

WELCOME

The Telecommunications Industry Ombudsman acknowledges the traditional owners of country throughout Australia and their continuing connection to land, culture and community. We pay our respects to elders past, present and future.

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Ombudsman's message

This six month update reports on the complaints we received from residential consumers, small businesses and not-for-profit organisations for the period 1 July to 31 December 2018.

During this period we received 60,998 complaints, a 27.7% decrease compared to the same period in 2017. While the figures show complaint numbers at similar levels to the same six months in 2016, total complaints remain higher than in the same period in 2015.

While I am pleased with the decrease, the report is a snapshot of a relatively short period in a complex story. The final quarter of this reporting period showed a slight increase in complaints about internet services against the general downward trend. And the proportion of complaints from small businesses increased and accounted for 15.2% of total complaints.

The telecommunications sector must continue to focus on meeting the needs of consumers. Residential consumers and small businesses increasingly rely on technology delivered by phone and internet services to manage their day to day personal and business needs. With the rollout of the National Broadband Network, the upcoming introduction of 5G, and the new ways technology allows us to connect, our expectations of phone and internet services are increasing.

Our Systemic Investigation Team continues to collaborate with telecommunication providers to identify and address issues with systems, processes, or practices that cause detriment to residential consumers and small businesses. This work emphasises the importance of working with industry and regulators to address emerging problems and improve the consumer experience. During the reporting period we published Systemic Insight: Loss of telephone numbers during migration to the NBN which sets out steps telecommunications service providers can take to reduce the incidence and impact of telephone number loss as consumers transition to the NBN.

JULY - DECEMBER 2018 TELECOMMUNICATIONS INDUSTRY OMBUDSMAN UPDATE

In October 2018, the recommendations from Part A of the Consumer Safeguards Review recognised the importance and value of our work. Many of the recommendations complemented work we were already undertaking to improve how we analyse data and use our dispute resolution insights to contribute to policy development and industry improvement.

In closing, I recognise we cannot resolve complaints without the support of the industry and consumer organisations and I thank them for working with us. I thank the Board, especially the Chair, Patricia Faulkner, for their support and input during a time of significant change. And finally, I thank my staff who work hard every day to assist the industry and consumers to resolve phone and internet complaints.



The Telecommunications **Industry Ombudsman**

The Telecommunications Industry Ombudsman provides a fair, independent and accessible external dispute resolution service for residential consumers and small businesses who have an unresolved complaint about their phone or internet service in Australia.

The service is free and complies with the Government Benchmarks for Industry-based Customer Dispute Resolution.

ABOUT THE TELECOMMUNICATIONS **INDUSTRY OMBUDSMAN**

The Telecommunications Industry Ombudsman Ltd was established in 1993 and is a company limited by guarantee. The Telecommunications (Consumer Protection and Service Standards) Act 1999 requires telecommunications providers to be members of the Telecommunications Industry Ombudsman and to comply with the decisions of the Ombudsman.

TELECOMMUNICATIONS SERVICE **PROVIDERS**

Telecommunications service providers are businesses or individuals who are a carrier or carriage service provider.

Carrier - A person who owns a telecommunications network unit to supply carriage services to the public. The carrier must be licensed through the Australian Communications and Media Authority.

Carriage Service Provider - A person who supplies standard telephone services, public mobile telecommunications services, or carriage services that enable end-users to access the internet, including carriage service intermediaries who arrange for the supply of such services.

SCOPE OF SERVICE

Dispute resolution services include:

- Dealing with individual and systemic complaints
- Promoting fair and effective resolution of complaints
- Providing information and analysis to community, government and members



TELECOMMUNICATIONS INDUSTRY SECTOR

Department of Communications and the Arts

The Department of Communications and the Arts advises government on issues relating to communications and the arts. It supports government to promote economic growth and social benefits by helping all Australians realise the opportunities of digital technologies and communications services.

www.communications.gov.au

Australian Communications and Media Authority

The Australian Communications and Media Authority (ACMA) is a statutory authority within the federal government portfolio of Communications and the Arts. The ACMA is Australia's regulator for broadcasting, the internet, radio communications and telecommunications. www.acma.gov.au

Australian Competition and Consumer Commission

The Australian Competition and Consumer Commission (ACCC) is an independent Commonwealth statutory authority whose role is to enforce the Competition and Consumer Act 2010 and a range of additional legislation, promote competition and fair trading, and regulate national infrastructure for the benefit of all Australians. www.accc.gov.au

Communications Alliance

Communications Alliance is the peak body for the Australian communications industry. www.commsalliance.com.au

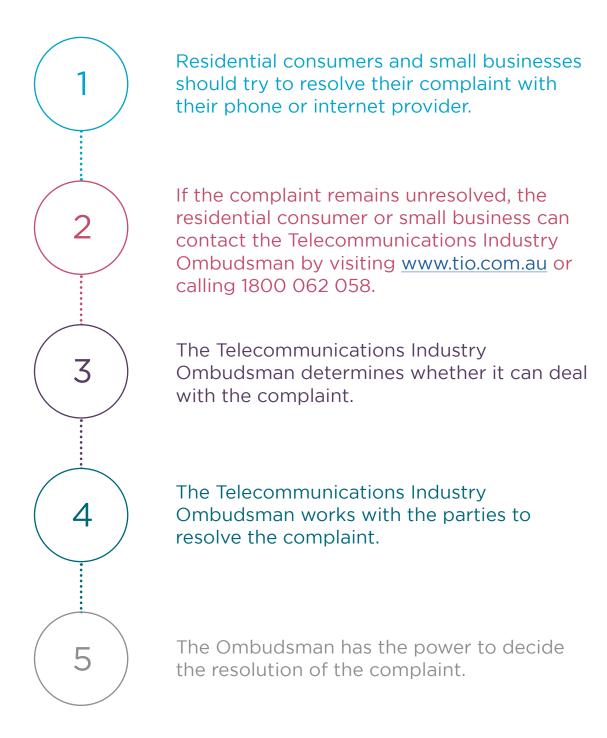
Australian Communications Consumer Action Network

The Australian Communications Consumer Action Network is Australia's peak communications consumer organisation representing individuals, small businesses and not-for-profit groups who are consumers of communications products and services.

www.accan.org.au



Our complaints process



Systemic issues

- 47 possible systemic issues investigated.
- 30 possible systemic issues were notified to providers.
- systemic issues resulted in the provider agreeing to or making changes to its system, process or practice.

The Telecommunications Industry Ombudsman's systemic investigation power allows the organisation to identify issues with the telecommunications industry's regular systems, processes or practices and issues that may cause detriment to residential consumers and small businesses. By investigating issues, raising awareness, and working with telecommunications providers to make recommended changes, the Telecommunications Industry Ombudsman drives improvements in the delivery of telecommunications services leading to better outcomes for consumers and the telecommunications industry.

Between July and December 2018, the Telecommunications Industry Ombudsman dealt with 80,567 enquiries and complaints from residential consumers and small businesses. As a high volume complaint resolution service, the Telecommunications Industry Ombudsman is well-placed to identify and report on systemic issues residential consumers and small businesses face with their phone and internet services.

The Telecommunications Industry Ombudsman considered and investigated 47 possible systemic issues. It notified providers about 30 possible systemic issues, and 14 systemic matters resulted in the provider agreeing to or making changes to its system, process or practice.

The types of changes implemented by providers included:

Introducing new customer authentication

- steps to prevent fraudulent transactions and protect consumers' personal information
- Improving selling and credit assessment procedures to reduce financial overcommitment by consumers
- No longer charging consumers late payment fees while they were complying with a payment arrangement agreed with the provider
- Developing critical information summaries for all current product offerings

The Telecommunications Industry Ombudsman is committed to producing publications about our systemics work. These include Systemic Spotlights, which raise awareness of systemic issues identified by our office, and Systemic Insights, which provide in-depth analysis, findings and recommendations about a systemic issue to drive industry improvements.

In 2018, the Systemic Issues Team published *Systemic Insight: Loss of telephone numbers during migration to the NBN,* which sets out steps telecommunications service providers could take to reduce the incidence and impact of telephone number loss as consumers transition to the NBN.

The Telecommunications Industry Ombudsman works with providers, and also relevant regulators on systemic issues. Between July and December 2018, it referred 10 systemic issues to regulators for consideration and possible action.

Systemic investigation case study

In May 2018, the Telecommunications Industry Ombudsman systemics team told GreenTel¹ we were interested in its account security procedures and how effective they were at preventing increasingly common types of fraud such as SIM swaps.

In the preceding six months, we identified complaints where a fraudster was allowed to take control of a GreenTel customer's mobile number after providing limited personal details. We told GreenTel that requiring only a person's full name, date of birth and service number may not be reasonable given the availability of this information in the public domain. While GreenTel cannot control how banks choose to use mobile numbers as a security measure, we thought this risk should be considered by GreenTel if it is to take reasonable steps to protect customers' personal information and account integrity.

During the systemic investigation, GreenTel acknowledged both GreenTel and the broader telecommunications industry must adapt as criminal activity adapts. GreenTel told us it had progressively been rolling out process changes, including prohibiting SIM swap requests over online chat and over the phone during evenings. Based on our feedback, GreenTel also implemented refresher training to its staff around privacy and deceptive behaviour.

Our systemics team worked with GreenTel, identifying further complaints where its new processes may have failed or where its staff had given customers incorrect information on the use of PIN numbers. GreenTel told us it had taken disciplinary action against staff members whose actions were not compliant.

Most importantly, GreenTel told us it will rollout and embed its own two-factor authentication process by the end of January 2019. This means customers wanting to perform a SIM swap (or other related transactions such as updating contact details) will be sent an SMS to their handset with a link directing them to a secure webpage where the transactions can be approved. If a customer is unable to receive an SMS on their phone, they would be directed to visit a GreenTel store to complete the transaction. In our initial systemic notification to GreenTel, we'd referred to a form of two-factor authentication as an example of good industry practice.

Our systemics team will continue to monitor complaints after rollout of GreenTel's two factor authentication procedure and hope to see a reduction in complaints about fraudulent SIM swaps.

The Telecommunications Industry Ombudsman also welcomes other initiatives GreenTel has been involved in to combat telecommunications fraud, such as the trial of biometric identification verification solutions and assisting the police in investigating fraud offences.

This case study first appeared in the <u>Systemic Spotlight: Reducing fraudsters' theft of mobile numbers</u>. The report outlines how consumers' mobile numbers are stolen by a fraudulent third party and highlights how the Telecommunications Industry Ombudsman works with service providers to improve security and protect consumers.

Visit the Telecommunication Industry Ombudsman Website to read the report.

 Name of individuals, organisations and companies have been changed.



How complaints are recorded

From 1 July 2017, the Telecommunications Industry Ombudsman changed the categorisation of service types and issues about complaints received from residential consumers and small businesses.

The new categorisation improves data collection, provides opportunities for better analysis of complaints, and improves reporting to the telecommunications industry, government, consumer groups, and the public.

SERVICE TYPES

Depending on the services involved, a complaint is recorded in one of five service types.

These are:

- 1. Landline phone service
- 2. Mobile phone service
- 3. Internet service
- 4. Multiple services
- 5. Property

The multiple services category records complaints that involve more than one type of service, such as a complaint about a delay connecting both a landline and internet service.

Property records complaints from a landowner or occupier about damage to a property, or a telecommunications carrier wanting access to inspect land or to install or maintain infrastructure.

RECORDING COMPLAINT ISSUES

Complaints are recorded based on six broad categories that follow the lifecycle of a residential consumer or small businesses' relationship with their phone or internet provider.

These categories are:

- 1. Establishing a phone or internet service
- 2. Delivery of phone or internet services
- 3. Payment for a phone or internet service
- 4. Customer service
- 5. Property damage, cabling and infrastructure
- 6. Schedule 3 of the Telecommunications Act (1997) land access matters

COMPLAINT ISSUE COMPLAINT ISSUE CATEGORY SUBCATEGORY (1) Signing up for a new contract Establishing a new Managing an existing contract phone or internet service Connection or changing provider No service Poor service quality Delivery of phone or internet services **Equipment problems** Special services such as priority assistance, disability equipment and directory listing **Debt management** Payment for a phone **Payments** or internet service 10 Charges and fees (11) Personal information **Customer service** Response from phone or internet provider Damage **Property** 14 Cabling and infrastructure Schedule 3 of the **Telecommunications Act** 15 Land access matters (1997)



Complaints to the Telecommunications Industry Ombudsman

Complaints about landline, mobile and internet services all decreased compared to July to December 2017.

60,998

total complaints received from July to December 2018.

27.7%

decrease in complaints compared to July to December 2017. To account for the seasonality of complaints activity this update compares data to the July to December 2017 period.

51,560

complaints from residential consumers, 84.5% of all complaints, compared to 88% during July to December 2017.

9,270

complaints from small businesses, 15.2% of all complaints, compared to 11.7% during July to December 2017.

COMPLAINT NUMBERS





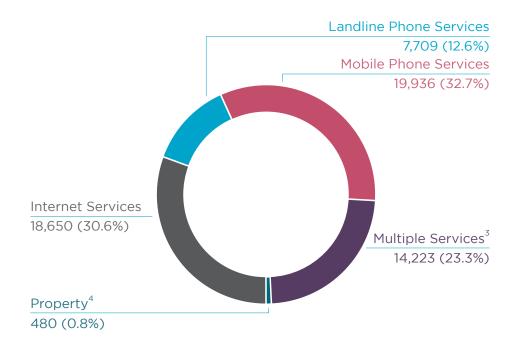
Enquiries
 Complaints
 Conciliations







- 1. Complaints that have been cancelled within the financial year are not included in this report.
- 2. Updated as at 1 July 2018, to reflect downgrades, deregistrations and improved address matching by year end.

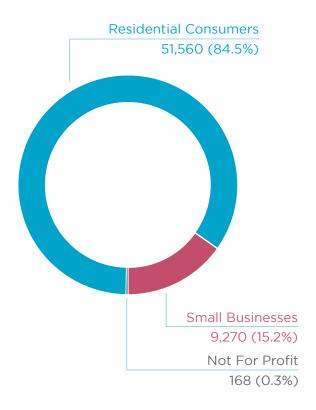


WHAT SERVICES CONSUMERS COMPLAINED ABOUT BY QUARTER: 2017 - 2018



- 3. A complaint which relates to more than one service.
- 4. A complaint involving access or damage to property.

WHO COMPLAINED TO THE TELECOMMUNICATIONS INDUSTRY OMBUDSMAN



TOP 10 COMPLAINT ISSUES

Issue ¹	Complaint issue subcategory	Complaints ²
No or delayed action by provider	Response from phone or internet provider	18,845
Service and equipment fees	Charges and fees	18,324
No service	No service	8,025
Delay establishing a service	Connection or changing provider	7,202
Intermittent service/drop outs	Poor service quality	6,387
Resolution agreed but not met	Response from phone or internet provider	5,520
Slow data speed	Poor service quality	4,715
Misleading conduct making a contract	Signing up for a new contract	3,576
Termination fee	Charges and fees	3,452
Excess data charges	Charges and fees	2,363

^{1.} Complaint issue categories can be found in "How complaints are recorded" on page 11.

15

^{2.} Complaints may include more than one issue.

Establishing a connection, changing provider and service quality

48%

of complaints had a connection, changing provider or service quality issue¹.

8,743

complaints about a connection or changing provider² - this includes complaints about delays establishing a connection, unauthorised transfers, and problems with telephone numbers.

21,431

complaints about service quality² - this includes complaints about lack of service, intermittent service or drop outs, slow data speed, and poor mobile phone coverage.

The consumer experience with an ongoing service, or changing their service, can be examined using the Telecommunications Industry Ombudsman's keywords, which are used for recording complaints.

When complaints include issues about connections or service quality, the Telecommunications Industry Ombudsman identifies the network (NBN, other fixed or mobile) over which the service is delivered.

The fact that the Telecommunications Industry Ombudsman receives a complaint does not necessarily mean a provider or the network itself is at fault. It means that a complaint will begin the Telecommunications Industry Ombudsman's complaint resolution process.

The relative proportion of complaints about services over the three network types below does not necessarily reflect market share.

Network	Complaints about a connection or changing provider	% of all connection and changing provider complaints
Services delivered over the National Broadband Network	4,217	48.2%
Services delivered over other networks ³	3,074	35.2%
Services delivered over mobile networks ⁴	1,452	16.6%

^{1.} Other issues include payment for a phone or internet service, customer service complaints and property complaints, such as access to land to install or maintain infrastructure. Complaints can have more than one issue. 721 complaints had a connection and service quality issue and are represented in both figures.

This 6 month update reflects the changed recording of issues introduced from 1 July 2017. These changes mean it is not possible to compare this data with reports published before July 2017.

^{3.} Other networks include fixed line and wireless networks owned by carriers other than NBN Co.

^{4.} Mobile complaints include all complaints about mobile services, except when they are combined with complaints about another service.

Network	Complaints about service quality	% of all complaints about service quality
Services delivered over the National Broadband Network	9,666	45.1%
Services delivered over other networks ³	9,102	42.5%
Services delivered over mobile networks ⁴	2,663	12.4%

The experience of consumers and small businesses when connecting to or receiving a service delivered over the National Broadband Network is influenced by a range of factors. This can include the actions of the internet service provider, wholesaler, NBN Co, and also factors within consumers' premises.

Apart from complaints in the Property category, the Telecommunications Industry Ombudsman registers complaints against the party with whom the consumer has the contractual relationship, which is generally the retail service provider.

As an increasing number of services are delivered over the National Broadband Network, the number of complaints to the Telecommunications Industry Ombudsman about services delivered over that network as a proportion of all internet and landline complaints is likely to increase. Once the rollout is completed, delivery of internet and landline services over the National Broadband Network will become the norm.

At the end of December, 4,666,966 premises had been connected to the National Broadband Network.

	Connection or changing provider complaints about services delivered over the NBN ⁵	Premises added to the network ⁶	Complaints per thousand premises added to the network
July - Dec 2017	8,711	942,804	9.2
Jan - June 2018	5,878	649,933	9.0
July - Dec 2018	4,217	631,096	6.7

	Service quality complaints about services delivered over the NBN ⁵	Total premises on the network ⁶	Complaints per thousand premises on the network
July - Dec 2017	14,000	3,385,937	4.1
Jan - June 2018	13,008	4,035,870	3.2
July - Dec 2018	9,666	4,666,966	2.1

- 3. Other networks include fixed line and wireless networks owned by carriers other than NBN Co.
- 4. Mobile complaints include all complaints about mobile services, except when they are combined with complaints about another service.
- 5. Complaints that have been cancelled within the financial year are not included in this report. If a complaint has been reassigned from NBN to another network within the financial year, it will no longer appear in NBN statistics.
- 6. The "Premises added to the Network" and "Total Premises on the Network" data was sourced from NBN Co 'Weekly Progress Report" dated 07.03.2019 and published on nbnco.com.au

Residential consumers

51,560

total complaints received from July to December 2018

30.5%

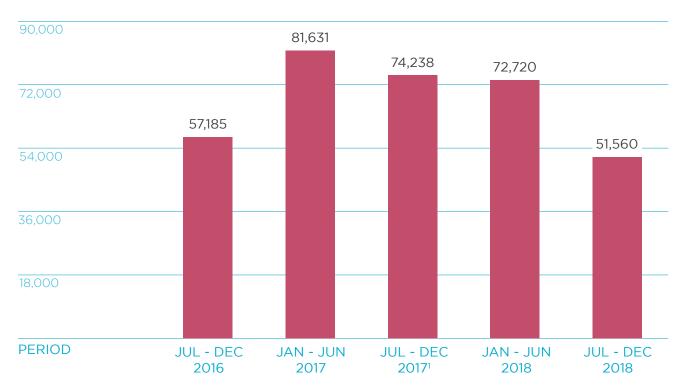
decrease in complaints compared to July to December 2017

84.5%

of total complaints, compared to 88% during July to Dec 2017

COMPLAINT NUMBERS FROM JULY 2016 TO DECEMBER 2018

Complaints

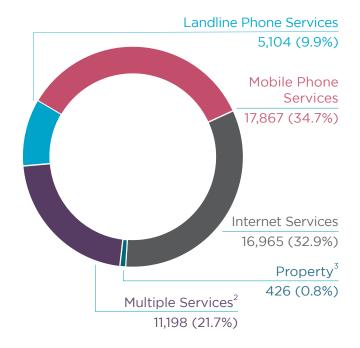


^{1.} Updated as at 1 July 2018, to reflect downgrades, deregistrations and improved address matching by year end.

WHAT SERVICES CONSUMERS COMPLAINED ABOUT BY QUARTER: 2017 - 2018



WHAT SERVICES RESIDENTIAL CONSUMERS COMPLAINED ABOUT



- 2. A complaint which relates to more than one service.
- ${\tt 3.}\,\,\,{\tt A}$ complaint involving access or damage to property.
- 4. Complaints may include more than one issue.

TOP 10 COMPLAINT ISSUES

Issue ¹	Complaint issue subcategory	Complaints ²
No or delayed action by provider	Response from phone or internet provider	15,635
Service and equipment fees	Charges and fees	15,525
No service	No service	6,391
Delay establishing a service	Connection or changing provider	5,923
Intermittent service/drop outs	Poor service quality	5,559
Resolution agreed but not met	Response from phone or internet provider	4,706
Slow data speed	Poor service quality	4,343
Misleading conduct making a contract	Signing up for a new contract	3,045
Termination fee	Charges and fees	2,941
Excess data charges	Charges and fees	2,037

- 1. Complaint issue categories can be found in "How complaints are recorded" on page 11.
- 2. Complaints may include more than one issue.



Small businesses

9,270

total complaints received from July to December 2018

6.4%

decrease in complaints compared to July to December 2017

15.2%

of all complaints, compared to 11.7% in July to December 2017

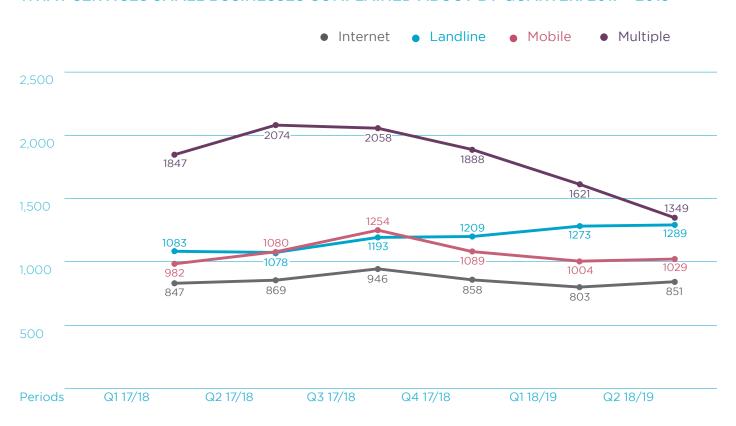
COMPLAINT NUMBERS FROM JULY 2016 TO DECEMBER 2018

Complaints

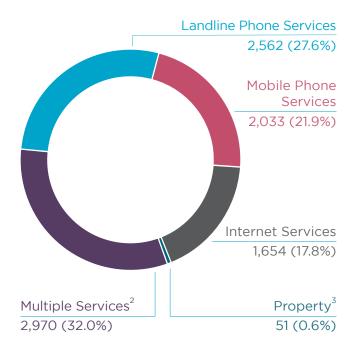


^{1.} Updated as at 1 July 2018, to reflect downgrades, deregistrations and improved address matching by year end.

WHAT SERVICES SMALL BUSINESSES COMPLAINED ABOUT BY QUARTER: 2017 - 2018



WHAT SERVICES SMALL BUSINESSES COMPLAINED ABOUT



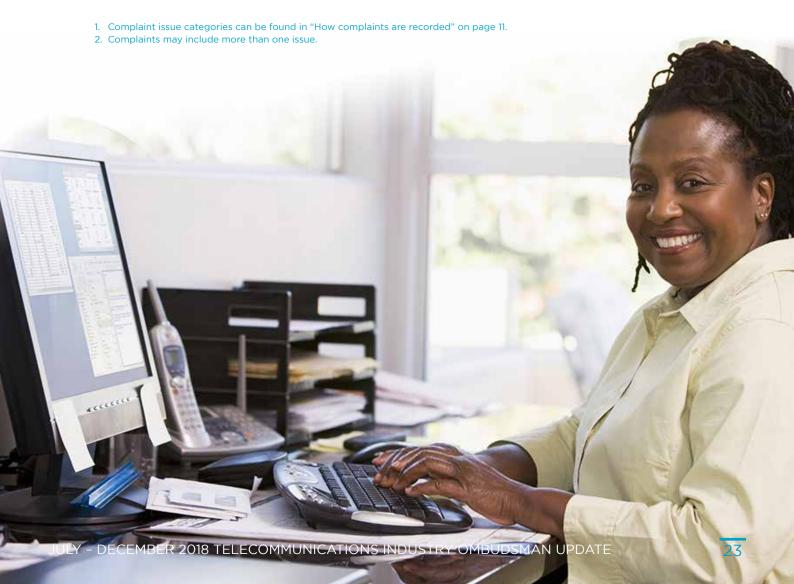
^{2.} A complaint which relates to more than one service.

^{3.} A complaint involving access or damage to property.

^{4.} Complaints may include more than one issue.

TOP 10 COMPLAINT ISSUES

Issue ¹	Complaint Issue Subcategory	Complaints ²
No or delayed action by provider	Response from phone or internet provider	3,156
Service and equipment fees	Charges and fees	2,756
No service	No service	1,608
Delay establishing a service	Connection or changing provider	1,246
Intermittent service/drop outs	Poor service quality	820
Resolution agreed but not met	Response from phone or internet provider	802
Misleading conduct making a contract	Signing up for a new contract	523
Termination fee	Charges and fees	505
Disconnection in error	No service	414
Number problem	Connection or changing provider	382



Australian Capital Territory

911

total complaints received from July to December 2018

22.8%

decrease in complaints compared to July to December 2017

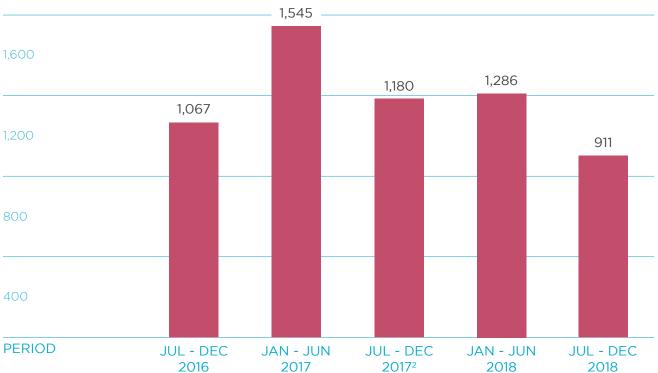
1.5%

of national complaint numbers



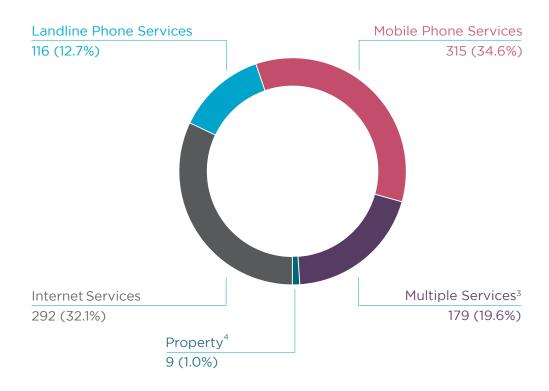
COMPLAINT NUMBERS FROM JULY 2016 TO DECEMBER 2018

Complaints

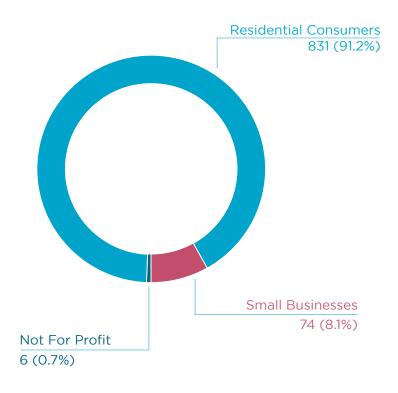


Total complaints that used a valid postcode.

^{2.} Updated as at 1 July 2018, to reflect downgrades, deregistrations and improved address matching by year end.



WHO COMPLAINED TO THE TELECOMMUNICATIONS INDUSTRY OMBUDSMAN



- ${\it 3. \ A complaint which has more than one phone or internet issue or bundled services.}\\$
- 4. A complaint involving damage to property.

New South Wales

19,321

total complaints received from July to December 2018

27.9%

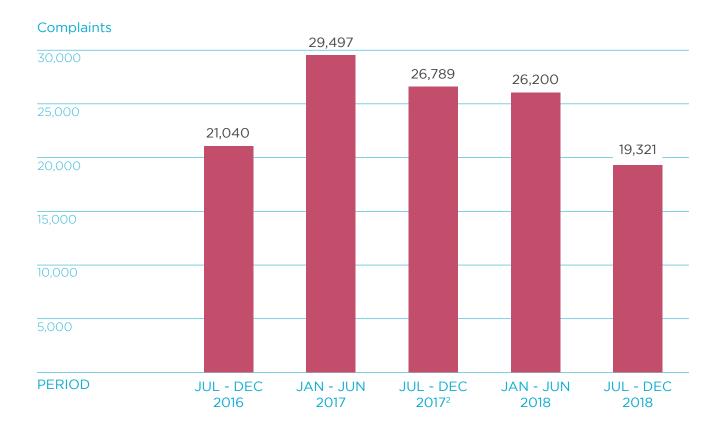
decrease in complaints compared to July to December 2017

31.7%

of national complaint numbers

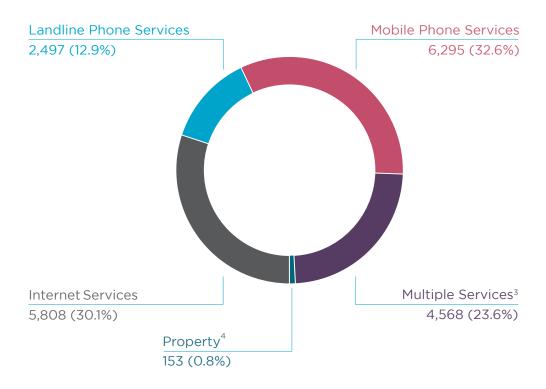


COMPLAINT NUMBERS FROM JULY 2016 TO DECEMBER 2018

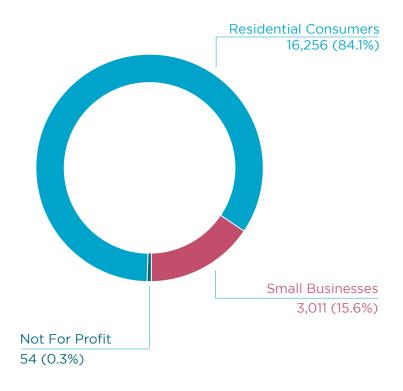


Total complaints that used a valid postcode.

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WHO COMPLAINED TO THE TELECOMMUNICATIONS INDUSTRY OMBUDSMAN



- ${\it 3. \ A complaint which has more than one phone or internet issue or bundled services.}\\$
- 4. A complaint involving damage to property.

Northern Territory

339

total complaints received from July to December 2018

35.9%2

decrease in complaints compared to July to December 2017

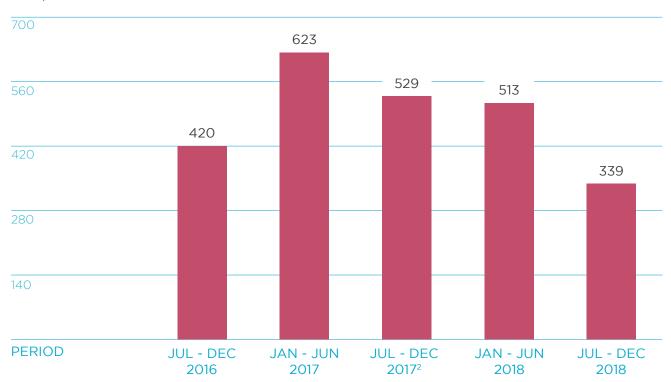
0.6%

of national complaint numbers



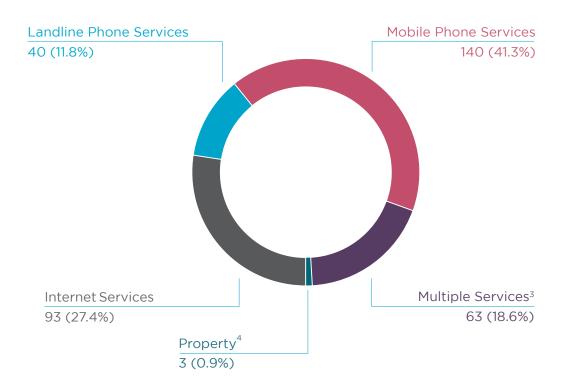
COMPLAINT NUMBERS FROM JULY 2016 TO DECEMBER 2018

Complaints

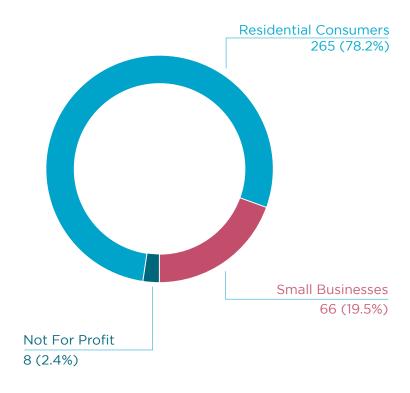


^{1.} Total complaints that used a valid postcode.

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WHO COMPLAINED TO THE TELECOMMUNICATIONS INDUSTRY OMBUDSMAN



- ${\it 3. \ A complaint which has more than one phone or internet issue or bundled services.}\\$
- 4. A complaint involving damage to property.

Queensland

11,585¹

total complaints received from July to December 2018

29.1%

decrease in complaints compared to July to December 2017

19%

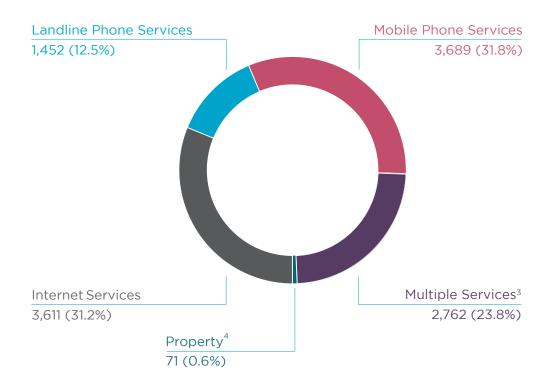
of national complaint numbers



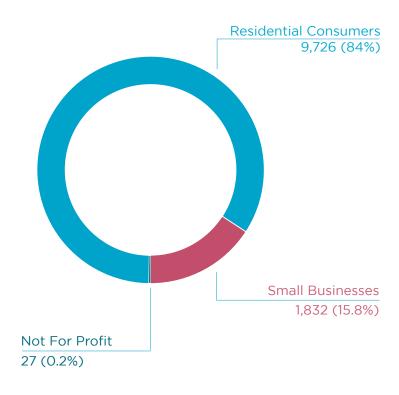
COMPLAINT NUMBERS FROM JULY 2016 TO DECEMBER 2018



- 1. Total complaints that used a valid postcode.
- 2. Updated as at 1 July 2018, to reflect downgrades, deregistrations and improved address matching by year end.



WHO COMPLAINED TO THE TELECOMMUNICATIONS INDUSTRY OMBUDSMAN



- ${\it 3. \ A complaint which has more than one phone or internet issue or bundled services.}\\$
- 4. A complaint involving damage to property.

South Australia

4,615¹

total complaints received from July to December 2018

29.2%2

decrease in complaints compared to July to December 2017

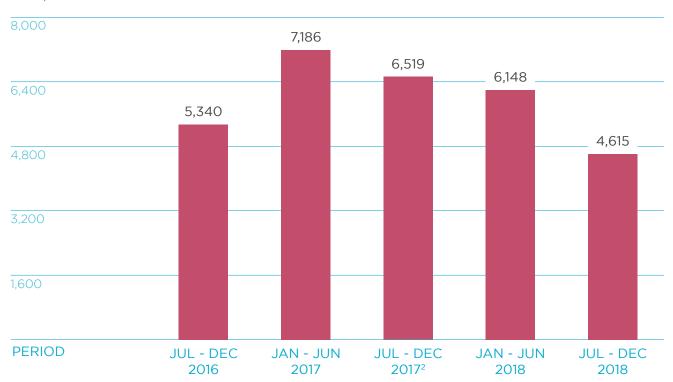
7.6%

of national complaint numbers

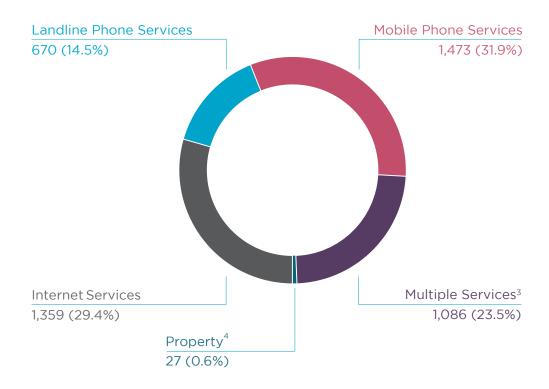


COMPLAINT NUMBERS FROM JULY 2016 TO DECEMBER 2018

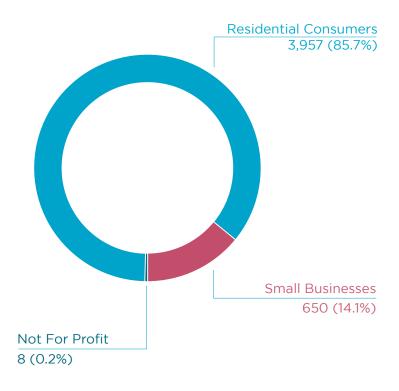
Complaints



- 1. Total complaints that used a valid postcode.
- 2. Updated as at 1 July 2018, to reflect downgrades, deregistrations and improved address matching by year end.



WHO COMPLAINED TO THE TELECOMMUNICATIONS INDUSTRY OMBUDSMAN



- ${\it 3. \ A complaint which has more than one phone or internet issue or bundled services.}\\$
- 4. A complaint involving damage to property.

Tasmania

994

total complaints received from July to December 2018

38%2

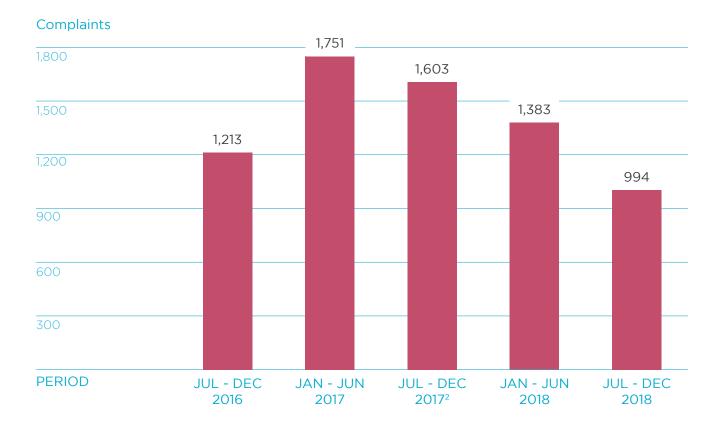
decrease in complaints compared to July to December 2017

1.6%

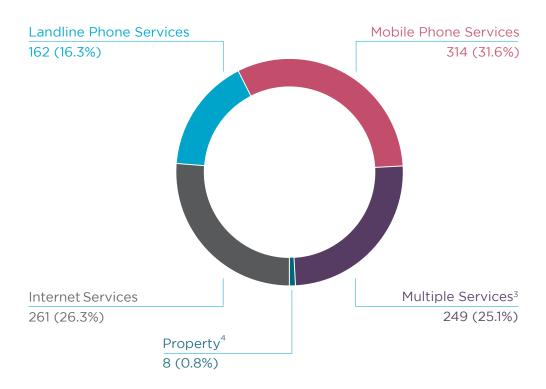
of national complaint numbers



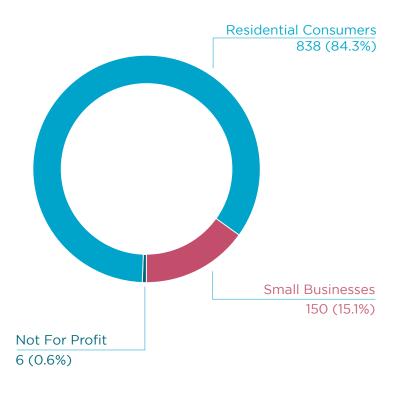
COMPLAINT NUMBERS FROM JULY 2016 TO DECEMBER 2018



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WHO COMPLAINED TO THE TELECOMMUNICATIONS INDUSTRY OMBUDSMAN



- ${\it 3. \ A complaint which has more than one phone or internet issue or bundled services.}\\$
- 4. A complaint involving damage to property.

Victoria

17,639

total complaints received from July to December 2018

26.1%2

decrease in complaints compared to July to December 2017

28.9%

of national complaint numbers

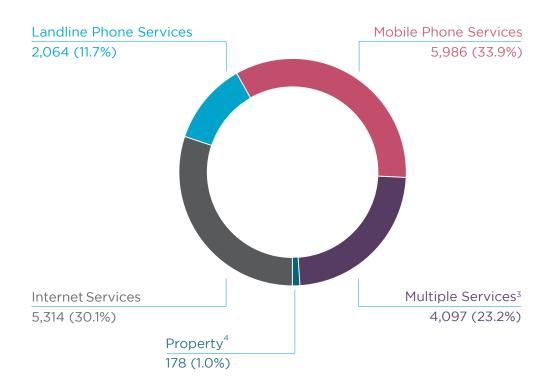


COMPLAINT NUMBERS FROM JULY 2016 TO DECEMBER 2018

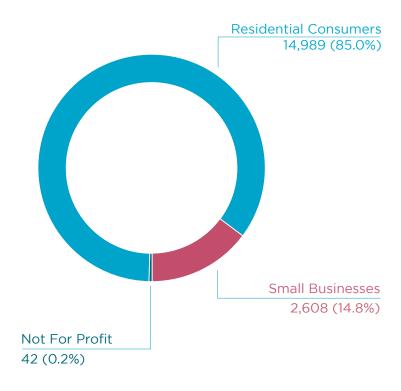
Complaints



- 1. Total complaints that used a valid postcode.
- 2. Updated as at 1 July 2018, to reflect downgrades, deregistrations and improved address matching by year end.



WHO COMPLAINED TO THE TELECOMMUNICATIONS INDUSTRY OMBUDSMAN



- ${\it 3. \ A complaint which has more than one phone or internet issue or bundled services.}\\$
- 4. A complaint involving damage to property.

Western Australia

5,580

total complaints received from July to December 2018

25%2

decrease in complaints compared to July to December 2017

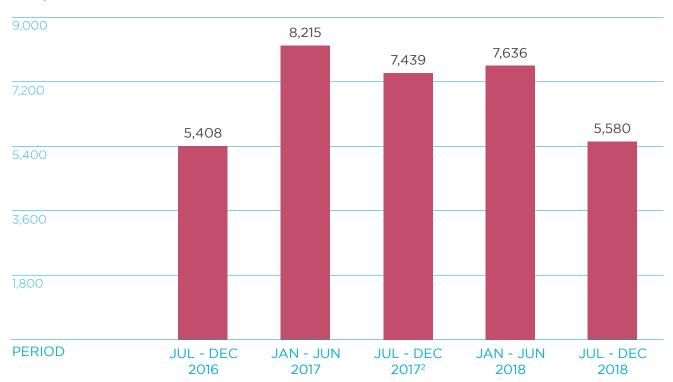
9.1%

of national complaint numbers

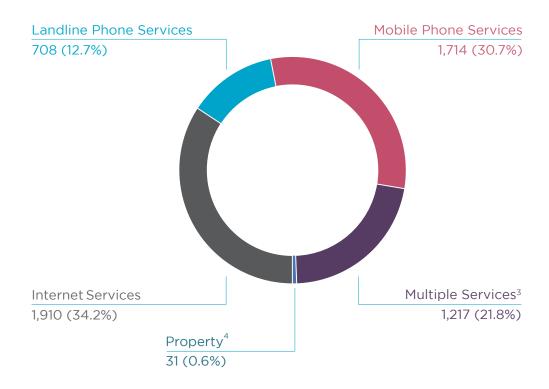


COMPLAINT NUMBERS FROM JULY 2016 TO DECEMBER 2018

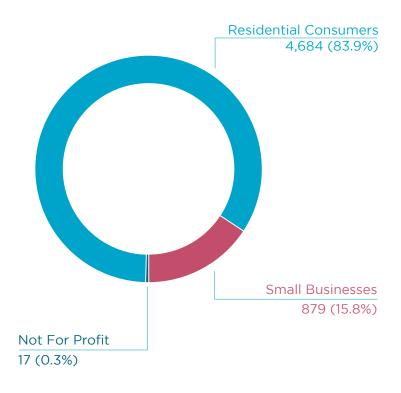
Complaints



- 1. Total complaints that used a valid postcode.
- 2. Updated as at 1 July 2018, to reflect downgrades, deregistrations and improved address matching by year end.



WHO COMPLAINED TO THE TELECOMMUNICATIONS INDUSTRY OMBUDSMAN



- 3. A complaint which has more than one phone or internet issue or bundled services.
- 4. A complaint involving damage to property.



Alex Baxter* International mobile roaming

Alex Baxter* received a bill for \$7,133.74 from his provider, Gold Phones*, after using his phone while travelling in Argentina.

Alex complained to the Telecommunications Industry Ombudsman that this was not fair, especially since he was travelling with friends who also used their phone, but were only charged \$100 by their provider. Alex wanted to pay only his normal charges of \$150 per month

The Telecommunications Industry Ombudsman Enquiry Officer assigned to Alex's case emailed the details of the complaint to Gold Phones and asked them to work with Alex to come up with a solution to his complaint. Gold Phones told Alex the roaming charges were valid but offered to reduce them to \$5,000. Alex did not accept the offer and returned to the Telecommunications Industry Ombudsman. Alex's case was assigned to a Dispute Resolution Officer.

Under the Telecommunications Consumer Protections Code, providers must warn their customers about roaming charges when the customer arrives in a different country and turns on their mobile phone. Warnings are sent by text message and must include the rates for making calls, sending texts, and using the internet in that country.

Gold Phones provided the Dispute Resolution Officer information to show it had sent Alex the warnings required under the Code. Gold Phones' warnings also advised Alex that roaming inclusions in his plan did not include Argentina, and gave him a free phone number and a web link in case he wanted to deactivate roaming.

The Dispute Resolution Officer decided that as Gold Phones had complied with the Code, Alex should accept Gold Phones' offer of \$5,000. The Dispute Resolution Officer suggested Alex and Gold Phones work out a suitable payment arrangement.

Alex disagreed with the Dispute Resolution Officer's decision and asked for a review. Our Review Officer upheld the Dispute Resolution Officer's decision and the case was closed.

*Name of individuals, organisations and companies have been changed

Melanie Wu*

Internal communications error

Melanie Wu* represented a charity that had trouble cancelling its internet service with Silver Telco*.

Melanie told the Telecommunications Industry Ombudsman that the charity had been Silver Telco's customer for long enough to be out of contract. In early September she asked Silver Telco to cancel the charity's internet service at the end of the current bill cycle (which was 24 September). The charity had an account manager at Silver Telco who confirmed in writing this would happen.

Soon after, another representative from Silver Telco called Melanie. This representative said the account manager had made a mistake – the charity had to give Silver Telco 60 days' notice to cancel the service, which meant the internet service would be active until 30 November. Silver Telco sent the charity a bill for October which Melanie paid.

Without warning the internet service was disconnected in early October.

When Melanie received another bill for November, she complained to Silver Telco and was dissatisfied with its response. She decided to raise her complaint with our office. After Melanie's complaint remained unresolved, our Dispute Resolution Officer contacted Silver Telco about the disconnection and billing charges. Silver Telco offered to waive approximately \$9,000 in charges from the October and November bills. Silver Telco explained an internal communications error had caused the problems. Melanie accepted Silver Telco's offer and the charity stayed with Silver Telco for its landline services.

*Name of individuals, organisations and companies have been changed

Jane Romano* Investigating a business loss claim

Jane Romano's* business moved premises in October 2017 and contracted with Pearl Phones* to connect new landline and internet services.

The following February, when Pearl Phones had still not connected the services, Jane connected the business phone and internet services with another provider.

Pearl Phones offered Jane \$2,000 as compensation for the time the business spent without services.

Jane complained to the Telecommunications Industry Ombudsman. Jane said that based on profit and loss statements for the same period in the previous financial year, the business had lost \$196,357 of revenue because of the connection problems. Jane wanted Pearl Phones to compensate her for this amount, plus a \$14,000 accountant's fee. Jane also gave us the profit and loss statements she was relying on for her claim.

After the complaint was referred to Pearl Phones, they increased their offer to \$9,000, which Jane refused.

A Dispute Resolution Officer told Jane that if she and Pearl Phones could not agree, our office could only make a binding decision to the value of \$50,000, or a recommendation to the value of \$100,000.

The Dispute Resolution Officer also contacted Pearl Phones, who explained the reasons for offering \$9,000. These included:

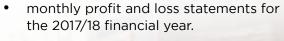
- Jane's business call records from before and after the period without services showed the landline received very few incoming calls, indicating the business did not rely on the landline to generate revenue
- Jane's mobile phone usage was the same during the disconnection period as it was before and after the period, indicating Jane conducted most of her business by mobile phone
- Jane had not asked Pearl Phones for interim internet solutions even though Pearl Phones had suggested this
- Based on the information Jane had supplied to Pearl Phones, they argued her business revenue had been decreasing year-on-year.

Pearl Phones gave the Dispute Resolution
Officer call records and data to support its view.

Jane said her reason for refusing Pearl Phones' offer was because her business revenue was seasonal, so comparing the period without services to the months directly before and after did not reflect the contact the business would have received from potential customers. She also said the best way to determine the revenue seasonality was to compare profit and loss statements from previous financial years.

The Dispute Resolution Officer explained to Jane that to make an accurate assessment with this much money involved, she would need to provide:

business activity statements and tax returns for the 2017/18, 2016/17, and 2015/16 financial years





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If you need an interpreter, please contact us through the Translator and Interpreter Service (TIS): 131 450

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*Free from landlines. If you are calling from a mobile,

