within a one-kilometre radius of the proposed payphone removal site, this would indicate an increased likelihood that the payphone would provide a net social benefit to the local community. If there are no community facilities or national parks located within a one-kilometre radius of the proposed payphone removal site, this would indicate a decreased likelihood that the payphone would provide a net social benefit to the local community.</p> <p>ACMA research shows that members of a community who are over 65 years, under 25 years, or not working, are more likely to use a payphone. This can be attributed to a lower penetration rate for mobile phones among older people and therefore a greater likelihood of not having access to a mobile phone when they are away from home. For a younger person—who is more likely to own a mobile phone and less likely to have a fixed-line telephone at home—this can be attributed to factors such as call cost minimisation; running out of credit or the mobile phone battery going flat.⁴ For those</p>

³ It is expected that the total revenues include funding (if any) provided to the PUSP to install or maintain the payphone, including any payments made to the PUSP by the Commonwealth.

⁴ In April 2011, the ACMA commissioned two consumer surveys of Australians aged 18 plus—2,000 fixed-line home telephone users (CATI-based survey) and 800 mobile-only users (internet-based survey). Both groups were asked about payphone usage.

	<p>who are unemployed, the lower costs associated with using a payphone are likely to be a contributing factor</p> <p>The PUSP should have regard to the socio-economic disadvantage index produced by the Australian Bureau of Statistics (ABS). This index is suburb based and derived from the most recent Census variables related to disadvantage, such as low income, low educational attainment, unemployment, and dwellings without motor vehicles.</p> <p>The PUSP should use the index to ascertain the state/territory decile the community (suburb) falls into⁵, for example, the lower the decile, the more socio-economically disadvantaged the community</p> <p>Social benefit assessment no. 6: It is assumed that a community that falls into a decile of 1 to 5 (inclusive) would indicate an increased likelihood that the payphone would provide a social benefit to that local community. A community that falls into a decile of 6 to 10 (inclusive) would indicate a decreased likelihood that the payphone would provide a social benefit to the local community</p> <p>The PUSP is also expected to have regard to the proportion of the community—relative to the applicable state/territory average—that is aged 65 years and over or aged between 15 and 24 years⁶.</p> <p>This suburb-based statistic, also produced by the ABS, is expected to be used by the PUSP to ascertain whether the community has an above-average or below-average (relative to the applicable state/territory average) proportion of community members aged 65 years and over or aged between 15 and 24 years. For social benefit assessment no. 6, the suburb decile is also taken into consideration. This avoids potentially conflicting results which may occur in affluent suburbs with a higher than average proportion of community members aged 65 years and over.</p> <p>Social benefit assessment no. 7—65 years and over: It is assumed that an above-average result—and a decile of 1 to 5 in social benefit assessment no. 5—would indicate an increased likelihood that the payphone would provide a social benefit to the local community. An above-average result—and a decile of 6 to 10 in social benefit assessment no. 5—would indicate a decreased likelihood that the payphone would provide a social benefit to the local community. A below-average result would indicate a decreased likelihood that the payphone would provide a social benefit to the local community.</p> <p>Social benefit assessment no. 8—between 15 and 24 years: It is assumed that an above-average result would indicate an increased likelihood that the payphone would provide a social benefit to the local community. A below-average result would indicate a decreased likelihood that the payphone would provide a social benefit to the local community.</p>
ii) the extent to which there is adequate mobile phone	<p>The PUSP should consider whether there is any mobile phone coverage (any network) at the location of the payphone site, noting this is important for allowing access to emergency services.</p>

⁵ In the event that a suburb is not listed in the index, the mean of the deciles of the bordering suburbs should be used instead.

⁶ 0 – 14 year olds have been excluded from this assessment as they are less likely to have a mobile phone compared to those aged 15 – 24 years old.

<p>coverage in the relevant area where the payphone is proposed to be removed</p>	<p>This assessment should be based on the network coverage maps published on the internet by each of the carriers.</p> <p>Social benefit assessment no. 8—between 15 and 24 years: It is assumed that an above-average result would indicate an increased likelihood that the payphone would provide a social benefit to the local community. A below-average result would indicate a decreased likelihood that the payphone would provide a social benefit to the local community.</p>
<p>iii) in the event mobile phone coverage in the relevant area where the payphone is proposed to be removed is inadequate, the extent to which a payphone is needed for the purposes of assisting with responding to an emergency</p>	<p>If there is no mobile phone coverage at the payphone site, the PUSP should take into consideration the proximity to the next nearest PUSP-operated payphone that is accessible 24 hours per day.</p> <p>It should be noted that the next nearest privately operated payphone—for example, one provided by a business, such as a hotel, club or convenience store—is out of the scope of these guidelines. In an emergency, such privately operated payphones may not be publicly accessible 24 hours per day. In addition, the location information of such payphones may not be available to the PUSP to include in its considerations and they may be removed at any time without public consultation.</p> <p>Social benefit assessment no. 10: A distance greater than 400 metres⁷ to the next nearest PUSP-operated payphone would indicate an increased likelihood that the payphone concerned would provide a social benefit to the local community. A distance of between 0 metres and 400 metres (inclusive) would indicate a decreased likelihood that the payphone concerned would provide a social benefit to the local community.</p> <p>Furthermore, for the payphone concerned, the PUSP is expected to review the number of emergency calls which are connected by the Emergency Call Person for Triple Zero (000) and 112 (currently Telstra) to an Emergency Service Organisation for at least the most recent 12 months from the date of assessment. For the purpose of these guidelines, these are considered to be ‘genuine emergency calls’.</p> <p>Social benefit assessment no. 11: It is assumed that any genuine emergency calls from the payphone concerned would indicate an increased likelihood that the payphone would provide a social benefit to the local community. No genuine emergency calls from the payphone concerned would indicate a decreased likelihood that the payphone would provide a social benefit to the local community.</p>

⁷ Most Australian state governments (for example, see the NSW Ministry of Transport, [Bus Service Planning Guidelines](#)) consider 400 metres as appropriate for walking to a bus or rail route during the day time. Furthermore, assuming an average walking speed of 5 km/h, this distance equates to an average walking time of 5 minutes, which aligns with the minimum time (distance) of 5 minutes (417 metres) specified in a [Public Call Box Direction](#) issue by Ofcom, the independent regulator and competition authority for the United Kingdom communications industries, on 13 March 2006.

5. Guidelines on matters the PUSP must consider when installing payphones

- 5.1 The PUSP must have regard to the guidelines set out in the table below when assessing whether installing and maintaining a payphone at a particular payphone site would not deliver a NSB to the local community under subsection 6(5) of the Payphone Location Determination. Please note that this test only applies to new requests for installation.
- 5.2 This assessment may be required if the criterion being applied relates to the NSB to the local community as specified in paragraph 6(4)(b) of the Payphone Location Determination.
- 5.3 Subsection 6(5) of the Payphone Location Determination provides that, for the purpose of assessing whether installing and maintaining a payphone at a new payphone location would not deliver a NSB to the local community, the PUSP must have regard to all of the legislative requirements listed in the left-hand column of the table below. The right-hand column of the table provides ACMA guidance on the mandatory factors listed in the left-hand column and to which the PUSP must also have regard.
- 5.4 As provided for in subsection 6(6) of the Payphone Location Determination, subsection 6(5) limits the matters to which the PUSP must have regard when assessing whether maintaining a payphone would not deliver a NSB to the local community.

Net social benefit assessment

- 5.5 Upon the PUSP completing each of the social benefit assessments for payphone installations (there are nine listed in the right-hand column of the table below), if (on-balance (say) five or more out of the nine) there is an **overall increased likelihood** that the payphone would provide a social benefit to the local community, this would indicate that installing and maintaining the payphone at the payphone site would deliver a NSB to the local community. In these circumstances, subparagraph 6(4)(b)(i) of the Payphone Location Determination would not apply to relieve the PUSP of its obligation to install a payphone.
- 5.6 Upon the PUSP completing each of the social benefit assessments for payphone installations, if (on-balance (say) five or more out of the nine) there is an **overall decreased likelihood** that the payphone would provide a social benefit to the local community, this would indicate that installing and maintaining the payphone at the payphone site would not deliver a NSB to the local community. In these circumstances, subparagraph 6(4)(b)(i) of the Payphone Location Determination would appear to apply, meaning that the PUSP is not required to install a payphone.
- 5.7 Upon the PUSP completing each of the social benefit assessments for payphone installations, if there is an **equal number of increased and decreased likelihoods** that the payphone would provide a social benefit to the local community, this would indicate that installing and maintaining the payphone at the payphone site would deliver a neutral NSB to the local community. In these circumstances, subparagraph 6(4)(b)(i) of the Payphone Location Determination would not apply to relieve the PUSP of its obligation to install a payphone.

**Installations—Legislative requirement
Subsection 6(5) of the Payphone Location Determination**

Guidelines

(a) the commercial viability of maintaining the payphone, including all reasonable steps that may be taken to minimise the costs of maintaining the payphone at the new payphone location

Note: Reasonable steps to minimise the costs of maintaining a payphone may include the installation of a robust phone or card only phone.

For the payphone concerned, the PUSP should take into consideration the total (projected) revenues and total (projected) costs for the next 12 months (from the date of assessment).

Note: It is expected that the total (projected) revenues include (projected) funding (if any) to be provided to the PUSP to install or maintain the payphone, including any payments expected to be made to the PUSP by the Commonwealth.

The average projected USO funding per payphone should be calculated as follows:

$$\frac{\text{Total projected payphone-related USO funding for the current financial year}}{\text{Total projected number of payphones as at 30 June for the current financial year}}$$

The PUSP must also describe the ‘reasonable steps’ that would be taken to minimise the (projected) costs of maintaining a payphone, which may include the installation of a robust phone or card only phone.

The difference between the total (projected) revenues and total (projected) costs is taken to estimate the (projected) commercial viability—that is, a (projected) net profit occurs when total (projected) revenues exceed total (projected) costs, or a (projected) net loss occurs when total (projected) costs exceed total (projected) revenues.

Social benefit assessment no. 1: A (projected) net profit would indicate an increased likelihood that the payphone would provide a social benefit, given that the PUSP is also a stakeholder in the local community. A (projected) net loss would indicate a decreased likelihood that the payphone would provide a social benefit, given that the PUSP is also a stakeholder in the local community.

(b) whether the projected revenues from the payphone will cover the depreciation and maintenance costs of maintaining the payphone on an annual basis

Based on the information provided under commercial viability, the PUSP should calculate this as follows:

$$\frac{\text{Total (projected) revenues}}{\text{Total (projected) maintenance and depreciation costs}}$$

Social benefit assessment no. 2: If the total (projected) revenues equal or exceed the total (projected) depreciation and maintenance costs—that is, they are ‘covered’—this would indicate an increased likelihood that the payphone would provide a social benefit, given that the PUSP is also a stakeholder in the local community. If the total (projected) revenues are less than the total (projected) depreciation and maintenance costs—that is, they are not ‘covered’—this would indicate a decreased likelihood that the payphone

would provide a social benefit, given that the PUSP is also a stakeholder in the local community.

(c) the extent to which funding (if any) provided to the PUSP to install or maintain the payphone, including any payments made to the PUSP by the Commonwealth, will contribute to covering the depreciation and maintenance costs of maintaining the payphone on an annual basis

Based on the information provided under commercial viability, the PUSP should calculate this as follows:

$$\frac{\text{Total (projected) government funding}}{\text{Total (projected) maintenance and depreciation costs}}$$

Social benefit assessment no. 3: If the total (projected) funding (if any) provided equals or exceeds the total (projected) depreciation and maintenance costs—that is, they are ‘covered’—this would indicate an increased likelihood that the payphone would provide a social benefit, given that the PUSP is also a stakeholder in the local community. If the total (projected) funding (if any) provided is less than the total (projected) depreciation and maintenance costs—that is, they are not ‘covered’—this would indicate a decreased likelihood that the payphone would provide a social benefit, given that the PUSP is also a stakeholder in the local community.

(d) all the circumstances relating to the location of a payphone at the new payphone location, including:

i) the benefit to the local community arising from the location of a payphone at the new payphone location

ACMA research shows that members of a community who are over 65 years, under 25 years, or who are not working, are more likely to make use of a payphone. This can be attributed to a lower penetration rate for mobile phones among older people and a greater likelihood of them not having access to a mobile phone when they are away from home. For a younger person—who is more likely to own a mobile phone and less likely to have a fixed-line telephone at home—this can be attributed to factors such as call cost minimisation, running out of credit or the mobile phone battery going flat.⁸ For those who are unemployed, the lower costs associated with using a payphone are likely to be a contributing factor.

The PUSP should have regard to the [socio-economic disadvantage index](#) produced by the Australian Bureau of Statistics (ABS). This index is suburb based and is derived from the most recent Census variables related to disadvantage, such as low income, low educational attainment, unemployment, and dwellings without motor vehicles.

The PUSP should use the index to ascertain the state/territory [decile](#) the community (suburb) falls into⁹, for example, the lower the decile, the more socio-economically disadvantaged the community.

Social benefit assessment no. 4: A community that falls into a decile of 1 to 5 (inclusive) would indicate an increased likelihood that the payphone would provide a social benefit to that local community. A community that falls into a decile of 6 to 10 (inclusive) would indicate a decreased likelihood that the payphone would provide a social benefit to that community.

⁸ In April 2011, the ACMA commissioned two consumer surveys of Australians aged 18 plus—2,000 fixed-line home telephone users (CAN-based survey) and 2,000 mobile-only users (intercept-based survey). Both groups were asked about payphone usage.

⁹ In the event that a suburb is not listed in the index, the mean of the deciles of the bordering suburbs should be used instead.

The PUSP should also have regard to the proportion of the community—relative to the applicable state/territory average—that is aged 65 years and over or aged between 15 and 24 years¹⁰.

This [suburb-based statistic](#), also produced by the ABS, should be used by the PUSP to ascertain whether the community has an above-average or below-average (relative to the applicable state/territory average) proportion of community members aged 65 years and over or aged between 15 and 24 years. For social benefit assessment no. 5, the suburb decile is also taken into consideration. This avoids potentially conflicting results which may occur in affluent suburbs with a higher than average proportion of community members aged 65 years and over.

Social benefit assessment no. 5—65 years and over: It is assumed that an above-average result—and a decile of 1 to 5 in social benefit assessment no. 4—would indicate an increased likelihood that the payphone would provide a social benefit to the local community. An above-average result—and a decile of 6 to 10 in social benefit assessment no. 4—would indicate a decreased likelihood that the payphone would provide a social benefit to the local community. A below-average result would indicate a decreased likelihood that the payphone would provide a social benefit to the local community.

Social benefit assessment no. 6—between 15 and 24 years: It is assumed that an above-average result would indicate an increased likelihood that the payphone would provide a social benefit to the local community. A below-average result would indicate a decreased likelihood that the payphone would provide a social benefit to the local community.

ii) **the extent to which there is adequate mobile phone coverage in the relevant area where the payphone is proposed to be located; and**

The PUSP should consider whether there is any mobile phone coverage (any network) at the location of the payphone site, noting this is important for allowing access to emergency services. This assessment should be based on the network coverage maps published on the internet by each of the carriers.

Social benefit assessment no. 7: It is assumed that no mobile phone coverage would indicate an increased likelihood that the payphone would provide a social benefit to the local community. In contrast, the presence of any mobile phone coverage would indicate a decreased likelihood that the payphone would provide a social benefit to the local community.

iii) **in the event mobile phone coverage in the relevant area where the payphone is proposed to be located is inadequate, the extent to which a payphone is needed for the purposes of assisting with responding to an emergency**

If there is no mobile phone coverage at the payphone site, the PUSP should take into consideration the proximity to the next nearest PUSP-operated payphone that is accessible 24 hours per day.

It should be noted that the next nearest privately operated payphone—for example, one provided by a business, such as a hotel, club or convenience store—is out of scope for these guidelines. In an emergency, such privately operated payphones may not be

publicly accessible 24 hours per day. In addition, the location information of such payphones may not be available to the PUSP to include in its considerations and they may be removed at any time without public consultation.

Social benefit assessment no. 8: A distance greater than 400 metres¹¹ to the next nearest PUSP-operated payphone would indicate an increased likelihood that the payphone concerned would provide a social benefit to the local community. A distance of between 0 metres and 400 metres (inclusive) would indicate a decreased likelihood that the payphone concerned would provide a social benefit to the local community.

Social benefit assessment no. 9: The PUSP is required to undertake a risk assessment on the proposed payphone location. In determining the level of risk involved with not installing a payphone at the proposed payphone location, the PUSP must have regard to whether it is assumed that the payphone at the new location is likely to be required to make genuine emergency calls. If so, this would indicate an increased likelihood that the payphone would provide a social benefit to the local community. If it is not likely to be required to make genuine emergency calls, this would indicate a decreased likelihood that the payphone would provide a social benefit to the local community.

¹⁰ 0–14-year-olds have been excluded from this assessment as they are less likely to have a mobile phone compared to those aged 15–24.

¹¹ Most Australian state governments (for example, see the NSW Ministry of Transport, [Bus Service Planning Guidelines](#)) considers 400 metres as appropriate for walking to a bus or rail route during the day time. Furthermore, assuming an average walking speed of 5 km/h, this distance equates to an average walking time of 5 minutes, which aligns with the minimum time (distance) of 5 minutes (417 metres) specified in a [Public Call Box Direction](#) issue by Ofcom, the independent regulator and competition authority for the United Kingdom communications industries, on 13 March 2006.