

## Thematic review of the Customer Service Guarantee

Vocus welcomes the opportunity to provide a response to the consultation paper on the thematic review of the Customer Service Guarantee (CSG).

Vocus serves residential consumers and small business through its retail brands, Dodo, iPrimus and Commander. We are committed to delivering high quality product and service experiences for our customers.

Vocus submits the CSG is no longer relevant and useful given the significant changes in the telecommunications market and how services are now delivered. The way consumers access fixed voice services is markedly different today compared to 1997 when the CSG was introduced.

### Potential future approaches to the CSG

#### *Focus on wholesale networks*

Regulatory options must be appropriately targeted. Of the options canvassed in the consultation paper, the preferable approach is that the CSG be allowed to lapse in relation to voice services provided over the NBN and other SIP networks. Vocus welcomes the Department's acknowledgment that most key activities associated with the connection and repair of voice and broadband services are now largely controlled in practice by NBN Co and other SIPs, rather than retail service providers (RSPs). In this context, it is appropriate that any ongoing concerns should be addressed through requirements at the wholesale level.

Vocus does not support the introduction of new retail service level obligations or re-writing the CSG so it applies to broadband services generally. RSPs should have the flexibility to be able to innovate, compete and differentiate on service, and thereby provide customers with choice.

The consultation paper states that only having requirements at the wholesale level may raise "concerns that there would be insufficient incentives for RSPs to provide the performance outcomes they are receiving from NBN Co and SIPs to their consumers. This might be addressed by placing new requirements on RSPs to ensure these performance outcomes are made available to their customers, or there is at least transparency as to what outcomes the RSPs will provide."

Vocus submits that there are sufficient commercial and regulatory incentives for RSPs to provide the performance outcomes they are receiving from NBN Co to their customers. Given the highly competitive NBN market, RSPs face very strong commercial incentives to attract and keep their customer base, focus on consumer experience and reduce customer complaints. For example, Vocus have dedicated advocacy teams to support customers and manage customer complaints which has assisted in continuous improvement making our brands industry leaders in terms of least TIO complaints per 10,000 users<sup>1</sup>.

If RSPs are not acting sufficiently quickly or appropriately communicating with a consumer about a fault or other problem with their service, there are complaint handling rules and protections in place. There are also a range of other regulatory consumer protections and information requirements

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<sup>1</sup> Communications Alliance Complaints in Context Report, October – December 2022

including in the ACMA's NBN service rules, Australian Consumer Law, the Telecommunications Consumer Protection Code and TIO-related obligations.

The Government should only intervene with new regulation where there is a clearly identified market failure. As noted in the Australian Government Guide to Policy Impact Analysis<sup>2</sup>, regulation should not be a default option and policy makers should clearly demonstrate a public policy problem necessitating Government intervention, and examine a range of genuine and viable options, including non-regulatory options, to address the problem. Vocus submits there has not been any identification of market failure in the retail fixed line market that warrants imposing new prescriptive requirements on RSPs.

Vocus strongly objects to the approach, previously proposed by the ACMA, to regulate commercial rebate pass-through. Commercial arrangements with NBN Co already require RSPs to pass through rebates for missed appointments in full monetary value, and to take reasonable steps to pass on a 'fair value benefit' of specific rebates including those that apply to connections and service faults. These arrangements provide sufficient confidence that rebates or other benefits flow directly to affected consumers. When our customers are impacted by a service failure, we manage customer experience and resolution appropriately at that point in time and do not wait until we receive a rebate from NBN Co. Regulating commercial rebate pass-through would not deliver improved outcomes for consumers. It would impose material cost and complexity on RSPs to practically implement and remove the flexibility to innovate, compete and differentiate on customer service.

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<sup>2</sup> [Australia Government Guide to Policy Impact Analysis, March 2023](#) page 6