

# Line drawn in the sand—customers to come first

The ACMA has launched the draft report of its *Reconnecting the Customer* (RTC) public inquiry into complaints-handling and customer service in telecommunications, putting the industry on notice that its approach needs to change.

Releasing the report on 1 June, ACMA Chairman Chris Chapman said: 'This is all about the consumer—better customer care, better service and a new approach from the industry.'

'Australia's long-suffering telecommunications consumers can look forward to safeguards against "bill shock", easier to understand plans and the more timely resolution of their issues, under our multi-layered plan to improve customer service.'

Under the RTC proposals, more than 1,000 Australian telcos and internet service providers will need to deliver on six major consumer protection measures, while coming under greater regulatory scrutiny to make sure they follow through.

'We are looking forward to the industry taking this "guidance" and considering how it can best be included in the industry's Telecommunications Consumer Protections Code,' Mr Chapman said.

'The code is currently under industry review so this is the opportunity for the industry to respond to the challenge. The industry response will certainly give an early indication of its readiness to effect the clearly needed step change—all in the interest of yielding materially improved consumer outcomes.'

The ACMA also foreshadowed more direct intervention by imposing industry standards and service provider determinations as the preferred approach for several of the proposals contained in its report.

'The way the telecommunications industry in Australia has dealt with its customers must change,' said Mr Chapman. 'During our comprehensive review it also became clear the telcos understand the need for that change, and this plan provides both the specific action points and the incentives to implement them.'

The report recommends six specific action points:

- > Improved advertising practices, including the disclosure of a simple unit pricing rate (i.e. the amount you really pay for a call) to facilitate easy comparisons.
- > Improved product disclosure information, especially about critical information, with the emphasis on better, rather than more, information.
- > The introduction of transparent customer care performance reporting.
- > The provision of expenditure management tools for consumers to manage their costs (i.e. avoid 'bill shock'), particularly by being able to monitor the accumulation of charges during a billing period.
- > The adoption of best practice internal complaints-handling that meets the Australian Standard for Complaints-handling (AS ISO 10002-2006). This sets out guiding principles for key customer touch points—visibility, accessibility, responsiveness, objectivity, charging, confidentiality, accountability and continuous improvement.
- > Changes to the Telecommunications Industry Ombudsman scheme—its governance and the prosecution of best practice standards and systemic issue reporting.

The *Reconnecting the Customer* draft report canvassed the views of industry, consumers and consumer advocacy groups and government, and is also supported by very extensive research, including consumer surveys.

'The success of the *Reconnecting the Customer* strategy in delivering material improvements in customer care is dependent on both sustained behavioural change by industry and strong regulatory oversight by the ACMA,' Mr Chapman said.

'We are confident that the industry will respond positively to the challenge, and will reaffirm the ACMA's commitment to regulatory oversight in the final report.'

The ACMA's final RTC report will be released in August 2011.

A detailed list of the six points in the plan and their objectives, as well as the accompanying research, are available on the ACMA website at [engage.acma.gov.au/reconnecting](http://engage.acma.gov.au/reconnecting).

## Submissions

Submissions on the RTC draft report are due by 5 pm on **Friday 15 July 2011**. Electronic submissions should be emailed to [reconnectingthecustomer@acma.gov.au](mailto:reconnectingthecustomer@acma.gov.au). Alternatively, submissions can be mailed to:

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Clare O'Reilly, Project Manager, *Reconnecting the Customer* Inquiry Taskforce, at the launch of the report.