

Media Release

Thursday, 15th November 2018

ACCAN welcomes new complaint powers for telco customers

The Australian Communications Consumer Action Network (ACCAN) welcomes today's release of the Federal Government's report on *Complaints Handling and Consumer Redress* in the telecommunications industry.

As Australia's peak body representing telecommunications consumers, ACCAN has argued that better regulation in telecommunications is needed to safeguard the interests of consumers. The Government's report acknowledges this need.

"We are very pleased to see recommendations about improving complaint handling by the industry, which is a big pain point for consumers. Improvements to the existing rules will make it easier for consumers to find the information they need about how to lodge complaints, and fast track processes so urgent issues are resolved quickly," said Una Lawrence, ACCAN Director of Policy.

"It is also good to see the Government acknowledge that overseas call centres can present real difficulties for telco consumers. We hope the industry will take up the report's recommendation encouraging the establishment of more on-shore centres, as well as better support for small business customers. Unresolved complaints can be catastrophic when trying to run a business."

ACCAN applauds new measures that would require the industry to provide further consumer complaint data, as well as the recommendation that the ACMA should analyse and publicly report consumer complaint information in a timely manner.

"We have been calling for greater transparency around the complaints received by individual telcos for quite some time to drive better accountability by the industry, and stimulate better practices overall that will benefit customers," said Ms. Lawrence.

The report also makes a number of recommendations about the governance and processes of the Telecommunications Industry Ombudsman (TIO).

"We will be monitoring the implementation of the recommendations relating to complaint handling by the TIO carefully to make sure that complaint processes are not slower or more difficult to access for consumers. ACCAN supports a 'no-wrong-doors' approach for lodging a complaint with the TIO. This means consumers should not have to jump through hoops to have their complaint escalated and heard," said Ms Lawrence.

ACCAN also notes that any governance changes to the TIO need to be carefully handled to ensure the scheme stays true to the fundamental principles of any external dispute resolution scheme – its independence, fairness, and effectiveness as a trusted and important avenue of redress for consumers. Other recommendations for the TIO such as improvements in the referral of systemic issues to the ACMA, the establishment of consumer and industry advisory forums, and more stakeholder engagement are welcomed by ACCAN.

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Ends

Notes to Editors

On 17 April 2018, the Minister for Communications and the Arts, Senator the Hon Mitch Fifield announced a review into the consumer safeguards in operation in the telecommunications space. This review is designed to identify the gaps in consumer protections that currently exist, and to future-proof consumers against issues that may arise as Australia moves from predominantly fixed-line voice service (landline phones), to a reliance on the National Broadband Network (NBN).

The Consumer Safeguards Review is broken up into three sections:

- 1. Complaints handling and consumer redress Consultations complete, report released
- 2. Reliability of telecommunications services Consultation paper released
- 3. Choice and fairness in the retail relationship between the customer and their provider To be commenced

At present, complaint handling regimes in the telecommunications industry are reliant on self-regulation. This regulation is detailed in the <u>Telecommunications Consumer Protection (TCP) Code</u>, an industry code by the Communications Alliance – a body consisting of Australia's telcos. The TCP is enforceable by the ACMA.

Earlier this year, the ACMA also introduced new complaint-handling rules which specifically deal with NBN services.