

Submission

28 November 2023

The Manager
Telecommunications Performance and Regulation Section
Australian Communications and Media Authority
PO Box 13112
Law Courts
Melbourne Vic 8110

Re: Proposal to make the Telecommunications (Financial Hardship) Industry Standard 2024

ACCAN thanks the Australian Communications and Media Authority (**ACMA**) for the opportunity to comment on the Proposal to make the Telecommunications (Financial Hardship) Industry Standard 2024 (**the draft standard**).

ACCAN is the peak body that represents consumers on communications issues including telecommunications, broadband, and emerging new services. ACCAN provides a strong unified voice to industry and government as we work towards communications services that are trusted, inclusive and available for all.

ACCAN's submission has been informed by feedback provided by other consumer and community organisations who regularly assist customers experiencing financial hardship with their telecommunications products and services, including Consumer Action Law Centre (**CALC**), Financial Counselling Australia (**FCA**), the Economic Abuse Reference Group (**EARG**), Consumer Credit Legal Service (WA) Inc. (**CCLSWA**) and WEstjustice.

The development of the financial hardship standard is a critical improvement in consumer protections for telecommunications consumers. ACCAN acknowledges and welcomes the actions by the Minister of Communications Michelle Rowland and the ACMA to progress the development of these protections.

The development of the draft standard, while an important milestone in advancing contemporary fit-for-purpose consumer protections appropriate for an essential service sector, forms part of the overall reforms required to modernize consumer protection arrangements. ACCAN welcomes this material step forward, in the knowledge that broader reforms on consumer protections, penalties, compliance, and enforcement are required to bring telecommunications consumer protections up to parity with the protections afforded to the consumers of other essential services.

ACCAN is supportive of the contents of the draft standard. We are pleased to see the draft standard:

- Expands the definition of financial hardship, ensuring that more consumers can access the help that they need to pay their bills.
- Makes it easier for consumers to find and access financial hardship policies online.

- Requires telecommunications providers to take all reasonable steps necessary to identify customers in financial hardship as early as possible.
- Requires providers to take into account the needs of the customer when setting up a financial assistance plan.
- Requires that financial hardship policies state that disconnection will only be used as a measure of last resort.

For ACCAN's extended comments, please see the attached copy of the draft standard (**Attachment A**). Our comments and recommendations seek to provide more meaningful and practical measures to support customers in financial hardship to better meet the objectives of the draft standard. They have been informed by the broad guidance provided by the Explanatory Statement issued by the Minister for Communications as part of the Telecommunications (Financial Hardship Industry Standard) Direction 2023, best practice from other essential service sectors and by the casework and the experiences of telecommunications customers, particularly vulnerable consumers.¹ However, in summary, ACCAN considers that the draft standard can be strengthened by:

- Prohibiting or further limiting credit action, disconnection, suspension, or restriction against a customer while the customer is discussing options or has made an application for financial hardship assistance with the provider, or who would reasonably appear to be in financial hardship based on the information the provider has available.
- Ensuring that during the assessment period for a customer's financial hardship assistance application, they cannot be disconnected from their telecommunications service.
- Expanding protections and options available for customers in financial hardship or other vulnerable circumstances, including Aboriginal and Torres Strait Islander customers, culturally and linguistic and diverse customers, customers with disabilities, and customers who are at risk of or experiencing domestic and family violence.
- Allowing for carriage service providers to assist in addressing financial hardship through the severance or reallocation of debts where financial hardship may be a consequence of economic abuse.
- Further protections to prevent customers in financial hardship or in other vulnerable circumstances from accumulating and having credit action taken against them for debts that they cannot afford to pay, including the option to be placed onto longer-term payment plans, the right to be informed and moved to a more affordable plan (including suitable post-paid options) and strengthening requirements for providers to identify and contact customers in financial hardship.
- Ensuring that customers experiencing financial hardship, risks to their health, safety, or other vulnerable circumstances, should only have their services restricted to the extent that they can still maintain access to basic calls to mobiles and landlines and data usage.

We thank the ACMA for the opportunity to comment on the draft standard. Should you wish to discuss any of the issues raised in this submission further, please do not hesitate to contact me at: con.gouskos@accan.org.au.

Yours sincerely,

¹ Minister for Communications. 2023. Explanatory Statement - Telecommunications (Financial Hardship Industry Standard) Direction 2023. Available at: <https://www.legislation.gov.au/Details/F2023L01188/Explanatory%20Statement/Text>.

Con Gouskos

Policy Officer

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](#)
