

Systemic Issues Investigations

Completed Investigations

During 2003/2004, the following systemic investigations involving Code issues were completed.

Optus Mobile Upgrade Contracts First Bill

Complaint

Optus mobile customers who took up upgrade contracts being billed the new contract's rates for the entire billing period, including the period prior to the formation of the new contract.

Relevant Code Clause

Billing Code, Clause 7.3.1

Resolution

Optus made changes to both its point-of-sale information, and Standard Form of Agreement (SFOA). Although the precise meaning of Clause 7.3.1 remains unclear, the TIO concluded that Optus's actions were sufficient to comply with the code and did not record a code breach.

Veridas Unauthorised Transfer of ADSL Services

Complaint

Lihoptix ADSL customers who had transferred services to another ADSL service provider after services were suddenly disconnected (with no certainty of reconnection) found that about a week later their ADSL service had been transferred from their new service provider to Veridas Communications.

Relevant Code Clauses

Customer Transfer Code, Clauses 6.2, 6.3, 6.7, 6.8, 6.10

Resolution

The TIO recorded established code breaches of all the above code clauses. The TIO took the view that Veridas Communications did not take adequate steps to ensure that it had the appropriate authority to transfer ADSL services.

RSL Com Mobile (now SimPlus) Alleged Misrepresentation of the Identity of the Provider

Complaint

Customers claimed that they had agreed to a mobile contract with RSL Com Mobile believing that the contract was with Optus.

Relevant Code Clauses

Customer Transfer Code, Clause 6.5.1
Complaint Handling Code, Clauses 8.2.2, 8.2.3, 8.2.4, 8.5.1

Resolution

The investigation established that RSL Com Mobile telemarketing representatives were advising customers that they were calling on behalf of the Optus network. RSL Com Mobile has since changed the scripting provided to its telemarketing representatives. The TIO recorded established code breach of clause 6.5.1 of the Customer Transfer Code and clause 8.4.2 of the Complaint Handling Code. Having regard to the number and nature of these complaints, the TIO referred RSL Com Mobile to the Australian Communications Authority for systemic breaches of ACIF codes.

Telstra Rounding up of Capped Calls

Complaint

Customer claimed that itemisation of his long-distance landline calls indicated that he was being billed \$2.51 for some of the calls which had been advertised as costing no more than \$2.50.

Relevant Code Clauses

Billing Code, Clause 7.3.1

Resolution

Telstra claimed that the rounding up was due to the effect of the GST and that some calls were billed at a lesser price (that is \$2.49) so that the total amount billed to the customer averaged to no more than \$2.50 per call. The TIO took the view that, irrespective of the impact of GST, if prices exceed the published or contracted rate, then the Member is acting contrary to Clause 7.3.1 of the Billing Code and accordingly recorded a confirmed breach of this clause against Telstra.

TPG Pricing Information

Complaint

The pricing information available on TPG's website for ADSL services had the potential to mislead customers.

Relevant Code Clauses

PTC Code, Clauses 23.1, 23.2

Resolution

TPG changed some of its advertising and the TIO exercised its discretion not to investigate the matter further as the conduct of the Member was also under consideration by a regulator. Accordingly, no code breach was recorded.

Primus Landline Billing for Short Duration Calls to Mobile Services

Complaint

Consumers alleged that they were being charged for calls from their landline service to mobile phone services that were neither answered nor diverted to voicemail.

Relevant Code Clause

Billing Code, Clause 7.3.1

Resolution

The TIO is satisfied that Primus does not currently bill for calls to mobile services that have not been answered. The investigation was inconclusive as to whether this had ever occurred in the past. Accordingly, no code breach was recorded.

RSL Com Mobile Legibility of Terms and Conditions

Complaint

Terms and conditions provided to a consumer were allegedly in an extremely small font and partially obliterated.

Relevant Code Clause

Consumer Contracts Guideline, Clause 6.2.1

Resolution

The TIO took the view that RSL Com Mobile's actions were inconsistent with clause 6.2.1 of the Guideline.

iiNet POP Information

Complaint

Customers migrating to iiNet POP were not given sufficient information to ensure that they did not incur national call rates.

Relevant Code Clauses

ISP Guideline

Resolution

iiNet agreed that the information provided to its customers was not firm enough in relation to directing customers to verify the

cost of a call to its POP. iiNet withdrew the information in question and has now rolled out a national POP.

AAPT Direct Mail Upgrade Offer

Complaint

AAPT customer received a direct mail offer to upgrade their mobile handset on a new two-year contract, while remaining on their current plan. When the consumer called to accept the offer they were advised that they could not retain their current plan.

Relevant Code Clause

Billing Code, Clause 5.4.1 PTC Code, Clauses 5.1, 8.1, 32.3, Guideline 2

Resolution

AAPT withdrew the customer's plan some time between the direct mail offer being sent and the offer being received. While no code breaches were recorded against AAPT the TIO took the view that AAPT's offer had been planned poorly and that it had acted inconsistently with Guideline 2 of the PTC Code.

RSL Com Mobile 'Win a Phone'

Complaint

Consumers alleged that they had been required to agree to a mobile phone contract with RSL Com Mobile in order to win a mobile phone.

Relevant Code Clause

PTC Code, Clause 32.3

Resolution

RSL Com Mobile resolved the TIO's systemic test case but declined to respond to the TIO's concerns about the alleged practice. The TIO accordingly recorded an established code breach against RSL Com Mobile, and remains concerned with its telemarketing practices which it referred to the regulator.

Primus Unlimited Internet Plan

Complaint

Consumers purchased Primus's 'unlimited' internet plan believing that the plan was unlimited in every sense, but later incurred bills for excess download.

Relevant Code Clause

PTC Code, Clause 6.6

Resolution

The TIO concluded that Primus's actions were not in breach of clause 6.6. The TIO has, however, taken the view that there is no grey area with respect to the word 'unlimited' and believes that a plan, irrespective of technology, should not be called 'unlimited' unless it is so in every sense.

Hypermax Preselection Transfer

Complaint

Internet customers of Hypermax finding that their telephone preselection had been transferred to Hypermax.

Relevant Code Clauses

Customer Transfer Code, Clauses 6.2, 6.3, 6.7, 6.10

Resolution

Hypermax had not kept recordings of the transfer authority forms. In light of this, the TIO took the view that the transfers were unauthorised and recorded established breaches of clauses 6.2, 6.3, 6.7 and 6.10 of the Customer Transfer Code.

The following systemic investigations did not involve Code issues

Hutchison 3G Australia handset faults

Complaint

Customers of 3 reporting multiple faults on their 3G handsets.

Relevant Code Clauses

None applicable

Resolution

3 has demonstrated to the TIO that it is taking steps to increase reliability of the equipment that it supplies to its customers. Specifically, it is offering software and hardware upgrades to customers who have experienced faults. It is also phasing out models that have proven problematic. Hutchison 3G Australia has indicated to the TIO that it does not believe that there are any critical flaws in the latest models it has supplied to customers and that the number of faults per customer should reduce. The TIO has agreed to monitor the situation. On this basis the TIO decided not to refer the matter to the Australian Communications Authority.

Optus Resale Customers Using Telstra Telecards

Complaint

Telstra telecards used by Optus resale customers were deactivated without notice.

Relevant Code Clauses

None applicable

Resolution

Optus has indicated that the issue arose from human error when it was undertaking a system cleanup and accidentally deactivated all Telstra telecards. Optus has now reinstated affected cards.

Austar Early Termination Fee

Complaint

Consumer incurred a fixed termination fee, but Austar indicated that in situations where remaining access fees are less than the standard early termination fee it charges the lesser amount. This did not appear to occur in the test case complaint.

Relevant Code Clauses

None applicable

Resolution

Austar explained to the TIO that it has a process whereby it checks any bill which includes an early termination fee to ensure that customers have been charged the correct amount. A second check was also introduced until a permanent system change can be facilitated.

Optus SIM Unlock Fee

Complaint

Consumer incurred a SIM unlock fee when choosing to use pre-paid mobile handset on another provider's network.

Relevant Code Clauses

None applicable

Resolution

The TIO issued a determination against Optus with respect to the test case complaint. The TIO formed the view that Optus had not provided sufficient information to substantiate its view that the SIM security fee was a genuine pre-estimate of loss.

B Digital Early Termination Fee

Complaint

Consumer incurred an early termination fee of remaining access fees plus \$11 per month to a minimum of \$66.

Relevant Code Clauses

None applicable

Resolution

The TIO formed the view on balance that there was insufficient evidence to indicate that the early termination fee was not a genuine pre-estimate of loss.

Digiplus Early Termination Fee

Complaint

Consumer incurred a large fixed early termination fee.

Relevant Code Clauses

None applicable

Resolution – Digiplus altered its method of calculating early termination fees.

Consumer Codes

Code Development and Review

The TIO has continued to participate in the review of the Customer Information on Prices, Terms and Conditions (PTC) code throughout 2003/04. It is expected that this code will be completed in the coming year.

The TIO has also participated in the development of the Connect Outstanding Code and the Consumer Contracts Code. Both are still works in progress.

The Australian Communications Authority (ACA) requested that a Consumer Contracts Code be developed, as the Consumer Contracts Guideline that was published in December 2002 did not seem to have resulted in any noticeable improvements in relation to consumer contracts.

The TIO has also been involved to a lesser extent in the development and review of other ACIF codes through submissions. Of particular interest to the TIO is the code that is being developed on the Rights of Use of Numbers. While the TIO had originally intended to consent to conferral of power for this code, we are now reconsidering. The code appears merely to reflect the provisions of the Numbering Plan in relation to the quarantining of numbers. Consequently, it is questionable whether there will be any consumer benefit were the TIO to consent to conferral of power. The TIO has taken this matter up with both ACIF and the ACA.

Code Complaints

TIO procedures

The TIO's procedure for dealing with code complaints has remained the same over the last year. While the TIO continues to differentiate between code signatories and non-signatories for reporting purposes, the complaint handling procedures are the same for both categories. This is because the TIO considers ACIF codes as benchmarks of industry practice, regardless of whether a company is a signatory to a code.

For Level 1 complaints, the TIO will make a preliminary assessment as to whether a code may have been breached based on the information provided by the complainant. As the TIO does not formally investigate Level 1 complaints, it will always log code breach complaints as 'Possible' (for non signatories) or 'Potential' (for signatories) at this level.

If there appears to have been a code breach in a complaint that is investigated at Level 2 or 3, the TIO will raise this issue in the complaint letter to the supplier. Irrespective of whether or not the supplier is a signatory to the code in question, the TIO expects the supplier to comment on whether, having regard to the code, it believes it has acted reasonably, and what action, if any, it intends to take to remedy the matter. Suppliers are also asked to provide evidence, where possible, to support their claims.

Once an investigation has been completed, the TIO will assess all the available information to determine whether or not, in the TIO's view, a code breach has occurred. The supplier is advised of the TIO's decision in the complaint closure letter.

The TIO regularly sends statistics on code breach complaints to the ACA and ACIF. If it is found that certain suppliers consistently breach certain registered codes, or certain code rules, the ACA may warn or direct those suppliers to comply with the codes

in question. Failure to comply with that direction could result in action being taken against those suppliers.

The challenge the TIO has faced in the past year has been determining what to do once a new version of an existing code has been registered. It is generally the TIO's policy only to have regard to registered codes. Consequently, when a new version of a code is registered, the TIO would cease to have regard to the old version of that code. However, the complaints that are received by the TIO in the period after registration inevitably relate to events that occurred before and after the registration date.

The TIO therefore adopted a policy that once a new version of a code is registered, staff must check when the event complained about occurred. If it occurred after the new code was registered, the complaint may be investigated and recorded in accordance with the TIO's usual procedures. However, if the event occurred before the registration date, Investigations staff could still raise the possible breach with the provider in question, but no code breach would be recorded or reported. This means that for a short time after a new code is registered, there would be a drop in registered code complaints.

Code Statistics

There were 5,111 code breaches in 2003/04, an increase of 944 or 22.7% from the previous year. These comprised 2,197 potential and 253 confirmed code breaches against signatories and 2,429 possible and 232 established breaches against non-signatories. It is worrying that for many codes complaints appear to be rising. In most instances, it is difficult to ascribe the increase to any particular practice or provider. Rather, it appears to be industry-wide. The increases may to some extent be attributed to the TIO's growing awareness and familiarity with codes, and that the number of complaints recorded is a more accurate indication of non-compliance.

More worrying is that just over half of all breaches involve non-signatories, indicating a low level of industry support for Codes.

Billing (27.6%)

Billing Code breaches increased by 41%, continuing a trend identified in 2002/03. Billing complaints now also make up a larger portion of total code breach complaints

recorded by the TIO, at 27.6% compared with 24% the previous year. In contrast to 2002/03, there were also marginally more complaints recorded against non-signatories (53.4%) than signatories (46.6%).

Notably, the number of confirmed and established code breaches has risen significantly, with only 12 confirmed and eight established breaches last year contrasted with 37 and 35 respectively this year. As was the case last year, the high number of Billing Code complaints may be linked to the rise in complaints regarding internet dumping and, more recently, international calls.

The increase may also reflect the registration of the new Billing Code in October 2003.

Consistent with last year's findings, most complaints related to clause 7.3.1 of the Code. This clause requires a supplier to ensure that charges billed to a customer are verifiable by the customer as being consistent with the supplier's published and contracted prices and discounts, as well as what the customer had requested, used or contracted to receive. Although some complaints related to the timeliness of billed charges, these represented only a small percentage of Billing Code complaints.

Credit Management (21.5%)

Credit Management Code breaches increased by 20%. Established and confirmed breaches rose significantly, by over 300% and 50% respectively.

As noted last year, the high number of credit code breach complaints appears to be linked to increased credit management activity within the industry, including the factoring of debt. In addition, the growing problem of unexpected high bills impacts on the level of credit-management activity being conducted by providers. It is also worth noting that based on an analysis conducted by the TIO, it appears that the TIO is under-reporting credit code breaches.

In mid 2003, the TIO analysed a selection of credit-control complaints to ascertain why generally only 10% to 20% of the TIO's credit control complaints involved breaches of the Credit Management Code.

The first conclusion was that the TIO is not routinely capturing all breaches of the Credit Management Code.

The second conclusion was that some important credit-related issues that the TIO deals with were not adequately covered by the code. In particular, the code falls short in relation to the issue of payment arrangements. While the code requires that providers have processes in place to assist customers who are having difficulties paying their accounts, there is no requirement as to what these processes should be, or even that they be reasonable. The revised version of the Credit Management Code, which was registered in July 2003, still does not adequately address this issue.

In 2003/04, 25% of credit-code complaints related to credit management action being taken in relation to disputed amounts (clause 6.7 of the revised code). This was followed by matters concerning a provider's obligation to have in place, and advise customers of, processes to assist customers to pay their accounts (clause 6.1 of the revised code). Following closely behind this area were breaches relating to suppliers failing to advise customers of credit-management processes and failing to give customers seven days notice of a pending suspension of a service (clauses 6.1.1 and 6.4 of the revised code).

Complaint Handling (18.3%)

Complaints relating to the Complaint Handling Code rose by 9.8%. This is disappointing in many respects, as it reverses the downward trend noted in 2002/03. It also suggests that the ACA's investigation into compliance with the Complaint Handling Code has not brought about permanent change or improvement. Moreover, as the Complaint Handling Code has recently been reviewed and submitted for registration, the TIO expected suppliers to have an increased awareness of the Codes requirements.

The TIO's concern regarding industry's level of compliance with the Complaint Handling Code is highlighted by a marked increase in the number of complaints recorded against code signatories. Potential complaints rose by 22.3%, while established complaints more than doubled.

Twenty nine percent of Complaint Handling Code complaints received by the TIO related to clause 8.4.2. This clause requires suppliers to escalate a complaint that remains unresolved. Clause 8.3 of the code also features prominently. It requires a supplier to respond to a customer's complaint within certain timeframes. The TIO has also received complaints where suppliers appear to have failed to halt debt-collection action of genuinely disputed amounts, breaching clause 8.6.1 of the code.

The Code also requires providers to tell customers with escalated but unresolved complaints concerning the provider about the TIO as an avenue of complaint resolution. However, the TIO's own statistics show that no more than 14% of consumers who complain to the TIO have been referred by their provider. This statistic completes a picture of widespread and systemic industry non compliance with the Code.

Customer Transfer (15.5%)

A total of 792 complaints related to the Customer Transfer Code, almost identical to the number received in 2002/03 (796). The consistency in figures between the two years seems to indicate that industry has not adequately addressed the issue of non-compliance. It is also disappointing to note that although there has been a decrease of 14.3% in established breaches since 2002/03, this reduction is more than offset by an increase of 110% in confirmed breaches against signatories.

An analysis of complaints recently conducted by the TIO gives reason for further concern. The TIO analysed all of the customer transfer complaints received in December 2003 to ascertain why generally only 30% to 40% of such complaints involved breaches of either the Customer Transfer Code or the Commercial Churn Code. We found that most cases appeared to involve a breach, or multiple breaches, of either of the codes, but we had failed to identify/record all of these breaches. This suggests that the TIO's statistics significantly under-report the level of non-compliance with both of these Codes.

The majority of recorded complaints under the Customer Transfer Code related to clause 6.3.1 (34.9%), closely followed by clause 6.2.1 (33.1%). The former clause requires a supplier to obtain a customer's informed consent before transferring a service, while the latter clause requires a supplier to make reasonable attempts to establish who the legal lessee is at the point of initial contact.

Customer Information on Prices, Terms and Conditions (8.5%)

The number of complaints relating to the Prices, Terms and Conditions Code more than doubled. The number of established and confirmed breaches also rose commensurately, by 187.5% and 60% respectively. The upward trend is worrying, particularly as it difficult to ascribe to any particular cause.

Closer analysis of the complaints reveals that the major trends are as follows:

- 33% relate to clause 23 of the code, which requires suppliers to disclose pricing information;
- 20.6% relate to failure to give adequate information to a customer about a product, to enable that customer to determine whether that product is fit for its stated purpose (clause 22) and;
- 18.3% relate to failure to advise of early termination fees at point of sale (clause 25).

Commercial Churn (3.6%)

Commercial Churn Code complaints increased by 16.4%. The number of established and confirmed code breaches also rose by about 50% for both categories.

Complaints relating to a supplier's failure to advise a customer of a delay in transferring the customer's service account for almost 50% of all the Commercial Churn Code complaints recorded. The next largest categories relate to a supplier's failure to take immediate action to reverse an invalid transfer, and unreasonable delays in processing the transfer of a service.

Consumer Contracts Guideline (2.3%)

From a low base there was a sharp rise in complaints under the Consumer Contracts Guideline, which the TIO treats as a benchmark of good industry practice for the purpose of investigating complaints. Complaints rose from nine in 2002/03 to 117 in 2003/04, over a quarter of which were found to be established.

More than 80 complaints related to oral presentation issues (section 6.3).

Other Codes

A one third reduction in complaints relating to the Protection of Personal Information of Customers Code was pleasing, with no established or confirmed breaches recorded. Most complaints under this code related to clause 7.1, which deals with disclosure of personal information.

Mobile number portability continues to be a non-issue for the TIO, with only 34 code complaints recorded, a reduction of almost two thirds. Industry is to be commended for the way it has managed this issue.

The TIO recorded only one complaint under the Local Number Portability Code, and two complaints under the Preselection Code.

The TIO received only six complaints about the Priority Assistance Code. Of these, only one, relating to fault rectification timeframes (clause 5.3.1), was established. Of the nine complaints that were logged in relation to the Handling of Life Threatening and Unwelcome Calls Code, only one was established.

Finally, the TIO recorded three Possible breaches of the SMS Code.



Annual Statistics versus Quarterly Statistics

Comparing the combined totals of quarterly code breach complaints with the annual total appears to show a discrepancy. This is due to the manner in which code-breach complaints are recorded by the TIO's database and, for want of a better word, the 'organic' nature of code-breach complaints. All of the TIO's code reports, irrespective of whether they are quarterly or annual, are based on the date that a complaint was closed. Consequently, if a Potential code breach were recorded for a closed Level 1 complaint in a particular quarter, it would be reported on in that quarter's statistics. If in a subsequent quarter that same Level 1 complaint were upgraded to Level 2, and was found to be a Confirmed code breach when the case was closed, it would be reported in that quarter's statistics as a Confirmed breach. This means that in terms of quarterly reports, one breach has been reported twice - once as Potential, and subsequently as Confirmed.

However, it is important to note that the TIO's database retains a record only of the current code breach status of a complaint. In the above scenario, this means that when the *Annual Report* is run, only the Confirmed code breach would feature in the report.

It is also worth noting that the majority of Level 1 code breach complaints are not escalated. Furthermore, not all code breach complaints are initially raised at Level 1 - many are first identified only at Level 2 or 3.

In summary, this means that although there will inevitably be a variation between the quarterly and annual statistics reports, both are correct at the point in time at which they are run.

Code Audits

In the last year, the TIO began conducting regular audits of confirmed or established code breach complaints. The first audit, completed in September 2003, looked at all complaints for 2002/03, while the second, conducted in early 2004, looked at complaints from the September and December 2003 quarters.

In each audit, a random sample of 50 cases was analysed - about 20% of the total number of established and confirmed code breaches recorded. The audits assessed the complaints against several criteria, including whether the TIO followed correct procedure in investigating the code breach, and whether the logging of a confirmed or established code breach was justified.

The results were generally very encouraging. Both audits found that the correct procedure was followed when advising a Member of an alleged code breach in 92% and 90% of cases respectively. The logging of an established or confirmed code breach was justified in 96% and 94% of cases respectively.

In the second audit, there was a considerable improvement in the number of cases where the Member responded to the TIO about the alleged breach, increasing from 50% to 72%. This could be due to increased awareness by Members about the TIO's procedures for investigating code breach complaints. An area of concern, however, is the number of complaints where multiple breaches appear to have occurred but have not been identified/recorded by the TIO. In the first audit this constituted 50% of cases. In the second audit it had risen to 60%. This highlights a need for further training by the TIO to ensure that multiple code breach complaints are captured.

The TIO intends to conduct the code breach audit on a six monthly basis in the future.

Summary of Code Breach Complaints

	Possible [^]	Established ^{^^}	Potential [*]	Confirmed ^{**}	Total	% of total
Billing	719	35	621	37	1,412	27.60%
Credit Management	498	38	517	47	1,100	21.50%
Complaint Handling	248	59	512	115	934	18.30%
Customer Transfer	327	24	399	42	792	15.50%
Prices Terms and Conditions	313	23	90	8	434	8.50%
Commercial Churn	118	16	48	3	185	3.60%
Consumer Contracts	86	31	0	0	117	2.30%
Customer Personal Information	83	0	0	0	83	1.60%
Mobile Number Portability	26	4	3	1	34	0.70%
Handling of Life-Threatening or Unwelcome Calls	2	1	6	0	9	0.20%
Priority Assistance	5	1	0	0	6	0.10%
Short Message Service	3	0	0	0	3	0.10%
Caller Number Display	0	0	0	0	0	0.00%
Preselection	1	0	1	0	2	0.00%
Local Number Portability	0	0	0	0	0	0.00%
Total	2,429	232	2,197	253	5,111	100.00%

[^] Code breaches logged as Possible as no formal investigation was undertaken into complaints (Level 1)

^{^^} Investigated at Level 2/3/4, and TIO established that a breach of a specific Code Rule had occurred. However, the Member is not a signatory to the Code

^{*} Code Breaches logged as Potential as no formal investigation was undertaken into complaints

^{**} Confirmed after investigation at Level 2 and above, and against Code signatories only

Complainant Statistics

Profile of Complainants

As part of the transparency required of the alternative dispute resolution process, the TIO must seek and pass on to Members some level of personal information about each complainant. The TIO tries to limit the degree to which it collects personal information and ensures that it adheres to the National Privacy Principles. Address details, full name, contact information and account/service numbers are all required as part of the complaints resolution process. Unless pertinent to a particular case, the age of a complainant is not asked for.

Gender of Complainant (Percentage)

Male	56%
Female	44%

Complainant Type (Percentage)

Small Business	7.5%
Charity	0.1%
Community	0.1%
Government	0.7%
Residential	91.7%

Method of Complaint (Percentage)

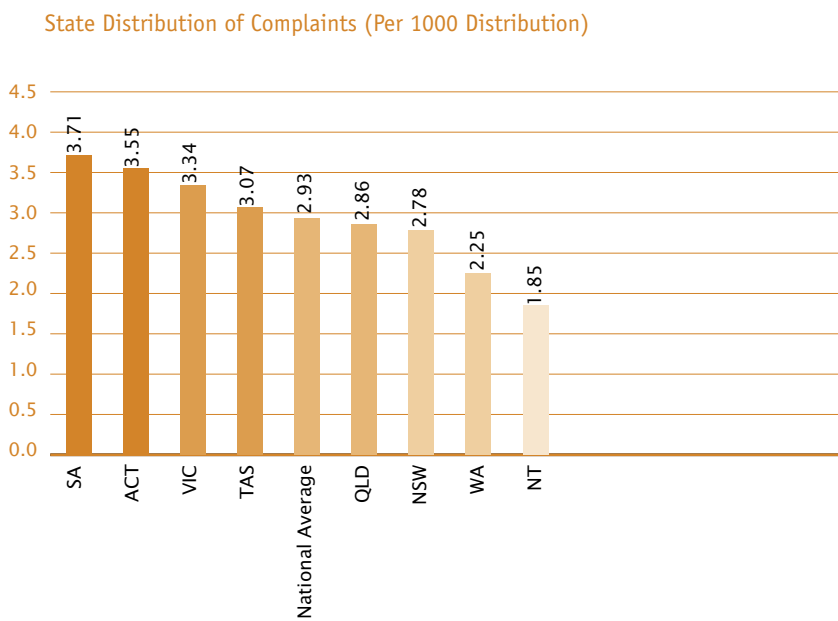
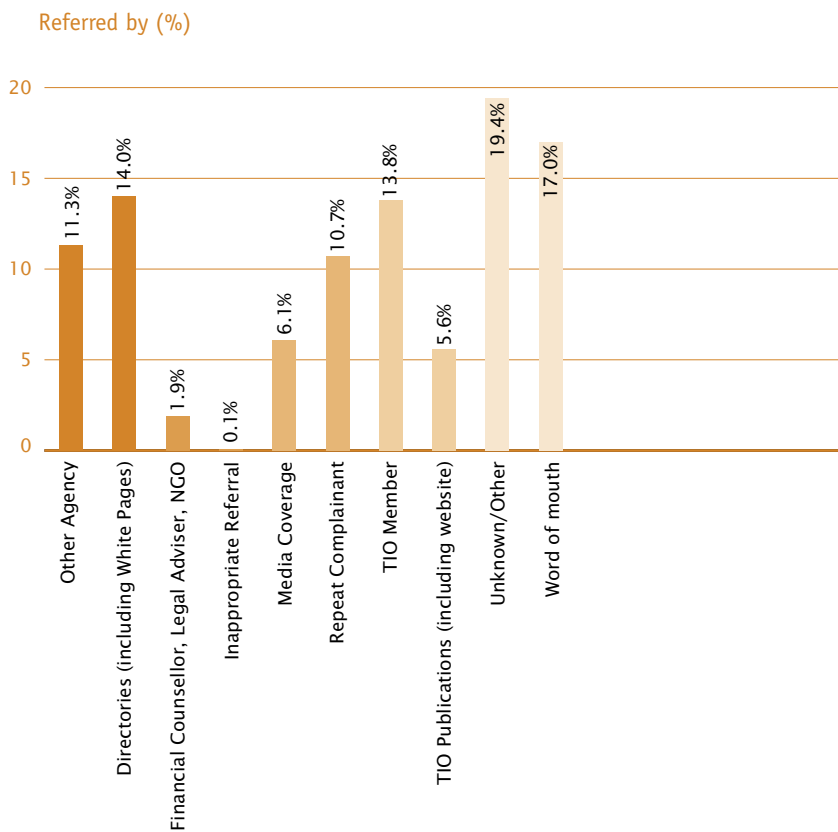
Phone (1800)	87.6%
Email	8.0%
Letter	3.1%
Fax	1.1%
In Person	0.1%
Interpreter Service	0.1%

This year, 91.7% of all complaints were from residential consumers, slightly down on the 92.3% last year. Small business complaints increased to 7.5%, up from 6.8% the previous year. Anecdotally, the range and complexity of services, and number of Members catering for small business services is increasing and with it, the potential for confusion and problems.

This year, as with last year, 56% of complainants to the TIO were male, and 44% were female.

Most contacts with the TIO (87.6%) were by phone; down from 90.9% reported last year. Email is rapidly becoming a preferred method of contact, with this year's figure of 8.0% being almost double last year's 4.5%. Dealing with emailed complaints, unless specifically set up to do so, can be difficult, with processing taking longer than telephone communications and complainants often expecting instant responses. Most complainants are still referred to the TIO via word of mouth or telephone directories, with an increasing number of consumers finding out about the TIO through our publications or website.

Significantly, 10.7% of complainants in 2003/04 had previously had other complaints handled by the TIO.



State Distribution of Complaints

The distribution of complaints across the states and territories is used as a general indicator of awareness of the TIO Scheme. (Please see graph on page 75.) Ideally, we would like these statistics to show an even distribution. However, historically this has not been the case and this year is no exception. While the statistics show a small increase of overall awareness, from 2.63 complaints per 1,000 people in Australia last year to 2.93 this year, there is still unevenness between the states and territories. This year again, the highest number of complaints per thousand came from residents of South Australia, the ACT and Victoria, with Tasmania coming a close fourth.

New South Wales, Queensland, Western Australia and the Northern Territory had complaints numbers below the national average, with the Northern Territory being significantly below. This is despite the TIO's targeting of these areas through forums and participation in various home shows, field days and the like (See Public Affairs – page 18).

City or Country

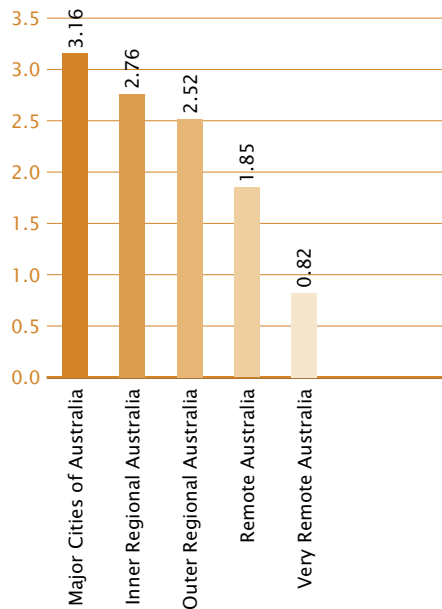
The TIO gathers statistics about remoteness of complainants using Australian Bureau of Statistics software, which divides Australia into five regions, according to accessibility to a full range of goods and services

The statistics for 2003/04 show a general increase in the numbers of complaints per 1,000 people for all five regional categories and this is a positive sign, indicative of growing awareness of the TIO Scheme.

However, people in very remote Australia are still far less likely to make a complaint to the TIO than those in Major Cities. Indeed the likelihood of bringing a complaint to the TIO decreases as the degree of remoteness increases.

It is hoped that a recent advertising campaign by DCITA aimed at raising regional consumer awareness of telecommunications users' rights, including the TIO as an avenue of complaint resolution, may assist in this area.

Complaints by Remoteness Area
– National (Per 1000 Population)



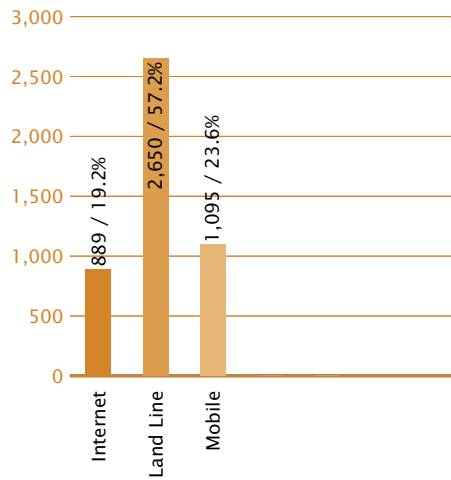
Small Business Complaints

In 2003/04 the TIO received complaints from 4,634 small businesses.

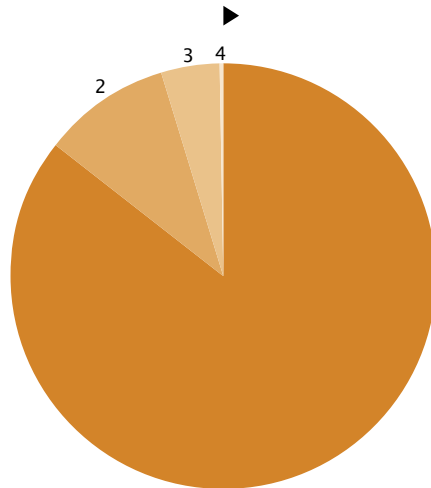
57.2% of small business complaints related to landlines, compared with 69.5% last year, 23.6% related to mobile services, compared to 17.9% last year, and 19.2% related to internet services, up from 12.7% last year. These changes tend to support the growing reliance of small business on more complex technologies.

Small business complaints were more likely to be escalated to Level 2-4 complaints in order to be resolved. Only 85.8% of small business complaints were being resolved at Level 1, as opposed to the general Level 1 resolution figure of 89.7%. Again, this figure tends to reflect the complexity of technology, and therefore potential problems, used by small businesses, as well as the likelihood of compensation claims being involved.

Small Business Complaints



Small Business Complaint Mix



Type	Complaints	%
Level 1	3,977	85.8%
Level 2	453	9.8%
Level 3	197	4.3%
Level 4	7	0.2%