



Media Release

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High handset unlocking fees make it hard to avoid global roaming bill shock

Peak consumer body ACCAN says consumers trying to avoid high global roaming fees by buying a cheap travel SIM card at home or local SIM at their overseas destination are being hampered by the high cost of unlocking handsets.

Handset locking allows service providers to lock a mobile phone handset so it can only be used on their network. This is also known as network locking or device locking and is common practice in Australia. In order for consumers to use another SIM card while travelling, they must first unlock their handset.

Telstra pre-paid customers currently pay up to \$150, Optus pre-paid customers \$120, Virgin at least \$80 and Vodafone customers pay up to \$100 – just to unlock a handset they have already legitimately paid for in Australia.

In its response to the Department of Broadband, Communications and the Digital Economy (DBCDE) Trans-Tasman draft report, ACCAN argues that the removal of fees to unlock mobile handsets would greatly assist Australian and New Zealand consumers to access more affordable call, SMS and data services while overseas in any country.

The Telecommunications Industry Ombudsman (TIO) said in its response to the DBCDE report that more than 30% of complaints about global roaming were related to bills costing between \$1000-5000. Five per cent of complaints were for bills of over \$5000.

While the relative number of complaints about roaming only makes up a small percentage of all mobile complaints made to the TIO (1.4%), ACCAN says the bills are so high that many consumers simply cannot afford to pay them.

“Our advice to consumers is not to roam on your normal plan while you’re overseas as the cost of doing so is just too expensive. Instead, you should either buy a cheap travel SIM card before you go or use a local SIM card in your destination country,” said ACCAN spokeswoman Elise Davidson. “But customers have to unlock their handsets first.”

“We think industry could help solve the problem of high global roaming bills by getting rid of handset unlocking fees, especially for pre-paid customers who have already paid for their handset. The industry has argued that consumer awareness is the key to reducing high roaming rates, but it’s been years and it’s not working. With each new wave of technology – such as data usage at present – consumers always learn the hard way. We’ve seen bills from anywhere from a few hundred dollars to \$50,000 and many people just cannot afford to pay them.”

Link to ACCAN’s global roaming tip sheet: www.accan.org.au/tipsheets

Read ACCAN’s response to the DBCDE Trans-Tasman Roaming draft report: <http://bit.ly/PZYSHo>

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