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Date: 30 July 2018

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Senator the Honourable Mitch Fifield  
Minister for Communications  
Consumer Safeguards Review  
Department of Communications and the Arts  
CANBERRA ACT 2601

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Dear Minister,

### **Consumer Safeguards Review – Part A: Consumer Redress and Complaints Handling**

The Legal Services Commission of South Australia is the State's largest legal assistance services provider. It provides legal advice and information to all South Australians through its Access Services Branch. In the previous financial year, our advice staff provided 92,980 advice and information services whether face to face, by telephone or via our Legal Chat facility. Of these services, 3,268 concerned consumer law matters.

The Legal Services Commission welcomes this review. We will restrict our submission to those areas of the Discussion Paper where we have detailed knowledge and experience.

#### ***Proposal 2 – External Dispute Resolution:***

***An External Dispute Resolution body, independent of industry, should be established to deal with complex complaints that are unable to be resolved directly between customers and their providers. Consideration will need to be given to the appropriate governance arrangements to support the body, with its independence being a guiding principle***

Through our telephone and face to face advice service, we assist clients with disputes with their telecommunications service provider (TSP).

Clients report that despite trying to resolve the issue directly with the TSP even relatively simple disputes are taking too long to resolve, prompting a call to our legal advice line for guidance on the next steps. Many clients are unaware of their right to complain to the Telecommunications Industry Ombudsman (TIO) and are unsure of how they can get a resolution.

Some clients tell us that the TSP has not understood the nature of the problem, or that they have had to deal with more than one person or department, and have had to explain their story several times. There is sometimes dispute fatigue and clients may give up or accept an unreasonable offer by the TSP in order to bring the dispute to an end.

It is of concern that there is a proposal to limit the provision of external dispute resolution to complex disputes only. Given the increasing dependence on the services provided by TSPs, consumers need an independent body readily available for any type of dispute.

The other problem with the proposal is the classification of a dispute as 'complex'. For a consumer, even a minor interruption to their service may represent a complex problem, even though the TSP



may see it as a simple issue. Even though the problem may be simple, the way the dispute is handled by the TSP may result in the problem becoming complex for the consumer.

The Telecommunications (Consumer Complaints Handling) Industry Standard 2018 which commenced 1 July 2018 includes timeframes for the internal resolution of a dispute, as well as requirements for identification, management and resolution of all types of disputes.

The standard could be improved in a number of ways including enhancing how consumers are informed of the TSP's complaint handling processes, and defining the obligation on the TSP to provide a consumer with information about escalation of a dispute to the TIO. However, while the standard is an improvement, it has not yet had time to be established to determine if it is improving dispute handling for consumers.

#### **Case Study**

Gary\* has a mild intellectual disability and tends to get confused if he is not given the time to comprehend large amounts of information. He had an existing mobile phone contract with some data, but he wanted to arrange internet for his home. He rang his provider, and over the phone agreed to what he thought was a broadband service. However, when he received the modem, there was a handset as well. He didn't open any of the packages but was very confused about what he received.

After looking at his phone bills and seeing extra charges, Gary's support worker phoned the provider to explain what had happened. The provider said he had to pay for the plan for the phone because that is what he had ordered. The support worker then explained that Gary was on a disability support pension and that it was pointless him having two phones. The support worker further explained that his client could not afford to pay for the second phone and the broadband service, and wanted to return both items. The provider advised that there would be a cancellation fee, and that would be added to his account. Unfortunately, the amount was very high, and almost pointless if Gary were to return both items.

When the support worker pointed out the position and asked that he return the goods without charge, the provider then asked for hardship information, and suggested that he pay off the debt at a rate of \$10 per week. The provider also asked for supporting medical evidence of Gary's intellectual disability.

After some strong advocacy by the support worker, the provider agreed to waive all fees and accept the return of the items.

\*not client's real name

Thank you for the opportunity to make a submission to this review.

Yours sincerely,



Gabrielle Z Canny  
Director