



ACMA initiatives increase telco compliance with DNC Register

Since the Do Not Call Register (the register) took effect in May 2007, ACMA has received more telemarketing complaints about telecommunications providers than any other industry. Fifty-five per cent of all complaints received by ACMA from consumers on the register who reported receiving a prohibited telemarketing call related to calls marketing telecommunications products and services.

ACMA has targeted a campaign to telecommunications providers to improve their compliance. The campaign has been comprehensive, incorporating education (through the publication of practical advice about adhering to compliance requirements), warnings to businesses that have been the subject of consumer complaints, formal investigations where additional complaints are received about a business despite it having been issued with a warning, and enforcement action in cases where apparent non-compliance is identified. ACMA has also put some individual businesses 'on notice', providing them with an opportunity to address apparent compliance problems while making it clear that formal action may be taken if the issues are not resolved promptly.

This campaign has already seen some excellent results, with numbers of complaints about telecommunications providers dropping by more than 50 per cent over the course of 2008. However, more work still needs to be done by the telecommunications industry.

ACMA will expand its education campaign in the near future with the publication of comprehensive best practice compliance guidelines to help telemarketers from all industries meet their regulatory obligations in relation to the register.

COMPLAINTS ABOUT TELECOMMUNICATIONS PROVIDERS

Common themes have emerged from the complaints. Particular telecommunications providers are often the cause of a very large number of complaints, and consumers often

receive multiple calls from the same entity, which can be extremely frustrating when they have registered their number to stop receiving such calls. ACMA has also noted that many of the companies subject to investigations make wide use of offshore call centres, which in some cases has contributed to compliance problems.

Further, the multi-layered resale chain in the telecommunications industry can result in several businesses being involved in 'causing' telemarketing calls to be made, as defined by the *Do Not Call Register Act 2006* (DNCR Act). Significant compliance issues arise when businesses higher up in the retail chain do not take responsibility for the actions of their resellers, dealers and call centres.

Finally, the kind of telemarketing call that has generated the most complaints to ACMA has been the offer of a 'free mobile phone'.

INVESTIGATIONS INTO TELECOMMUNICATIONS PROVIDERS

ACMA has commenced 14 formal investigations into alleged breaches of the DNCR Act by telecommunications providers so far, with 10 finalised and the following enforcement actions taken:

- four infringement notices, with the largest penalty paid to date being \$147,400 by Dodo Australia
- five enforceable undertakings
- four formal warnings.

In these cases, ACMA found that it had reasonable grounds to believe the businesses had contravened the DNCR Act by making telemarketing calls, or causing them to be made, to

numbers on the register.

AN ENVIRONMENT OF ACCOUNTABILITY

ACMA is seeking to create an environment of accountability within the telecommunications industry with regard to compliance with the DNCR Act.

The focus so far has been on the businesses most directly linked to the calls being made. In the majority of cases, this has been the business that engaged the call centre in question to make calls—most often a mid-tier reseller or dealer. However, it is important for telecommunications providers at each level of the marketing chain to take responsibility for the compliance of each entity directly below it in the chain.

Where reselling arrangements exist, ACMA is encouraging companies at the top of the marketing chain to take the lead in insisting on high standards of compliance in the businesses that depend on them.

MORE INFORMATION

Detailed information about the compliance requirements of the DNCR Act is available on the register website <www.donotcall.gov.au>, under the 'Industry website' tab.

For further information about any matters discussed in this article, contact ACMA's Telemarketing Investigations Section at <DNCRIInvestigations@acma.gov.au>.