

“The big savings are where the big dollars are spent – long distance and international calls”

additional monthly service charge, but some free calls might be included in the plan to soften the blow.

Some providers have taken VoIP another step further by designing a telephone with the VoIP technology built into it. You simply plug the phone into a broadband router to make calls.

With Broadband Phone's offering (phones start from \$199 with a \$15.95 monthly service charge), you can use the phone overseas (as long as the country you're visiting has broadband), while you can also have up to six Australian numbers at no extra cost.

This is an interesting proposition – particularly for small businesses. Let's assume you own a small business based in Hobart. You could have a Sydney, Melbourne, Brisbane, Adelaide and Perth number. Let's say a Perth customer calls your Perth VoIP number. That call will only be charged at the cost of a local call, even though they are speaking with you in Hobart. Now for the downside. There

are some issues consumers should consider when choosing a VoIP provider. Apart from being inoperative during power blackouts, Robertson says: “Because VoIP sidesteps the traditional phone network, many of the features we take for granted in the fixed-line network have to be replaced by your VoIP service provider.”

What this means is you need to check whether a VoIP provider handles services such as 000 emergency calls, call waiting, voicemail, billing and reverse charges.

And establishing a VoIP service means yet another new phone number – you might already have a phone, fax and mobile number plus an email address. With some VoIP plans consumers can only make calls and will still need a



conventional telephone to receive calls.

For most consumers this shouldn't be a problem as they're already paying for this service to access broadband.

An outbound service would prove more problematical for those who've already discarded conventional telephony and access the internet via their pay-TV provider. Of course many of these consumers use mobile phones.

Charles Britton, policy officer IT with the Australian Consumers' Association, says retail VoIP is useful and ultimately inevitable, so the onus is on the providers to get it right. “The costs savings are good if you have broadband and intend using VoIP as a second line replacement,” says Britton. “The big savings are where the big dollars are spent

NEW PLAN

Optus fights back

Optus has introduced a plan to counter the lure of Voice-over-Internet Protocol (VoIP)

The \$39 HomeCap plan will provide consumers with up to \$120 worth of long distance calls for \$39 a month on their home phone. It includes all national calls, calls to any mobile and calls to all overseas countries from the home phone at all times. A good feature of the plan is if you do not make \$39 worth of these calls you only pay for what you do make.

Consumers should bear in mind that the capped plan does not include line rental or local calls. It is available to all new and existing Optus fixed-line customers. But to be eligible customers are required to take up both Optus local and long distance telephony on a 12-month agreement.

A spokesman for Telstra said there were no plans at the moment to introduce a capped home plan for international and national calls.

(i.e. long distance and international calling). We have some reservations about the service quality and it's up to the providers to make the improvements here. Also, as the quality of VoIP improves, this might force the cost of the service up.

“Our advice in relation to VoIP is for consumers to dip a toe in the water first. If you're a broadband user and comfortable with the technology, then VoIP is probably perfect for you.”

STANDARD TELEPHONY VERSUS VoIP

PROVIDER	PLAN	CATEGORY	MIN. CHARGE	CALLS INCL.	SET-UP COSTS	FLAG FALL ¹	LOCAL	NATIONAL ² (60sec)	TO MOBILE (60sec)	TO LONDON (60sec)	TO BEIJING (60sec)
BroadBand Phone	Plug'nPlay	VoIP phone	\$15.95 mthly	\$7.50	\$199	-	15c (untimed)	10c	30c	5c	5c
engin	VoiceBox \$29.95	Voice box	\$29.95	\$20.00	\$149	-	10c (untimed)	10c ³	30c	4.9c	5c
Freshtel	Freshtel Firefly	Soft phone	-	-	-	-	7c (60sec)	7c	30c	6.9c	6.9c
Telstra	HomeLine Plus	Landline phone	\$29.95	-	NAp	35c	17.5c (untimed)	18c (\$2.50 cap, first 3 hrs)	33c (Telstra) 37c (other)	21c (\$1 cap, first 10m)	75c (\$5 cap, first 10m)
Optus	OneTouch Advance (15c)	Landline phone	\$29.95	-	NAp	37c	15c (untimed)	11c	37c	18c (\$2 cap, first 20m)	69c (\$8 cap, first 20m)

Source: www.phonechoice.com.au ¹Flag fall applies to mobile, international and long distance calls. ²Cheapest available. ³Also offers untimed intercapital rates.