GIBRALTAR REGULATORY AUTHORITY

Public Consultation -

Provision of Public Pay Telephones and other Public Voice Telephony Access Points

13th November 2023

C01/23

FOREWORD

The extensive proliferation of mobile phone services in Gibraltar and globally has resulted in a significant decline in payphone usage and the Authority deems it necessary to carry out an assessment of the current provision of public payphones located around Gibraltar.

The purpose of this consultation, therefore, is to review the current Universal Service Obligation placed on Gibtelecom in respect of the provision of public payphones and propose amendments to the current compliment of payphones, if necessary, after having taking into account the views of end-users and interested parties alike.

This public consultation is carried out in accordance with the provisions of Section 13 of the Communications Act 2006.

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INTRODUCTION

Public payphones have been a fixture of public spaces for decades, serving as a lifeline for communication in emergencies, and a means for individuals without access to personal phones (fixed and/or mobile) to make calls. However, with the widespread proliferation of mobile phones, changes in telecommunications technology as well as shifts in usage habits amongst end-users, have all raised questions about their continued necessity.

The use of public payphones has decreased significantly in recent years and the maintenance of these payphones also involve substantial costs, which could potentially be allocated to other community needs.

Public payphones have been a part of our local public infrastructure for many years and as such, the Gibraltar Regulatory Authority ("GRA") is reaching out to gather valuable input and feedback from as many interested parties as possible in respect of the potential removal and/or reduction in the current compliment of public payphones.

The purpose of this public consultation, therefore, is to ensure that the GRA makes informed decisions that align with the evolving needs and preferences of those within our community. To this end, public input is essential in shaping the outcome of this consultation. As such, the GRA encourages all residents, local businesses and interested parties to participate.

With the above in mind, the ultimate objectives of this public consultation are as follows:

1. To gather input from the community on the continued need for public payphones;

2. To assess the potential impact of their removal on residents, business and the community as a whole; and

3. To explore alternatives that may serve the same purposes as traditional public payphones.

The GRA invites all interested parties to provide comments on the questions set out in this Public Consultation (See Annex A). Written comments will be accepted no later than 15th December 2023.

In the interests of fairness and transparency, the GRA will publish the names of all respondents and their responses to the consultation on its website and subsequent Decision Notice. Please note that this is subject to confidentiality. Respondents are asked to clearly identify any material that is to be treated as confidential or commercially sensitive.

UNIVERSAL SERVICE OBLIGATION

The GRA's Decision Notice C06/21[1] designated Gibtelecom as Universal Service Provider in respect of the provision of Public Pay Telephones and other Public Voice Telephony Access Points throughout Gibraltar.

Nevertheless, in 2020, Gibtelecom, in consultation with the GRA, agreed to a "revised payphones rationalisation programme" which would see a gradual and phased removal of superfluous payphones on the understanding that a reduced number would be retained in certain key geographical areas which the GRA considered to be of sufficient strategic importance to retain in order to ensure that reasonable needs of end-users within the community are adequality met.

Gibtelecom's arguments for removing payphones were well documented and acknowledged by the GRA.

The approved rationalisation programme would see Gibtelecom remove a significant number of payphones for the following reasons:

- their reduced public usage;
- lack of revenue generated;
- elevated maintenance costs (especially for traditional red phone booths);
- continuous vandalism;
- the extensive proliferation of mobile phone services which is clearly a viable alternative when it comes to making calls and more importantly, calls to emergency services.

Gibtelecom had also previously stated this was not a sustainable proposition and represented an unfair financial burden.

CURRENT COMPLIMENT OF PUBLIC PAYPHONES

In anticipation of carrying out this consultation, the GRA recently (October 2023) obtained from Gibtelecom (being the only operator of public payphones in Gibraltar) information on the current compliment of payphones and relevant information related to these. Gibtelecom operates nine payphones located around Gibraltar in what are considered to be key geographical areas, and in accordance with its Universal Service Obligation ("USO") as imposed by GRA's Decision Notice C06/21.

[1] Decision Notice C06/21 – Designation of Universal Service Provider

In the interests of transparency and in order to ensure that end-users and interested parties are able to make informed decisions regarding the reduction and/or removal of payphones, the number of calls made to emergency services, this year to date, have also been included.

These are as follows:

1. Air Terminal - *no calls to emergency services*
2. Cruise Terminal - *no calls to emergency services*
3. New Mole House - *no calls to emergency services*
4. Casemates - *1 call to 112*
5. John Mackintosh Square - *5 calls to 112; 1 call to 190; 1 call to 199*
6. Referendum Gate - *15 calls to 112; 1 call to 190; 5 calls to 199*
7. Marina Bay - *no calls to emergency services*
8. Sun Dial - *no calls to emergency services*
9. Frontier - *no calls to emergency services*

GENERAL POINTS FOR CONSIDERATION

When considering a reduction in the number of public payphones and/or their removal entirely, a number of factors should be considered in order to make a thorough assessment of the implications of their removal.

In relation to societal and other community-type benefits, the increasing proliferation and use of mobile phones has arguably rendered these non-existent. Virtually everyone in Gibraltar, including tourists, have mobile phones, and coverage is available throughout the whole of the territory.

However, the GRA also remains conscious of the fact that the provision of public payphones is not a matter of profit or revenue, but rather one of social safety and public service, in other words, the removal of payphones in their entirety may go too far and this provision is a "public service" which should not be based solely on profit, irrespective of the lack of usage.

Additionally, whilst "revenue generated" and "reduced usage" are arguably immaterial in so far as the USO requirement to provide public payphones is concerned, the number of emergency calls which have been made from the remaining payphones should also be taken into account.

Unlike some of the other universal service obligations, the legislative requirement to provide public payphones is not absolute. There is also further justification for the removal of payphones in so far as the precedent set by Malta and various other EU countries whereby payphones do not constitute part of the USO. If the obligation was removed in its entirety, that is not to say that a telecommunications operator would be unable to place a public payphone in a given location when they feel it is necessary or appropriate to do so in response to public demand or business needs.

In the United Kingdom, there are clearly laid out rules as to when a payphone may be required (such as where there is no mobile coverage from any mobile network provider). Currently, Gibraltar has exceptional mobile coverage and this simply adds a further justification for the reduction and/or removal of payphones. As mentioned previously, mobile phone usage is fast

displacing payphone usage, to the extent that the argument that payphones provide a social safety net (a fundamental reason for having these form part of USO) no longer holds the same weight as it once did.

ANNEX A – CONSULTATION QUESTIONS

1. ***How important do you believe public pay phones in Gibraltar are in today's age of widespread mobile phone usage?***

   Please give reasons for your answer.

2. ***Have you encountered any specific situations where public pay phones were crucial due to the lack of alternative communication options?***

   Please give reasons for your answer.

3. ***Do you think public pay phones still play a role in providing emergency communication options in cases of natural disasters or power outages?***

   Please give reasons for your answer.

4. ***Do you feel the current compliment of public pay phones located in Gibraltar (see list on Page 3), is sufficient to meet the potential needs of all end-users?***

   Please give reasons for your answer.

5. ***Are there specific locations in Gibraltar where you believe public pay phones should be retained/added due to safety, emergency, or convenience reasons (see list on Page 3)?***

   Please give reasons for your answer.

6. ***If the current universal service obligation on Gibtelecom to provide a minimum number of payphones in specified locations were to be removed, would this in your opinion, be detrimental to Gibraltar as a whole?***

   Please give reasons for your answer.

7. ***Are there any additional comments or suggestions you would like to provide regarding the requirement to provide public pay phones by way of a regulatory obligation?***

   Please give reasons for your answer.

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