

Media Release

4 July 2024

Consumers of essential communications services deserve direct regulation

The ACCC response to the latest draft of the Telecommunications Consumer Protections (TCP) Code validates long-held consumer concerns about the suitability of self-regulation to protect telecommunications consumers.

The Australian Communications Consumer Action Network (ACCAN) welcomes and supports the comments of the Australian Competition and Consumer Commission (ACCC) on the May 20 draft of the TCP Code.

ACCAN has been actively involved in the TCP Code review process alongside the ACCC, and agrees with many of the conclusions drawn in their response to the draft Code. We agree that the Code has “fundamental shortcomings” that render the consumer protections provided by it inadequate. We agree that telecommunications are an essential service, and that this fact should be explicitly included in the Code. We support ACCC’s conclusion that “the ACMA should reject the draft Code and proceed to other regulatory options”.

ACCAN has consistently argued that the TCP Code does not secure substantive protections for communications consumers. The Code is voluntary, slow to enforce, and is failing to meet the evolving needs of Australian consumers. ACCAN’s members and stakeholders lack confidence in the TCP Code as an effective means of providing appropriate community safeguards for vulnerable consumers including those experiencing domestic and family violence, sales incentives and mis-selling, credit assessments and payment options.

ACCAN Acting CEO Dr Gareth Downing said that the ACCC’s comments on the Code make it clear that the current regulatory arrangements do not provide effective or appropriate protections for communications consumers.

“While the draft Code improves upon the first proposal, the test is not whether this draft improves on the existing TCP Code. The ultimate test for the ACMA is whether this Code will provide appropriate community safeguards for consumers.” Dr Downing said.

“Vulnerable consumers including those experiencing domestic and family violence currently have no effective protections under the current, or indeed proposed draft Code. In the event the draft Code were to advance, the current proposal won’t see protections for these consumers until some time in 2025. In the context of a national crisis of family violence, this is inadequate, inappropriate and contrary to community expectations.”

“The ACCC has now acknowledged the view long held by consumer advocates that the TCP Code is insufficient in protecting consumers of an essential service. We encourage the ACMA to recognise this feedback, and move to direct regulation as a means of securing better outcomes for consumers.”

“ACCAN looks forward to working with government, regulators and industry to substantially improve protections afforded to consumers through this process,” Dr Downing concluded.

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.
