



TELSTRA CORPORATION LIMITED

**Telecommunications Industry Ombudsman –
Independent five-year review
Queen Margaret University**

Public version

May 2022



01 INDUSTRY BENCHMARKS

1.1. ACCESSIBILITY

The TIO ensures that its service is readily available to customers by promoting its services and providing these services at no cost to the customer. In recent years, the TIO has increased awareness in the community through its outreach and other promotional activities. This outreach, coupled with providers raising awareness of the TIO as an avenue of external dispute resolution, has resulted in a high awareness in the community of the TIO's services.

The TIO's processes are clear, and it does a good job of educating customers of their rights. However, the TIO's website and communications could make it clearer that a customer must first contact their provider to allow them an opportunity to resolve a complaint, before raising it with the TIO.

1.2. INDEPENDENCE

The TIO's impartiality is critical to the effective operation of the scheme. Telstra considers that, to avoid any perceived bias, it is important to reinforce this commitment within the TIO when new staff are recruited, as well as at regular intervals.

The TIO has an important role to play in educating telecommunications users of its services. However, we believe that some external communications may be perceived to be biased against industry. An example of this is external communications asking the question: 'Are you seeking compensation - do you know you can get compensated for financial and non-financial loss'. While the TIO Terms of Reference now permit consideration of non-financial loss compensation, this is provided only in very limited circumstances and the communication appears to promote a particular course of action for customers. We support the TIO making relevant information available to customers about their rights and options, but we do not support the TIO promoting a particular course of action that might not be appropriate in all cases.

Appropriate monitoring should be in place to ensure that the TIO's independence – both real and perceived – is maintained.

1.3. FAIRNESS

In most circumstances, TIO processes ensure that disputes are resolved in a way that ensures the outcome is fair for both parties.

Occasionally the TIO will encourage Telstra to provide a customer with compensation, even though Telstra has made every effort to satisfy a customer and followed its processes accordingly. It is important that the TIO considers our compliance with regulatory obligations and internal processes and whether our proposed resolution is reasonable, when determining whether the customer's ongoing dissatisfaction is justified.

Telstra supports recent efforts of the TIO to improve its approach to fairness by seeking feedback from providers on its performance on individual complaints and through surveys. The TIO has sought to improve their processes in several areas by seeking information about process and outcomes.



1.4. EFFICIENCY

The TIO, like any organisation, should have mechanisms to review processes to ensure they are operating efficiently. If there are ways to improve operational efficiency, such as using new and emerging technologies, these should be pursued, if the integrity of the scheme is maintained.

One area in which the TIO could consider reviewing its processes would be to classify complaints at the outset. We note there are increasing levels of reclassifications of complaints required. This creates inefficiencies at the provider level as well as for the TIO. The TIO could consider putting additional effort into ensuring that issues are classified correctly at the outset.

1.5. EFFECTIVENESS

Telstra considers the TIO an effective external dispute resolution body that supports consumers and industry to resolve complaints.

02 ADDITIONAL ISSUES

2.1. REVISED TERMS OF REFERENCE

The implementation of the revised Terms of Reference was a lengthy process which involved regular engagements with industry and individual providers and was resource-intensive. The TIO should focus on its role as an external complaint resolution body, with a clearly defined scope to provide consumers with clarity about what is – or is not - within its remit for dispute resolution. This would help reduce the resources used exploring the potential expansion of the TIO's remit that is not necessary or justified.

2.2. SYSTEMIC INVESTIGATIONS

We support working collaboratively with the TIO on emerging customer issues. Telstra has its own internal analysis into complaint data to identify emerging issues or pain points and works collaboratively with the TIO to remediate and rectify issues early. This can lead to better customer outcomes.

In recent years, the volume of systemic investigations increased which resulted in operational impacts on our resources. Telstra accepts there is an important role for the TIO to identify and investigate issues impacting customers which appear to be systemic. However, there is a lack of clarity on what makes something 'systemic'. Telstra believes that systemic investigations should only be initiated in response to a pattern of increased complaint data from multiple customers.

Systemic investigations should not be run in parallel with other investigations by regulators regarding the same issue. To avoid this regulatory overlap, we consider the TIO should discontinue investigations into issues being considered by a regulatory body.

2.3. MEMBER AND STAKEHOLDER ENGAGEMENT AND OUTREACH ACTIVITIES

The TIO excels at engaging with the community and its members and is focussed on achieving optimal customer outcomes. Participation at events that focus on vulnerable consumers, like Seniors Week celebrations, increases visibility and promotes better customer outcomes.