



Media Release

Telcos Need to Improve Customer Service, TIO Complaints Show

The Australian Communications Consumer Action Network (ACCAN) is frustrated to see that complaints to the Telecommunications Industry Ombudsman (TIO) have increased overall in the annual report. While we acknowledge the trend is beginning to change direction¹, it is important to note this is the third consecutive year that consumers have voiced discontent with the services provided by their telco. This demonstrates a clear need for improved customer service and consumer protections.

As Australia's peak body responsible for representing telecommunications consumers, ACCAN is concerned that 167,831 residential and small business consumers have had significant enough issues with their retail service provider that they have felt the need to reach out to the TIO to mediate the process.

"We've seen a 6.2 per cent increase in complaints to the TIO from the previous financial year. Although the last quarter has shown improvement, this is the third year in a row that the complaint numbers have climbed. It is time to draw a line in the sand – consumers deserve better from their telco providers," said ACCAN CEO, Teresa Corbin.

Consumers continue to face issues with their mobile phone and internet services, with the two issues making up over half (58.4 per cent) of complaints received by the TIO over the course of the financial year. In an effort to combat this, ACCAN is calling for an expansion of the Customer Service Guarantee (CSG) to include broadband and mobile services. Currently, the CSG only requires providers to meet minimum performance requirements for specified landline phone services and compensate customers when these are not met.

ACCAN recognises the positive trend that emerged in the final quarter (April to June 2018), with complaints dropping by 17.8 per cent, compared to quarter three (January to March 2018). We believe that the government directed introduction of the Australian Communications and Media Authority (ACMA)'s new complaint handling standard and record keeping rules for NBN services (introduced 1st July 2018) contributed to this trend. Should this be the case, we would expect to see this continue in the release of the TIO's six-month update in 2019.

This new standard is an important first step for the protection of telco consumers; however ACCAN would like to see greater transparency from the industry. The mandatory publication of the number of complaints that each retail service provider receives would ensure that all complaints, not just those that are escalated to the TIO, are made available in the public domain. This would increase accountability from the retail service providers.

1 Complaints about phone and internet services increased by 6.2 per cent for the full year, however, complaints dropped by 17.8 per cent in the final quarter (April to June 2018) compared to quarter three (January to March 2018)

ACCAN also recognises the work of selected telcos who have had a decrease in complaints including Vodafone, iiNet, TPG, Dodo, and Southern Phone. Conversely, it is disappointing to see that Optus Group and newcomer MyRepublic have had a significant increase in complaints, with the latter facing an astronomical 101.6 per cent growth in complaints. This is a marked improvement on last year where nine of the top 10 providers saw double-digit increases in complaint numbers.

“Customer service continues to be an ongoing issue for Australia’s telco providers. On behalf of Australian telco customers, we will continue to work with the industry and regulators to push for better outcomes such as reduced timeframes to resolve issues and increased first contact resolution,” ACCAN CEO, Teresa Corbin said.

ACCAN would like to recognise the marked improvements in reporting from the TIO in regards to systemic issues. These TIO investigations allow the organisation to identify issues with the telecommunications industry’s regular systems, processes or practices and issues that may cause detriment to residential consumers and small businesses. Investigations of systemic issues tackle wide-reaching problems for Australian consumers, meaning that consistent problems are identified and rectified sooner. This will positively impact thousands of Australian consumers and change the way that telco customer service operates across the country.

The TIO’s new funding model has allowed them to implement a new complaint handling process, which we believe will result in a more timely resolution of complaints for consumers.

For more information, contact Melyssa Troy on melyssa.troy@accan.org.au or 0409 966 931. For the latest updates, follow ACCAN on [Twitter](#) or like us on [Facebook](#).