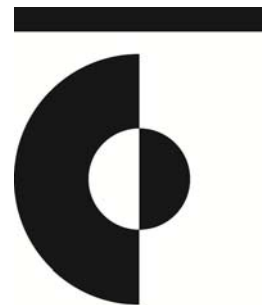


5 May 2014



**Telecommunications
Industry
Ombudsman**

Simon Cohen
Ombudsman

Ms Nadine Coutts
A/g Director, Consumer Access Section
Consumer Policy and Post
Department of Communications
GPO Box 2154
Canberra ACT 2601
By email and public discussion board: <http://forum.communications.gov.au/deregulation>

Dear Ms Coutts

Proposed measures for the Telecommunications Deregulation Bill No. 1 2014

The Telecommunications Industry Ombudsman (TIO) welcomes the opportunity to respond to the Consultation Paper on the proposed measures for the Telecommunications Deregulation Bill No 1, 2014 (the Consultation Paper). Our submission is enclosed.

We have focussed our submission on the proposed deregulation measures in the Consultation Paper that are most relevant to our dispute resolution function:

1. Privacy and Part 13 of the Telecommunications Act 1997
2. The Customer Service Guarantee, and
3. Priority assistance.

If you require further information, please contact David Brockman, the TIO Executive Director – Industry, Community and Government on 03 8600 8700 or by email (david.brockman@tio.com.au).

Yours faithfully

Simon Cohen
Ombudsman

"... providing independent, just, informal and speedy resolution of complaints"

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Telecommunications Industry Ombudsman

**Telecommunications Industry
Ombudsman submission:
Proposed measures for the
Telecommunications Deregulation
Bill No 1, 2014**

May 2014



Contents	
About the TIO	1
TIO submission on the proposed measures for the Telecommunications Deregulation Bill No 1, 2014	2
Complaints to the TIO	3
Overall trends for new complaints	3
Issues in relation to new complaints	3
TIO response to the proposed deregulation measures	4
Privacy and Part 13 of the Telecommunications Act 1997	4
Privacy issues in new complaints	4
Privacy issues about disclosure of customer personal information	5
Privacy protections relevant to TIO complaints	6
Customer Service Guarantee	7
Connection and fault repair delay issues in landline new complaints	7
Protections afforded by the Customer Service Guarantee	10
Priority Assistance	15
Priority assistance issues in landline new complaints	15
Protections afforded by priority assistance regulatory arrangements	16
Appendix: TIO reporting methodology	20
Why we capture data	20
How we capture data	20
Reporting terminology	21
Quality assurance	22

About the TIO

The Telecommunications Industry Ombudsman (TIO) is authorised under Part 6 of the *Telecommunications (Consumer Protection and Service Standards) Act 1999* to provide an independent alternative dispute resolution service for small business and residential consumers in Australia who have a complaint about their telecommunications services.

We aim to resolve these complaints quickly in a fair, independent and informal way, having regard not only to the law and to good industry practice, but also to what is fair and reasonable in all the circumstances. Before the TIO becomes involved in a complaint, the service provider is given an opportunity to resolve the complaint with its customer.

We are independent of telecommunications companies, consumer groups and government.

For most complaints we receive, we establish the issues in dispute and the resolution sought, and then refer the consumer or small business to a designated point of contact at the relevant telephone or internet service provider. The provider is given a final opportunity to resolve the matter directly with the consumer, without the TIO's direct involvement. Around 90 per cent of complaints we receive each year are resolved at this stage of the process.

Where the consumer and service provider do not reach an agreement at this early stage, the TIO becomes more directly involved by seeking to conciliate an agreed resolution between the parties. Around seven per cent of complaints are resolved using this conciliation process.

Complaints that cannot be resolved by conciliation are progressed for formal investigation by the TIO. If the complaint remains unresolved after formal investigation and the TIO is of the view that it would be fair and reasonable to do so, the TIO can make binding determinations up to a value of \$50,000 and non-binding recommendations up to a value of \$100,000 in respect of each complaint.

We record complaints according to service types – internet, mobile, landline and mobile premium services (MPS), and by the types of issues that these complaints present. These issues include connection delays and fault repair, credit management disputes, contractual disputes, customer service/complaint handling and billing disputes. Every complaint involves at least one issue. Some complaints can involve multiple issues – for example, a complaint about a delay in rectifying a faulty landline service may also involve a claim that the consumer's complaint about this fault was not acknowledged or progressed (a complaint handling issue).

Further information about the TIO is available at www.tio.com.au.

TIO submission on the proposed measures for the Telecommunications Deregulation Bill No 1, 2014

The TIO welcomes the opportunity to respond to the Department of Communications' Consultation Paper on the proposed measures for the Telecommunications Deregulation Bill No 1, 2014 (the Consultation Paper).

We have focussed our submission on the proposed deregulation measures in the Consultation Paper that are most relevant to our dispute resolution function:

1. Privacy and Part 13 of the Telecommunications Act 1997
2. The Customer Service Guarantee, and
3. Priority assistance.

We set out in this submission, TIO complaints data and complaint issues about privacy, landline connection and fault repair delays, and priority assistance. We also include relevant case studies about these issues.

We trust that the information in this submission will assist the Department of Communications in its consideration of the proposed measures for the Telecommunications Deregulation Bill No.1, 2014.

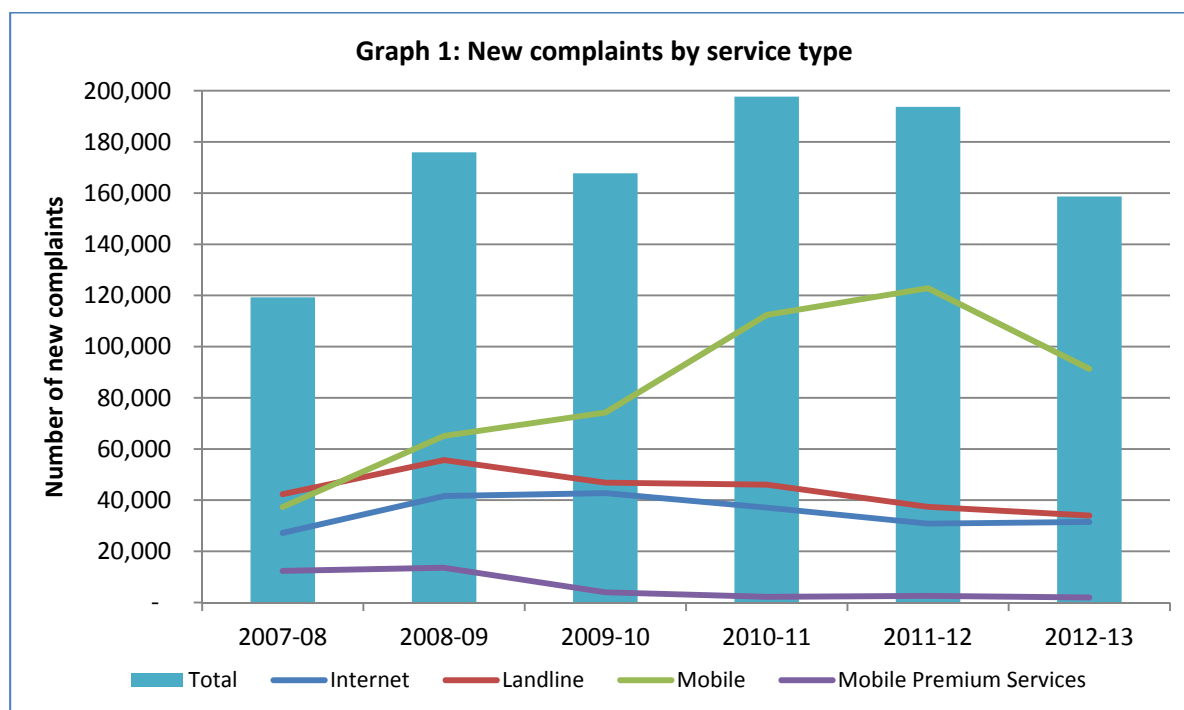
Complaints to the TIO

Overall trends for new complaints

When a consumer – residential or small business – contacts us about an expression of grievance or dissatisfaction about a matter within the TIO’s jurisdiction that the service provider has had an opportunity to consider, we record this as a ‘new complaint’.

The TIO recorded and handled 158,652 new complaints from small business and residential consumers in 2012-13. This compares with 167,772 new complaints recorded during 2009-10, 197,682 in 2010-11 and 193,702 in 2011-12. Over the first two quarters of 2013-14, we have recorded around 69,000 new complaints.

Graph 1 shows the breakdown of new complaints recorded by the TIO by service type – internet, landline, mobile and mobile premium services (MPS) – over the past six years.



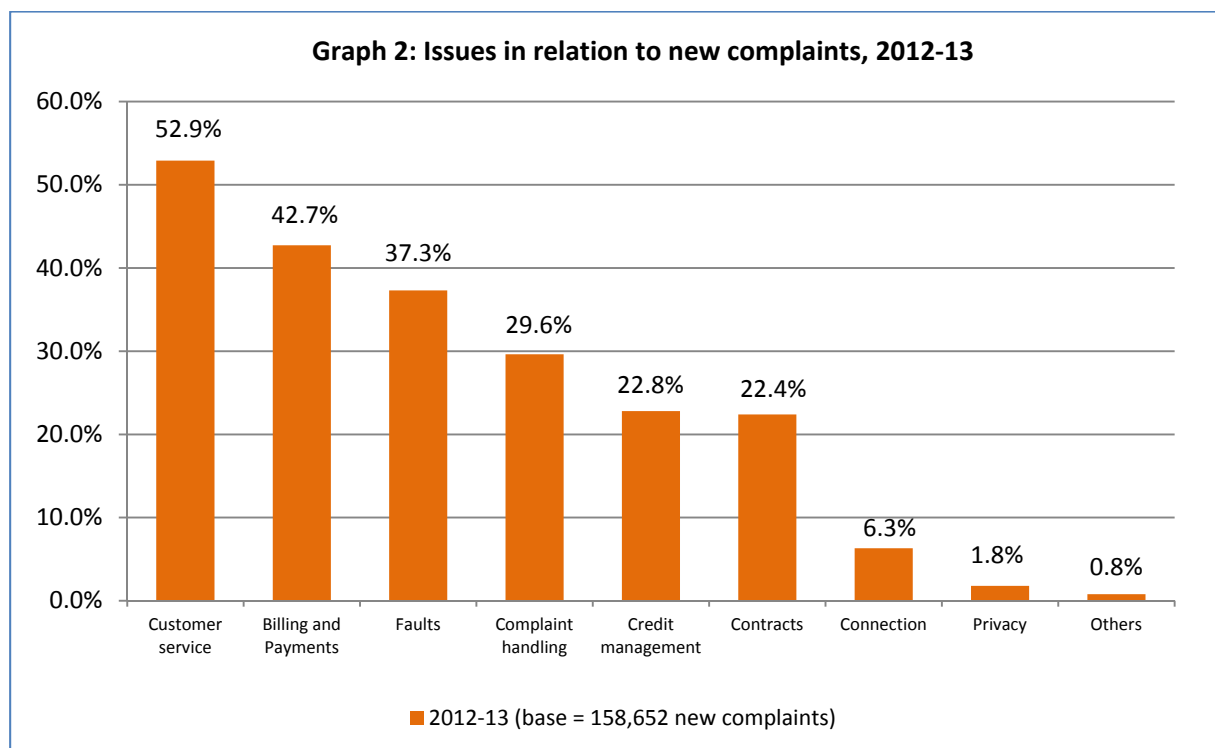
Issues in relation to new complaints

We record new complaints by the types of issues that these complaints present. Issues are selected from a choice of keywords that are aligned to industry codes or common complaint categories that the TIO has identified. These issues include connection and fault repair delays, credit management disputes, privacy issues, contractual or transfer disputes, customer service/complaint handling issues and billing disputes.

Every new complaint involves at least one complaint issue. Some complaints can involve multiple complaint issues – for example, a complaint about a faulty mobile service may also involve a concern over the lack of a response from the service provider about the fault. In such circumstances, the TIO would record one complaint comprising two issues – a faults issue and a customer service issue.

See the **Appendix** for more information about how the TIO reports on new complaints and issues.

In 2012-13, customer service and billing and payments issues respectively featured in 52.9 per cent and 42.7 per cent of new complaints across all service types. Issues relating to faulty services featured in 37.3 per cent of new complaints while issues about connections featured in 6.8 per cent of new complaints. Privacy issues featured in around 1.8 per cent of new complaints in 2012-13. Graph 2 illustrates the distribution of issues in new complaints across all service types, in 2012-13.



TIO response to the proposed deregulation measures

Privacy and Part 13 of the Telecommunications Act 1997

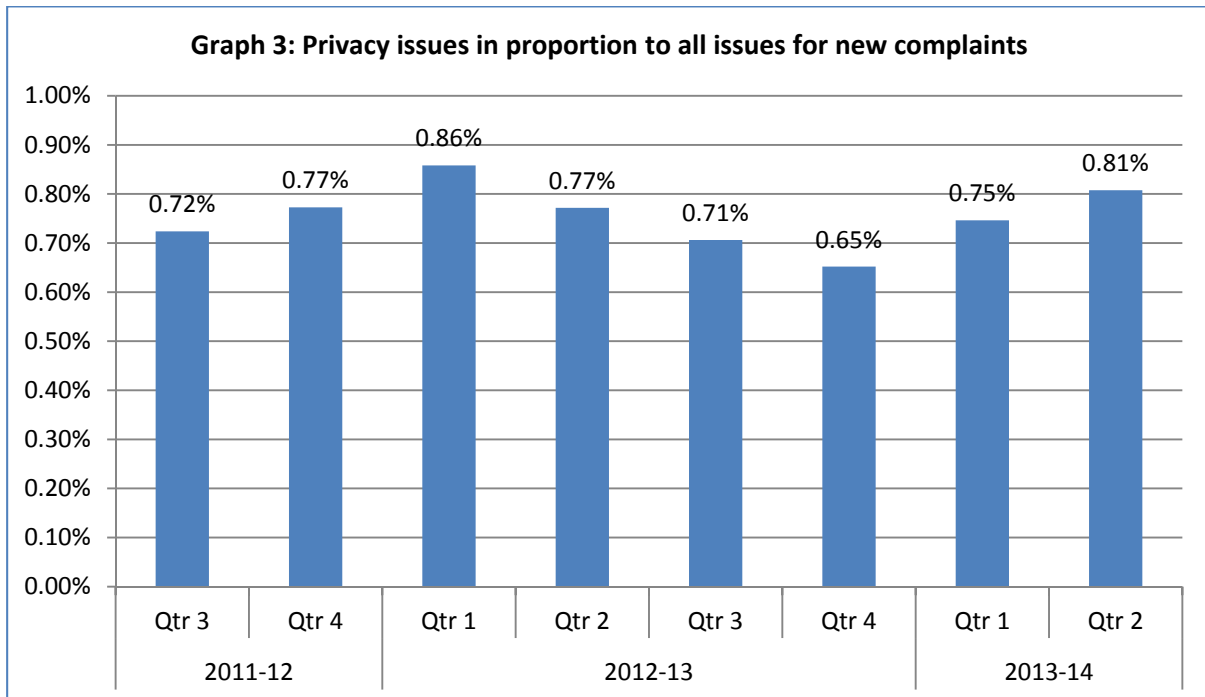
Privacy issues in new complaints

The TIO captures data about several issues relating to privacy including the collection of personal information by providers, a consumer's access to this information, the accuracy of the information collected, and its disclosure including the disclosure of unlisted numbers. Other privacy issues surrounding unwelcome communications, telemarketing and spam are also recorded by the TIO. In addition, we deal with complaints about the handling of credit information; these are recorded as credit management (rather than privacy) issues.

New complaints about privacy issues are generally dealt with by the TIO under the Privacy Act 1988, other privacy related legislation and relevant industry standards and codes.

Graph 3 highlights the proportion of privacy issues compared to all new complaint issues over the past eight quarters. In each quarter there were approximately 700 privacy-related issues recorded, with around 50 per cent of these relating to mobile services, 40 per cent relating to landline services and the remaining 10 per cent relating to internet services. In 2012-13, privacy issues formed around

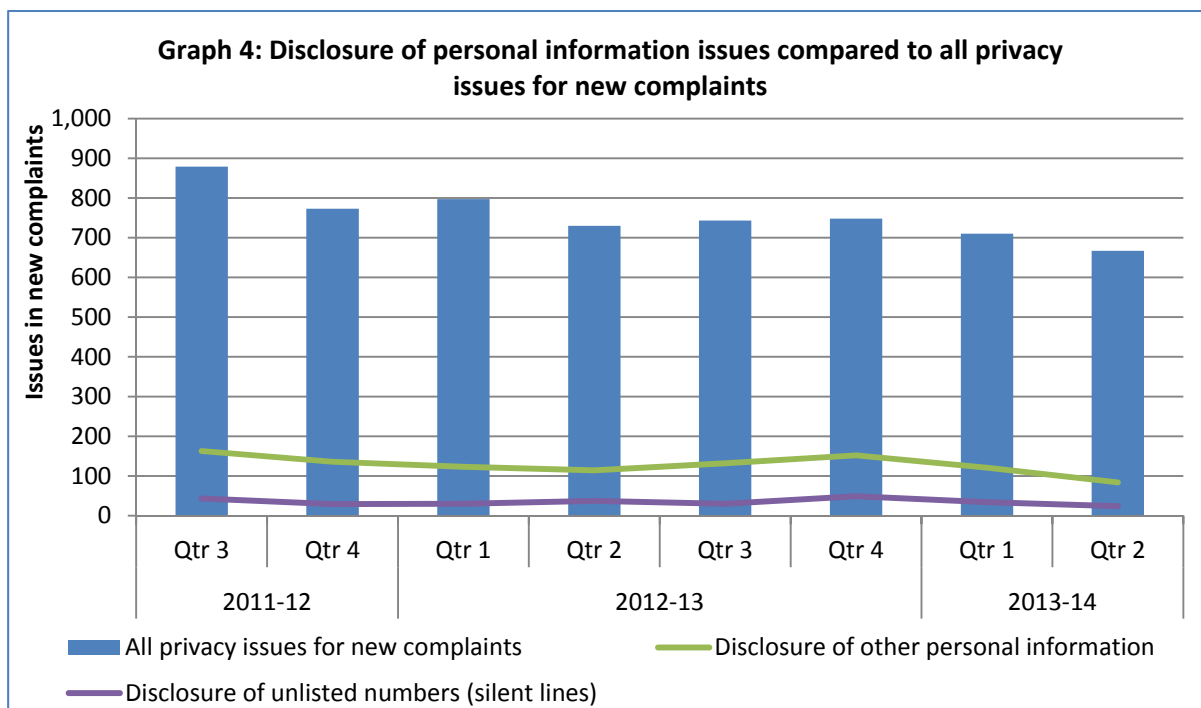
0.8 per cent of all new complaint issues recorded by the TIO. In absolute numerical terms, the overall trend is reduced consumer complaints about privacy issues (see Graph 4).



Privacy issues about disclosure of customer personal information

The disclosure of customer personal information is the category of privacy issues that most closely aligns to the obligations in Part 13 of the Telecommunications Act 1997. This issue category captures complaints about all types of customer information that a provider receives and deals with, including information that is carried across the telecommunications network. Some of these complaints relate to the disclosure of unlisted numbers (silent lines). These complaints can involve a significant potential safety risk to the consumer concerned.

Graph 4 shows the number of issues about the disclosure of customer information compared to all privacy issues in new complaints over the past eight quarters. Disclosure of customer information issues formed 22.1 per cent of all privacy issues in 2012-13, with most of these arising in relation to mobile and landline services.



Privacy protections relevant to TIO complaints

The Privacy Act 1988 is the primary source of reference for TIO officers when dealing with privacy complaints. Part 13 of the Telecommunications Act 1997 has a particular role in some cases, in that, unlike the Privacy Act, it applies to all telecommunications providers irrespective of their size; this is a matter noted in the Consultation Paper.

If Part 13 were to be repealed as proposed, Australian telecommunications companies with turnovers of less than \$3 million would no longer be legally required to protect the personal information of their customers as a result of the exemption in the Privacy Act 1988. This may make consumer complaints made against these service providers more difficult to fairly resolve because of the lack of substantive obligations and remedies.

The Telecommunications Consumer Protections (TCP) Code 2012 only requires providers to comply with applicable privacy laws, so the TCP Code would not of itself, and in its current form, alleviate the potential impacts flowing from the repeal of Part 13 of the Telecommunications Act 1997.

It is important to reflect that small providers may hold substantial amounts of personal information about their customers (as do larger providers), and that inadvertent disclosure of personal information by a small provider can be harmful (see **Case Study 1**).

Case Study 1: Unlisted telephone number disclosed by a small telecommunications provider

Consumer A signed a contract with a small telecommunications service provider in May 2013 for a landline. She paid \$3 per month in addition to her landline fees to keep her number private. Consumer A wanted her personal information protected because she holds an Apprehended Violence Order against her ex-husband, and she knew that publication of her personal details

would put her and her family at risk.

In August 2013, Consumer A's number and address were published in her local phone directory. The printed directory, which included her details, was distributed widely. After her personal information was released, Consumer A's ex-husband visited her house. As Consumer A's ex-husband was in violation of his court order, the police attended the residence.

Consumer A called her service provider to complain, but did not receive a response for three months. Every time she called the service provider, she was told that the complaint was with the service provider's complaints department, and that she would receive a swift response.

After receiving no contact from the provider, Consumer A contacted the TIO. We referred the consumer to the senior complaint handling area at the provider.

The service provider informed the TIO that Consumer A had accepted its explanation of the system error that had caused the silent number to be published. The service provider also informed us that Consumer A had accepted credits for the silent number charges paid to-date and an additional credit for three months' worth of service charges, as a resolution to her complaint. As Consumer A did not return to the TIO following our referral, we did not progress her complaint further.

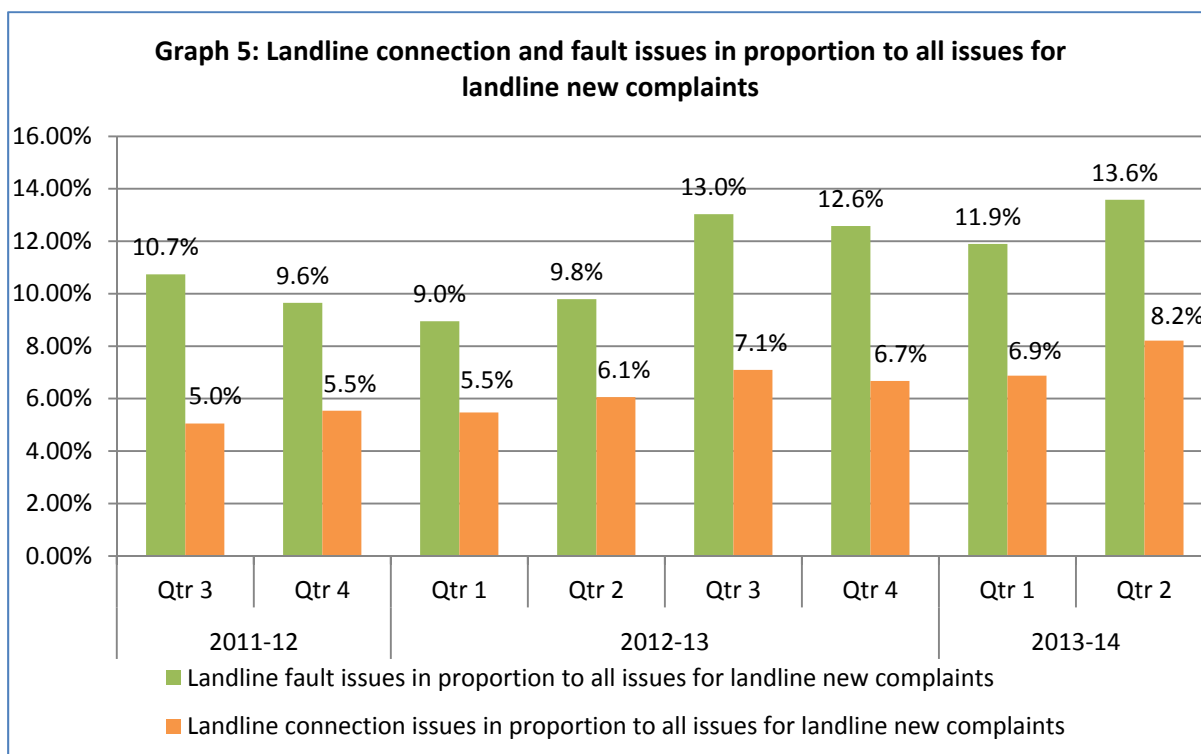
Competitive market pressures alone may not be sufficient to ensure that small providers have comparable or at least adequate privacy protection arrangements in place.

Accordingly, in considering amendments to repeal most of Part 13 of the Telecommunications Act 1997, it would be appropriate to consider whether some form of regulatory or co-regulatory response should be included to address this gap. This recommendation is consistent with the view expressed by the Australian Law Reform Commission in its [2008 Report on 'For Your Information: Australian Privacy Law and Practice'](#) (paragraphs 71.74 to 71.82).

Customer Service Guarantee

Connection and fault repair delay issues in landline new complaints

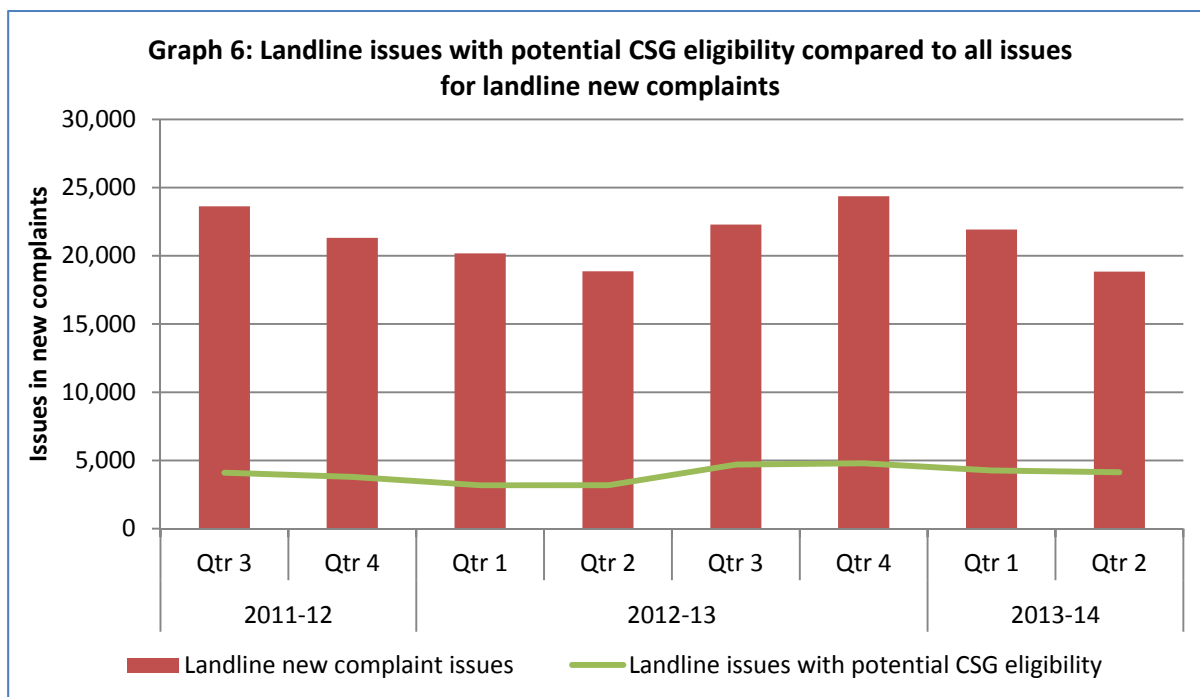
New complaints about landline services (the most common type of standard telephone service) have decreased in recent years (see Graph 1). However, the proportion of connection and fault repair delay issues compared to all landline issues has increased over the past eight quarters (see Graph 5).



In absolute numerical terms, connection and fault repair delay issues for landline new complaints that involve the Customer Service Guarantee (CSG) and potential CSG entitlements have remained at a consistent level despite reducing consumer complaints about all landline issues over the past eight quarters (see Graph 6).

More recently, issues with potential CSG eligibility increased by more than 30 per cent in Quarter 2 of 2013-14 compared to the same quarter in 2012-13, with connection issues increasing by 35.3 per cent and fault issues increasing by 38.5 per cent respectively. During this same period, issues for landline new complaints as a whole decreased by 0.15 per cent.

Graph 6 shows the number of issues with potential CSG eligibility compared to all issues for landline new complaints over the past eight quarters. Landline issues with potential CSG eligibility formed 18.3 per cent of all landline new complaint issues in 2012-13.



**Note that these figures do not include complaints made when a mass service disruption declaration is in place and the validity of that declaration is not questioned by the consumer. Complaints about suspension/disconnection of landline services for credit management reasons without appropriate notification or due cause are included.*

The table below sets out the main issues affecting CSG eligible landline services over the past five quarters.

Table 1: Main issues affecting CSG eligible services	Oct - Dec 2012	Jan - Mar 2013	Apr - Jun 2013	Jul - Sep 2013	Oct-Dec 2013
Fault renders a CSG service fully unworkable	576	1,118	1,126	924	959
Delay in connecting a CSG eligible service (new connection)	464	675	720	717	746
Intermittent fault on CSG eligible service	264	384	387	397	372
Fault renders a CSG service partially unworkable	314	325	339	340	329
Delay in connecting a CSG eligible service (in-place connection)	352	412	351	327	326
Landline service disconnected in error	171	180	189	161	204
Compensation claim/loss arising from delay in repairing CSG eligible services	163	251	245	215	201
Suspension or disconnection for credit management reasons without appropriate notification	262	312	258	243	198
Suspension or disconnection in relation to a debt that was in dispute	200	197	189	200	146
Missed appointment in relation to connection of CSG eligible service	71	130	185	122	122
TOTAL	2,837	3,984	3,989	3,646	3,603

Protections afforded by the Customer Service Guarantee

As the Consultation Paper notes, it is timely to consider how to streamline the functioning of the CSG Standard given the changes that have occurred in industry, technology and customer behaviour since it was first established.

The protections afforded by the CSG Standard have been of considerable importance as a consumer protection mechanism for both residential and small business consumers with standard telephone services. This value, both in respect of legislated timeframes and compensation, is demonstrated in the following case studies.

Case Study 2: Delayed connection of a small business service

Consumer B runs an online business that sells dried food products. On 16 December 2013 he called his service provider to advise that he was moving his business to a new address and that he would need his landline, fax and internet services to be relocated.

An appointment was made for the relocation to take place on 6 January 2014. When Consumer B called to confirm the new connection on 3 January 2014, he was told that his previous order had been mistakenly cancelled and that he would have to wait a further 20 days for the connection to be provided.

Consumer B approached the TIO for assistance at this point, because he claimed he was experiencing business loss. When he was contacted by his provider following referral of the complaint by the TIO he was told that the connection would occur on 15 or 16 January 2014.

On 21 January 2014, Consumer B contacted the TIO to inform us that his services still had not been connected. He said that he did have a temporary fax number connected at the new address, but being a temporary number his customers could not contact him via this number. He was still without access to landline and internet, and the financial impact upon his business was increasing. Consumer B indicated that the provider had not offered any compensation for the delayed connections.

The TIO progressed the case to conciliation, and Consumer B's services were subsequently connected on 23 January 2014. In its further response to the complaint, the service provider credited Consumer B's account for the charges billed to his account for January 2014. It also offered Consumer B \$822.80 for compensation under the Customer Service Guarantee for the delayed connection.

Consumer B was satisfied with these actions taken by his service provider as a result of the TIO conciliation, and the case was finalised.

Case Study 3: Delayed connection of a residential service

Consumer C lives in a rural area and says she contacted her chosen service provider before she

built her house and was told it would not be a problem to get a landline. However, when she actually requested a landline connection and an internet service in October 2012, the provider found itself hindered by a neighbouring property developer who would not allow cabling for Consumer C's service to be run across his land.

Consumer C was told that she would be sent an interim phone, but the first one sent went astray, and the second did not work. She was not sent another interim service after sending the second one back to the provider. In the meantime, Consumer C was only able to access voice telephony via her mobile phone if she sat in her paddock in her car with the car door open.

Consumer C contacted the TIO in early 2013 because she was soon to be going overseas for work and would have to leave her 75 year old, partially deaf husband who could not use a mobile phone at home by himself. She said her husband would have to walk 800 metres to a neighbour's house if there was an emergency and he needed a phone. Consumer C said she was told she would be called once a fortnight with a progress report, but was only contacted once in the last month.

After the TIO commenced conciliation, the service provider arranged for a satellite phone to be connected at the property, and in April 2013 was able to connect a landline service. The new landline service could not carry internet, so the provider cancelled the internet contract that Consumer C had signed up to without any termination fees.

Finally, the provider assessed Consumer C's entitlements to compensation under the CSG Standard. As there were two mass service disruption declarations made across the period of delay, the total CSG entitlement of Consumer C came to \$2,541 (56 days of delay). Consumer C accepted this as a resolution to her complaint.

The CSG Standard has proven to be an important consumer safeguard that promotes timely connection and repair of standard telephone services, and minimises consumer inconvenience through missed appointments. There are still more than 10 million landline services in operation in Australia. TIO complaints data demonstrates a consistent trend in respect of landline connection and fault complaints. And landline services self-evidently remain a vital service for regional and rural communities, among older Australians and for small businesses.

Removal of mandatory timeframes and compensation rates

The Consultation Paper proposes to reform the CSG Standard to remove mandatory timeframes and compensation arrangements for the repair and connection of standard telephone services, and to instead allow providers to negotiate timeframes and compensation arrangements directly with consumers.

It may not be realistic to expect that most consumers will be able to freely negotiate timeframes and compensation with their providers – especially when regard is had to the current demographic profile of consumers who rely on standard telephone services. Consumers may not know what a reasonable time or reasonable compensation arrangements might be, and not fully understand the consequences or impacts of a delayed connection or delayed fault repairs until these events actually eventuate.

Instead, it is perhaps more likely that providers will pre-set their own timeframes and compensation amounts, and then use these as a point of differentiation from competitors.

We note that the Consultation Paper refers to the possible setting of '*default timeframes and compensation as a safety net*', and this is likely to be an important part of the proposal.

It will also be important to the success of the proposal that information about the timeframes and compensation offered is transparent and brought to the consumer's attention prior to making an agreement. For example, such information could be included in the Critical Information Summary that all providers are required to supply under the TCP Code. The presentation of this information in an easy to understand standard format, so that consumers can easily compare providers and make informed decisions about what is important to them, will also assist in transparency and informed consumer choice.

As the Consultation Paper sets out, special circumstances may apply in rural, remote and other communities that rely heavily on landline services, and where there are reduced levels of competition, such that the existing timeframes and compensation rates in the CSG Standard should remain in place for these communities for the time being. It may also be appropriate, in this context, to consider retaining the CSG benchmarks for these areas, consistent with the recommendation of the Regional Telecommunications Independent Review Committee in its [March 2012 Regional Telecommunications Review Report on 'Regional Communications: Empowering Digital Communities'](#) (Recommendation 2.1).

Other matters that may need to be considered in respect of this proposal include:

- how any new arrangements might apply to existing contracted services
- as noted in the Consultation Paper, whether special arrangements are appropriate for Universal Service Obligation services.

Removal of CSG waivers

The Consultation Paper proposes the removal of the providers' ability to ask consumers to waive their CSG rights (CSG waivers) from the CSG Standard, together with the removal of the mandated timeframes and CSG performance benchmarks.

In our handling of both individual disputes and systemic issues, we have found that consumers and providers experience difficulties in understanding and administering the CSG waivers. There is considerable confusion on the part of consumers when they are asked to waive their rights under the CSG Standard as they often do not understand or are not aware of their CSG rights or service provider obligations under the Standard. We also see providers not understanding what they are required to fulfil prior to obtaining a waiver. See the case studies below.

This is further evidence to support the proposal to remove CSG waivers. One aspect that may need to be considered about this proposal is how any new arrangements might apply to existing contracted services where a waiver is in place.

Case Study 4: Consumer did not understand or remember the CSG waiver

Consumer D saw an advertisement in a Mandarin Chinese language newspaper for a bundled landline and internet service offered by a service provider. In July 2013, Consumer D called the service provider to apply for the bundle. She spoke, in Mandarin, to a service provider staff member who also spoke Mandarin. Consumer D was told that her bundle would be connected in August.

The due date for the connection passed, but the connection had not occurred. Consumer D asked a friend of hers to report the delay in connection to the service provider, who gave her friend a new connection date.

The second connection date also passed without the line being put in place. Consumer D found it difficult to report the delay, because of her limited understanding of English. Despite her difficulties in communicating, the service provider did not engage an interpreter. A third connection date was established, but the service provider required Consumer D to pay an additional \$60 to finalise the connection.

As Consumer D had not previously been told about this fee, she disputed the charge. At this time, a government housing agency contacted the service provider on her behalf, and organised for the line to be connected.

The line was connected at the end of August, and the service provider direct debited Consumer D's bank account for charges for the whole month of August. Consumer D disputed the charges for the time that she had no service, and called the TIO to lodge a complaint. Talking through a Mandarin interpreter, Consumer D told the TIO that she did not recall agreeing to a waiver of her Customer Service Guarantee rights. As the service provider had not responded to the TIO's referral, the TIO progressed the case to conciliation.

In response to the TIO's conciliation, the service provider offered the consumer a month's complimentary service. The service provider also told the TIO that although it could not produce the record, Consumer D had agreed to a CSG waiver at point of sale, when she spoke to the service provider's staff member in Mandarin. The service provider also told the TIO that it had emailed the CSG waiver, in English, to Consumer D.

Ultimately, the TIO was not required to determine the complaint, as the consumer accepted the service provider's offer of a month of free service.

Case Study 5: Service provider did not comply with CSG waiver requirements

In 2010, Consumer E engaged a service provider to provide him with a VoIP service. The service remained faulty for the next two years, with Consumer E reporting faults and the service provider attempting various solutions. The service provider did not successfully fix the fault until 2012, when it discovered that the cause of the issue was a faulty installation conducted by the service

provider at the start of the service.

The service provider supplied Consumer E with a credit for six months' worth of service fees (\$420). Consumer E asked the service provider for a further credit to incorporate the access fees he had paid over two years. The service provider offered Consumer E a further \$200. At no stage did the service provider discuss possible CSG eligibility with Consumer E.

Dissatisfied with the offer, Consumer E contacted the TIO to make a complaint in November 2012.

In response to the TIO's referral, the service provider advised Consumer E that he was not eligible for CSG, as it believed that he had agreed to a CSG waiver at point of sale. The service provider offered Consumer E a \$700 credit. Consumer E asked to be provided with a copy of the waiver, but was instead provided with a flow chart showing the service provider's customer sign-up and CSG waiver process.

Consumer E contacted the TIO again, and asked for his complaint to be taken further. The TIO progressed the complaint to conciliation. In response to this, the service provider agreed to consider Consumer E's request for credit, but would not consider his eligibility for CSG.

Consumer E requested the TIO to investigate his complaint. During the TIO's investigation, the service provider supplied the TIO with a range of fault reports and service usage data. It also told the TIO that agreeing to the CSG waiver is a condition of receiving the service that Consumer E received.

However, the TIO's investigation found that the service provider's CSG waiver did not comply with the requirements of the CSG Standard.

At the conclusion of the investigation, the TIO found that Consumer E was entitled to \$5,877.73, which included \$5,783.80 of CSG compensation. The provider paid this compensation to the consumer.

Mass Service Disruption notifications

There is little question that the publication requirements in the CSG Standard for mass service disruption notices are outdated and not as effective as perhaps they once were.

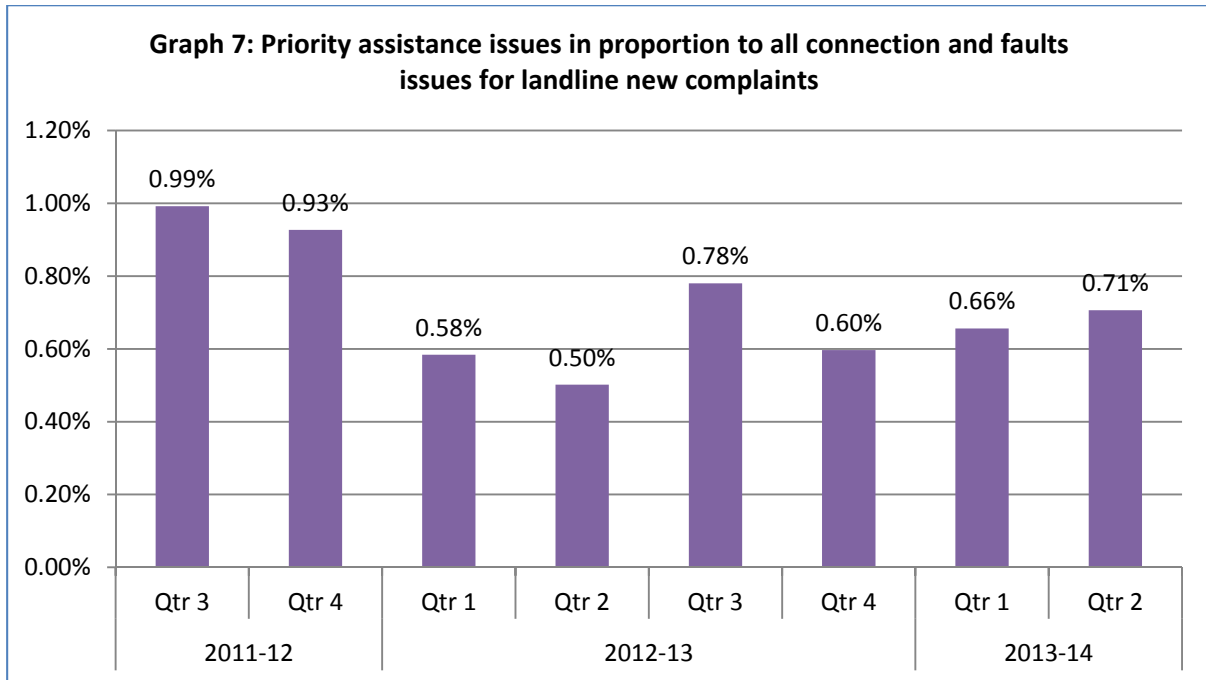
Notice about these disruptions remains important, however, so that consumers are aware of and understand delays in repair to their services, and so that there is transparency in the time taken to connect and repair essential telecommunications services.

Given advances in information technology, other channels such as notification through the service provider's website, or through the use of mobile applications or messages, may be more effective in providing information to consumers about these disruptions.

Priority Assistance

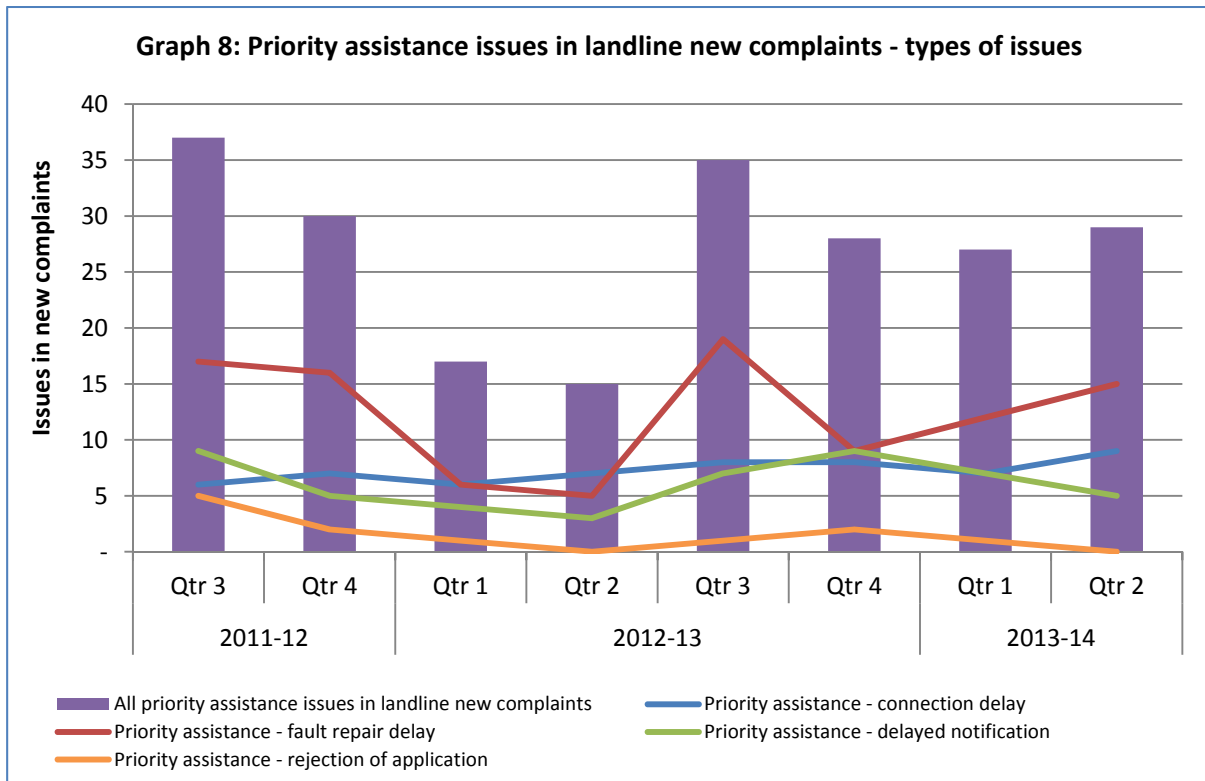
Priority assistance issues in landline new complaints

Complaints made to the TIO about priority assistance are relatively infrequent, with priority assistance representing less than one per cent of all landline connection and fault repair delays issues in new complaints recorded over the past eight quarters (see Graph 7).



In numerical terms, priority assistance complaints average around 25 to 30 each quarter. These complaints involve issues about (see Graph 8):

- Lack of notification about a priority assistance application
- Rejection of a priority assistance application
- Delays in connecting a priority assistance service, and
- Delays in repairing a faulty priority assistance service.



Protections afforded by priority assistance regulatory arrangements

Although small in number, the capacity for priority assistance complaints to give rise to potential harm to consumers with critical or life threatening medical conditions, is significant. The obligations in the priority assistance regulatory arrangements are important safeguards that help resolve priority assistance complaints. The following case studies demonstrate the importance of these safeguards.

Case Study 6: Priority assistance connection delay

In October 2013, Consumer F called her service provider to arrange for a priority assistance landline to be connected at her new residence. Consumer F lives with her 85 year old mother and a priority assistance connection is required in case of an emergency, as mobile coverage is poor in the area.

The service provider organised two installation dates: one for its technician to visit the home, and another for a wholesaler to visit the home. Once the connection was established, Consumer F called her service provider to arrange to have her old phone number established on the new line. This was particularly important, as Consumer F’s mother’s medical practitioner records all reflected her old service number.

At this point, the new service was disconnected. Several days later, the service provider sent another technician to fix the service, but he was not able to do so.

Consumer F called her service provider again to try to fix the service, and was put through to a technician who asked her to check some cabling, and offered to send another technician.

Consumer F advised him that in order to attempt to resolve the complaint, she had already taken 14 ½ hours of leave from work, and could not take any more leave. The consumer stated that the service provider's technician hung up on her.

Consumer F again called her service provider, and this time a staff member told her that he could not help with her landline, but could upgrade her mother's mobile service from 2G to 3G. Despite agreeing to this, Consumer F's mother's mobile service remained unreliable.

Consumer F sent her mother to another town to be cared for as she could not leave her mother in a home without a functioning telephone service. Consumer F then made a complaint with the TIO.

In response to the initial TIO referral of the complaint to a senior complaint handler, the service provider sent a technician to fix the fault, but sent the technician to the wrong address. Consumer F then received a bill for two separate phone lines, despite the fact that only one service was requested, and no services were connected.

Consumer F called the TIO again for assistance in resolving the dispute.

In response to the TIO's conciliation of the complaint, the service provider connected Consumer F's landline. The service provider also waived the charges for the duration that Consumer F had no service available, and paid charges associated with establishing a second socket. Although Consumer F was not entitled to any Customer Service Guarantee compensation because her service number was within a declared mass service disruption area, the service provider offered a goodwill credit equivalent to six months' of line charges.

Consumer F was satisfied with the offer and the case was closed.

Case Study 7: Priority assistance connection delay

In 2009, Consumer G had a mobile phone on a monthly plan with a service provider. In July of 2009, the phone was stolen. This was reported to both the service provider and to the Police. The service provider told Consumer G that the service would be cancelled after three months, and that no further monies would be owing.

In 2010, Consumer G contacted the service provider, and was advised that the account had been closed. The service provider did not advise Consumer G as to whether any monies were outstanding. Consumer G had not received any further notifications or bills about the account from the service provider.

Between 2009 and 2013, Consumer G moved house four times. Each time he relocated, he updated his address with the service provider so that he could keep his landline number and his landline services with the service provider.

In October 2013, he moved house again, and applied for a new landline service with the service provider. His application was declined, and he then received a notification about a default listing in

the amount of \$700 from a collections agency; this amount related to the stolen mobile phone service.

Consumer G's wife is terminally ill, and as a pensioner, Consumer G found it difficult to afford credit on his prepaid mobile phone service. As he was currently without a landline, the service provider offered to send him an emergency phone to use at landline rates, but the emergency phone was not received within four days. The service provider also advised him that he was required to pay the \$700 amount.

Consumer G lodged a complaint with the TIO.

In response to the TIO's referral, the service provider told Consumer G that he would be provided with priority assistance application forms, that an emergency phone would be sent to his house, and that the default would be removed. However, two weeks later, Consumer G had received neither the forms, nor the phone. Consumer G contacted the TIO again for further dispute resolution assistance.

After the TIO progressed the case to conciliation, the service provider arranged to remove the default listing, waive the debt, and provide a landline service with priority assistance to Consumer G. The service provider waived the connection fee for the landline. The service provider also assessed Consumer G for Customer Service Guarantee compensation, and offered him an additional \$1,766.60 as compensation.

Consumer G accepted the offer and the case was closed.

The Consultation Paper proposes to transition the current post-validation arrangements for priority assistance to pre-registration, to reduce opportunities for ineligible consumers to take advantage of the faster connection and repair timeframes for priority assistance.

A requirement for pre-registration may reduce resources wasted on non-eligible priority assistance applicants. Any decision about this, however, will require a careful risk assessment. There is a real risk that a change in approach may reduce current protections for those with life-threatening illnesses.

A key question is whether the proposal for post-ratification in emergencies would adequately mitigate this risk. The Consultation Paper does not include substantial detail about this aspect. However, given the vulnerability of these consumers and the possibility of dire outcomes, a cautious approach to this risk assessment should be taken.

As for the other proposals in the Consultation Paper around priority assistance administration, for example to allow Telstra to exercise flexibility and discretion in what it will accept as evidence of priority assistance eligibility, we support simpler application, assessment and re-validation processes that result in more efficient processing of priority assistance applications.

It is proposed that in some circumstances, non-fixed line services be provided to priority assistance customers (for example, interim or alternative services where there are major delays in connecting

or repairing a fixed-line service). An important aspect of this proposal will be the assessment of the non-fixed line service to make sure it meets the primary objective of providing speedy access for those with life-threatening medical conditions to a reliable telephone service.

Appendix: TIO reporting methodology

Why we capture data

The TIO provides the telecommunications industry and the community with an independent perspective on the consumer experience in the context of landline, mobile, internet and mobile premium services. Through the thousands of contacts we receive each week and the many residential or small business consumer complaints we resolve each year, we are able to identify complaint trends and their probable causes, and to provide this valuable information to stakeholders.

We capture information about complaints for a variety of reasons including:

- monitoring of complaint trends
- identifying gaps in consumer protection as may be indicated by complaint trends
- identifying systemic problems within the industry
- measuring the impact of new technologies and changes in industry behaviour
- creating awareness and informing TIO Members about good industry practice as set out in Industry Codes
- reporting complaint trends and possible code compliance issues, to regulators and the industry
- allocating TIO resources in an efficient and effective manner, and
- reporting to the community on the work we do.

How we capture data

The TIO keeps a record of every telecommunications enquiry¹ or complaint that is reported to us. Most consumer contacts are made through our free telephone number, with a smaller portion being lodged electronically via our website or by email. Each complaint is captured in our complaints management system and is categorised using a comprehensive list of 'keywords'. These keywords are divided into three tiers with the first tier categorising the general subject matter of the complaint and the second and third tiers identifying the precise nature of the complaint.

For example, a complaint about a credit or adjustment not having been applied to a bill would be recorded in our system as:

<i>Tier 1</i>	<i>Tier 2</i>	<i>Tier 3</i>
Billing & Payments	Credit/Adjustment	Not Applied

Capturing complaints in this way means that we have a very rich source of data we can refer to for the purposes of giving information to stakeholders and undertaking our own analysis. We supply complaints data to TIO Members, industry groups and regulators. We publish quarterly and annual data on our website for public use. We see our data and its publication as important steps in helping to identify and address issues of concern for consumers.

¹ The TIO records an Enquiry when a person contacts us about something we cannot deal with directly, for example because they have not yet given their provider an opportunity to consider it or because their complaint is about something outside the TIO's functions or powers.

Reporting terminology

New complaints

The TIO records a 'new complaint' when it first receives an expression of grievance or dissatisfaction from a consumer where the telecommunications service provider has had an opportunity to consider the matter. A new complaint is initially classified at Level 1 of the TIO process, with a small number initially classified at Level 2 (and at Level 4 in limited circumstances such as Land Access Objections). Each new complaint has its own unique reference number.

Conciliations/Investigations

Where a new complaint remains unresolved and requires conciliation or investigation by the TIO, it is progressed to a higher case level. Usually, new complaints classified at Level 1 that remain unresolved are progressed to Level 2 for conciliation, and to Levels 3 and 4 for formal investigation/determination.

Cases

The TIO classifies cases at four case levels, namely Levels 1, 2, 3 and 4. Total cases recorded by the TIO each financial year include new complaints we receive and those progressed to higher case levels during the year. Each case level captures 'issues' that are relevant to that case level.

Issues

The TIO records 'issues' to capture the types of issues that are presented by each new complaint. Issues are selected from a choice of keywords that are aligned to industry codes or common complaint categories that the TIO has identified. These include connection and fault repair delays, credit management disputes, contractual disputes, customer service/complaint handling and billing disputes.

Every new complaint involves at least one complaint issue. Some complaints can involve multiple complaint issues – for example, a complaint about a faulty mobile service may also involve a concern over the lack of a response from the service provider about the fault. In such circumstances, the TIO would record one complaint comprising two issues – a faults issue and a customer service issue.

The TIO also updates the issues for unresolved complaints that are progressed to a higher case level.

Enquiries

The TIO records an enquiry for any new contact that is not classified as a new complaint. These include, for example, where the consumer:

- is expressing a grievance but has not given the TIO Member an opportunity to consider the matter
- does not have sufficient interest in the matter
- is only requesting for information.

Enquiries can also include matters that:

- are outside the TIO's jurisdiction

- could be raised with a more appropriate organisation
- are under consideration or have already been considered by another body, and
- are frivolous or vexatious.

Quality assurance

Each month, quarter and end of financial year, we undertake a range of quality assurance activities to ensure the accuracy of our data.