

The Daily Telegraph

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Why we're hanging up land lines

- By Jane Hansen
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Heading the call: John Peoples decided not to reconnect his land line

Source: The Sunday Telegraph

IS it time to ditch the land line? Younger generations have abandoned the home phone in favour of the mobile with 70 per cent of 18-31-year-olds considering the mobile phone their main communication tool, according to Australian Media and Communications Authority data.

Australians love their mobiles; there are 105 of them for every 100 people.

For the first time, Telstra has more mobile phone subscribers than fixed line customers and according to reports in The Australian newspaper last week, we're spending more on our mobiles that we do on fuel.

The downward pressure on profit from fixed lines has led to soaring rental prices. At present, Telstra makes 50-60 per cent profit on fixed lines, prompting many to consider if they're really worth having.

An ACMA report found 91 per cent of retirees nominated the home phone line as their preferred form of communication and they are the least able to pay the rising rental prices.

Gary Tsang, industry analyst for telecom market research company Telsyte, said a survey conducted last year revealed that 20 per cent of consumers could not say why they kept their land line.

"The main reason people keep it is for ADSL, not for the phone itself," he said.

Telstra's latest data suggests consumers are switching to naked DSL and are saving good money.

Naked DSL means you have internet access and make calls through voIP, or voiceover internet provider (through the computer) without a land line.

"One of the providers, iiNET, has signed up 60,000 naked DSL subscribers since June this year. It means there's no line rental, and instead of 25 cents for every connection, the calls are free," Mr Tsang said.

John Peoples felt like "a mug" for paying \$29.95 a month for two home phones, so when the family moved home to Revesby, he decided not to put the land line on.

At 58, Mr Peoples was nervous of the new technology, but for \$59 a month he gets internet access, which previously he paid for separately, and free calls over the net using voIP. There's no need for line rental.

"I thought it would sound all froggy, but it's the same and costs peanuts, I just got the bill and its \$1.20 in calls," he said.

Choice spokesman Christopher Zinn said: "While we can see the cost benefits of ditching the land line, they're good in an emergency and don't need a battery and it doesn't cost others a fortune to call you.

"So the reports of the death of the land line have been exaggerated."

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