

Media release

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Telco ombudsman must hit telcos' hip pockets to encourage real change

Peak telecommunications consumer body ACCAN body says the Telecommunications Industry Ombudsman (TIO) needs to be given greater powers, including the ability to charge telcos more to resolve complaints and the right to award compensation to customers when a telco breaches its consumer protection obligations, in order to bring about real change to the industry.

"The telco ombudsman currently receives in excess of 200,000 complaints a year from unhappy telco customers – we need to use everything in our arsenal to work together to bring these numbers down," said ACCAN Chief Executive Officer Teresa Corbin*.

The recommendations are part of a suite of reforms ACCAN is advocating for in its submission to the Department of Broadband, Communications and the Digital Economy's [TIO Scheme review](#).

Other recommendations include a requirement that telcos publicise the fact that the TIO is able to resolve problems between telcos and customers by the inclusion of TIO contact details on telcos' websites and customers' billing information. Galaxy research undertaken by ACCAN last year found just 7% of consumers who have a dispute with a telco go to the Ombudsman for resolution.

"The TIO is good at resolving individual complaints that are brought to their attention but much more needs to be done on systemic, industry-wide issues," said Ms Corbin. "All the TIO can do at present is patch up punctures when things go wrong and that alone doesn't change behaviour."

"We're of the belief that if we are ever to see real improvement in customer service and complaint handling the TIO must be able to provide financial disincentives for telcos for poor practices before the wheels fall off altogether, especially in light of the National Broadband Network that's coming."

ACCAN says the industry has failed to modernise because the TIO continues to operate under an outdated model of industry ownership that was popular in the early 1990s. ACCAN is calling for the TIO Board to include equal representation between industry representatives and consumer representatives and an independent chair.

"There's a perfect storm at present [with concurrent telco inquiries underway] to address these long-standing customer service and complaint-handling issues and, we believe, the impetus from telcos to start to improve their relationships with customers and their reputation as an industry."

Media release and submission online at www.accan.org.au

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* ACCAN CEO Teresa Corbin sits on the TIO Council. [Click here for background](#) on TIO Governance.

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.