



Universal Service Guarantee – Fact Sheet

The Government has announced a new guarantee to give all Australians access to voice and broadband services. Here are some basic facts about the guarantee and services.

Broadband services

- NBN Co is providing broadband across Australia to all premises using fixed line (92% of premises), fixed wireless (5%) and satellite technologies (3%).
- NBN Co has prioritised the rollout to premises with poor broadband services, most of which are located in regional and rural areas. Over 98% of premises outside major urban areas can order an NBN service or have construction underway.
- New statutory service provider (SIP) obligations are being enacted, requiring NBN Co (and other SIPs) to make broadband services available to all premises.

Standard Telephone Services (STS)

- Under the USO contract, Telstra must provide fixed voice services to Australian premises on request, and maintain its copper network outside of the NBN fixed line footprint, until 2032.
- At September 2018, Telstra infrastructure supported 600,000 fixed voice services outside the NBN fixed line footprint.
- 577,000 (96%) of these services were provided using copper land landlines, 21,000 (3%) were provided using terrestrial wireless technologies and 1000 were provided using satellite.
- ADSL broadband is also provided with around 235,000 (39%) of these copper services.

Payphones

- Under the USO contract, Telstra must make payphones reasonably accessible.
- At September 2018, there were 15,997 public payphones provided by Telstra under the USO. Over half of these payphones are located in major cities.
- The volume of calls made from public payphones is in steep decline, down 76% from 39.8 million in 2011-12 to 9.7 million in 2017-18. In comparison, the entire Telstra network (mobile and fixed) carries 400 million calls and data sessions per day.
- Around 200,000 of the more than 8.5 million calls to the Triple Zero each year are made from Telstra payphones, of these only 104,000 (52%) are considered genuine.

Funding

- Under the USO contract, Telstra is paid \$270m per annum (GST exclusive) to provide USO services - \$40m for payphones, and \$230m for fixed voice and copper continuity.
- This amount is not indexed, meaning its value declines in real terms over time. It is tied to the broad obligations on Telstra, not the number of services provided



- The Commonwealth contributes \$100m per annum, industry contributes the remainder. Telstra contributes the most of any carrier towards the USO – \$110.8m in 2017-18 on a pro-rated basis. This is followed by Optus (\$32.6m), Vodafone (\$12.1m) and others (\$15.5m).
- New legislation is establishing the Regional Broadband Scheme to support the delivery of NBN Co fixed wireless and satellite broadband services.

Mobile

- Mobile services are provided commercially and not included in the USO but Australia's world class mobile services reach 99.4% of the population and cover around 31% of our landmass.
- Coverage is expanding under the Government's \$220 million Mobile Black Spots Program, which has already delivered 631 base stations across the country and will address more than 5,000 of the 10,000 community nominated blackspots.

