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***Put consumers before commissions*: advocates call for sales and credit reform**

Too many Australians are being pressured into phone and internet deals that don’t meet their needs. The industry-drafted rules that are in place to protect consumers from harmful sales practices simply aren’t working, and must be replaced with direct regulation, says the Fair Call Coalition – 23 peak consumer bodies with an interest in a fair deal for telco consumers.

Research commissioned by communications consumer peak body ACCAN shows that [almost 1 in 4](https://accan.org.au/media-centre/media-releases/2420-consumer-research-trust-misselling-2025) consumers have felt pushed into signing up for more expensive plans than they wanted. On top of this, the Telecommunications Industry Ombudsman [says that](https://www.tio.com.au/reports/submission-communications-alliances-2024-tcp-code-review) poor sales practices are the top systemic issue they’ve investigated in recent years.

In two key policy positions about [**sales practices**](https://accan.org.au/accans-work/policy-positions/2434-telco-sales-practices) and [**credit assessments**](https://accan.org.au/accans-work/policy-positions/2433-telco-credit-assessmentshttps%3A/accan.org.au/accans-work/policy-positions/2433-telco-credit-assessments) released today, ACCAN and the Fair Call Coalition are calling on the new Minister for Communications, Anika Wells, to direct the Australian Communications and Media Authority (ACMA) to introduce clear, mandatory rules that put people before profits.

The call follows Federal Court proceedings launched by the Australian Competition and Consumer Commission (ACCC) against Optus over allegedly unconscionable conduct involving First Nations consumers, people with disability, and those on low incomes. This isn’t an isolated incident – in 2021, Telstra was fined $50 million for similar behaviour.

The heart of the issue lies with telco sales incentives. Current commission-based structures reward staff for making higher-value sales – even if those sales put people in financial hardship. It’s a model that a Royal Commission has shown to harm consumers in banking and financial services – and which has been overturned as a result. Compounding this is inadequate rules around credit assessments which do not protect consumers from financial overcommitment and seek to maximise commercial gain at the expense of consumer welfare.

**Comments attributable to ACCAN CEO Carol Bennett**
“We’ve seen repeated examples of vulnerable Australians being signed up to products they can’t afford or don’t need.”

“Self-regulation has failed to protect consumers – its chances have been exhausted, and it is time to stem the tide of consumer harm by moving to direct regulation of sales practices.”

“Sales targets and commission-based bonuses have no place in essential services like communications. We need rules that ensure people are sold services they understand, can afford, and actually need.”

“The Telecommunications Consumer Protections (TCP) Code is currently under review – but ACCAN believes it won’t go far enough. Without direct regulation, the community will continue to face harm from systemic, irresponsible sales tactics.”

“People deserve telco services they can trust – not pressure, confusion, and debt.”

**Comments attributable to *Consumer Action Law Centre* CEO Stephanie Tonkin**
"Our frontline staff continue to hear from people experiencing financial hardship as a result of being sold telco products that were unaffordable or unsuitable for them. It's clear to us that industry self-regulation of sales practices isn't working. As the Government has done for financial hardship and domestic and family violence, it's time to introduce an enforceable standard for sales practices."

**Comments attributable to *Financial Counselling Australia* co-CEO Peter Gartlan**
“Financial counsellors and capability workers see first-hand the harm caused by irresponsible sales practises in the telecommunication industry. Urgent government regulation is needed to reduce the impact on vulnerable people,”

**Comments attributable to *WestJustice* CEO Melissa Hardham**

“Phone and internet services are essential to the households and families Westjustice services, and when delivered fairly bridge digital and educational divides in our most disadvantaged communities. It is also essential more is done to ensure people are not trapped in phone and hardware deals that don’t meet their objectives and that they can’t afford, and that safeguards are in place to prevent people of all ages from economic abuse at the point of sale.”

**Comments attributable to *MoneyMob Talkabout* Managing Director Carolyn Cartwright**

“Many remote First Nations consumers have few other options than mobile phone services for communication and internet access. Language and geographic barriers increase their vulnerability to the unfair sales practices that we continue to see from telcos - increasing the already significant economic gap. Industry self-regulation via the TCP has done nothing to change this.”

“It's time for the government to legislate to require proper affordability checks for these critical services, and real accountability from the telco sector.”

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The Australian Communications Consumer Action Network (ACCAN) is Australia’s peak communication consumer organisation. The operation of ACCAN is made possible by funding provided by the Commonwealth of Australia under section 593 of the Telecommunications Act 1997. This funding is recovered from charges on telecommunications carriers.

ACCAN is committed to reconciliation that acknowledges Australia’s past and values the unique culture and heritage of Aboriginal and Torres Strait Islander peoples. [Read our RAP](https://accan.org.au/about-us/reporting/reconcilitiation-action-plan)