

Media release

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Phone, internet plans “incomprehensible” for African and Burmese refugees and migrants

The Footscray Legal Community Centre (FCLC) together with ACCAN has today released a damning report that documents the experiences of 16 new Australian migrants and finds that in many cases telcos are taking advantage of this already disadvantaged and highly vulnerable group.

The report, *Taking advantage of disadvantage*, details cases where Burmese and African migrants, who do not speak English well and are illiterate, were signed up in store or by doorknockers to expensive phone and internet plans they do not understand and cannot afford to pay.

In most cases, the customer defaulted or ran up an enormous bill because they did not understand their contract and words like “cap”, where a cap is a minimum, rather than a maximum spend and were confused by the large dollar amounts of calls included in advertising without exclusions properly explained.

“These stories we hear from African and Burmese clients are often very similar – they run into trouble with expensive plans or contracts they don’t understand,” said Denis Nelthorpe, a senior lawyer with Footscray Community Legal Centre.

“These contracts are hard for anyone to understand for people who have been living in Australia for a long time – for these migrants they’re just completely incomprehensible. There doesn’t seem a safety net for these people and that’s why they end up at places like ours [Footscray Community Legal Centre], with their telco debt being a huge part of their financial problems.”

In one case an illiterate Burmese refugee on Centrelink payments was signed up by an Optus doorknocker to a \$120 a month contract, without any credit check or any part of the Confirmation of Understanding section having been completed.

Another Burmese refugee was told by Telstra he wasn’t able to use his concession card to claim a discount on his bill because the original customer service representative had signed him up only as Ting*, the fourth section of his real name. Even after speaking with a FCLC representative, the Telstra customer service representative refused to record the details.

Communication consumers advocates ACCAN says the report reveals areas where the current consumer protection framework is failing to protect these and other migrant groups and says measures such as allowing customers to nominate a credit limit, would be useful not only for these groups but for other low-income customers.

“Credit management is really important for consumers and telecommunications providers because it means you don’t end up with a situation where there is a debt owed that the customer cannot afford to pay,” said ACCAN Director of Policy & Campaigns Elissa Freeman.

“We are calling on industry to end the misuse of the term “cap” and to produce simpler, clearer and fairer advertising of their products”

“Communication links back home and to other members of the Australian community become vital with all the stresses faced by migrants in settling in a new country. If people do not have access to affordable communications life here becomes that much more difficult and it snowballs when people lose access to important services.”

ACCAN says the current Reconnecting the Customer Inquiry being conducted by the Australian Communications and Media Authority is expected to address these issues and offer ways in which vulnerable consumers can be offered greater protection.

**Real name has been changed*

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Link to report online: www.accan.org.au

About Footscray Community Legal Centre

The Footscray Community Legal Centre is a community-based non-profit agency which aims to provide free legal advice, assistance and referral, and financial counselling to the people of the City of Maribyrnong and Western Suburbs of Melbourne.

About ACCAN

ACCAN (Australian Communications Consumer Action Network) is Australia's peak communications consumer organisation. ACCAN's goal is available, accessible and affordable communications that enhances the lives of consumers. The operation of ACCAN is made possible by funding provided by the Australian government.