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AMTA Submission
Productivity Commission
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Right to Repair | Issues Paper



ABOUT AMTA

[AMTA](#) is the peak industry body representing Australia's mobile telecommunications industry. Its mission is to promote an environmentally, socially and economically responsible, and sustainable industry in Australia, with members including the mobile network operators, service providers, handset manufacturers, network equipment suppliers, retail outlets and other suppliers to the industry.

The industry's product stewardship scheme, [MobileMuster](#) is a successful AMTA program established in 1998. AMTA manages the program on behalf of the program's members who fund it voluntarily. MobileMuster members include handset manufacturers (Alcatel, Apple, HMD Global, HTC, Huawei, Google, Motorola, Oppo, Samsung, vivo Mobile, ZTE) and mobile network operators (Optus, Telstra, TPG Telecom (Vodafone)).



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INTRODUCTION

The Australian Mobile Telecommunications Association (AMTA) welcomes the opportunity to provide comments on the Right to Repair Issues paper released in December 2020.

AMTA believes the mobile phone repair market is competitive and well supported by industry members in Australia. Australian consumers are readily able to access repair services for mobile devices and that the consumer’s right to repair is well protected under the Australian Consumer Law (ACL) which provides a robust regulatory framework for consumer protection.

It should be noted that AMTA members strive to design products that are both durable and serviceable and **do not** engage in planned obsolescence as a strategy. This is evidenced by the longevity of mobile handsets in the market and supported by the ability of consumers to update the software on older handsets without having to replace the hardware. While many consumers choose to purchase the latest handset as soon as it is released; many others retain their mobile phones for much longer, with the average consumer retaining a device for 30 months before passing it on, selling it or finally, recycling it.

As AMTA also manages the MobileMuster product stewardship program, our submission highlights how Australian consumers use, re-use, and repair devices as well as how the program manages the recycling of mobile phones along with accessories once they reach their end of life. AMTA experiences show that accessibility of repair services by consumers is not increasing waste in the mobile phone industry.

MobileMuster is the product stewardship program of the mobile phone industry and is accredited by the federal government. It is voluntarily funded by its members, providing a free mobile phone recycling program in Australia to the highest environmental standard. The program is committed to raising awareness and educating the community on why it is important to recycle.

Through MobileMuster, we are able to provide insights into the market for mobile repair in Australia, repair stores and service centres are a growing sector of the program’s collection network.



In 2020 MobileMuster recycled 84.7 tonnes of mobile phone components, including handsets, batteries, chargers, accessories, wireless mobile modems and smart watches.

Total collections, since the program started, have reached Over 1,500 tonnes, and including almost 15 million handsets and batteries.

MOBILES AND THE RIGHT TO REPAIR

Mobile phones and devices are ubiquitous in the daily lives of Australians. There is a wide range of mobile products available in the market, and consumers are spending more than ever on these devices and therefore place greater value on the ability to maintain them through repair. With mobiles playing such an integral role in the lives of most consumers, accessibility to repair when needed is also important.

AMTA submits that the Australian mobile repair market is strongly competitive and provides consumers with a wide range of choices when it comes to accessing repair services for their mobile devices. This is evidenced by our research that found 38% of Australians have accessed repair to service their phones.¹

Mobile technology continues to evolve rapidly and consumer demand for the latest technology continues to drive strong growth in the market for mobile phones. However, due to the nature of the relationship between device, operating system and network, consumers are able to also choose to hold onto a device while still updating its operating system as well.

Our research indicates that the average mobile phone replacement cycle has reached 30 months in Australia which we believe indicates that consumers are putting greater value on these devices and have more of an appetite to seek repair when required.² What should be noted though is that this does not take into account the use by others as second and third users of a device, through resale and passing on the device to friends and family, hence the true lifecycle of a mobile is more likely to be longer than the 30 months indicated by our research.

When repair is no longer a practical option, or a device has reached its end life-cycle, MobileMuster provides consumers with a free, safe and accessible recycling service. MobileMuster provides a drop off network of over 3,500 locations across Australia or consumers can post back their devices for free.

The mobile phone repair market in Australia is well established and supported by industry. There are 270 repair providers across Australia who are participating in MobileMuster. These include independent repair stores along with Original Equipment Manufacturer (OEM) approved repairers. However, we believe the repair network is significantly larger than our registrations show. These stores actively use the program to dispose of scrap and parts that become available through repair.

¹ MobileMuster research report [Insights into mobile phone use, reuse and recycling](#), 2020

² Ibid

In our view the ACL provides a robust regulatory framework that protects the consumer's right to have a mobile phone repaired where appropriate and that further regulation is not required above and beyond the ACL. All mobile phones sold in Australia are covered by a standard two-year manufacturer's warranty which will cover the device for any operational failure except for any accidental damage.

AUSTRALIAN CONSUMER LAW (ACL)

Mobile devices are covered by the ACL. This means that any mobile device which fails to meet a consumer guarantee under the ACL will result in an obligation on the seller to provide the customer with a free repair for minor problems within a reasonable timeframe. This of course excludes any accidental damage. If a business does not offer repair within a reasonable timeframe or cannot fix the device; consumers also have the option of getting repairs done elsewhere and passing the cost back to the business, or they can request a replacement or refund.³

Consumers are also entitled to replacement or refund where there is a major problem with their device.⁴ The industry standard here is to offer consumers a refund or replacement if the device fails and is under warranty where repair is not a viable option.

As mobile devices contain data, consumers who accept the offer of repair for their mobile device are entitled to receive a Repair Notice under the ACL before their device is accepted for repair by the business. This protects consumers data as it ensures the consumer is made aware of the need to back up data as well as any risk that data may be lost in the process of repair. Repair Notices also inform the customer if refurbished goods or parts will be used in the repair process.⁵

ACCESSIBILITY TO REPAIR

The usefulness of a mobile can be extended and preserved through software upgrades and repair. Our research shows that around 38% of Australians have repaired a mobile phone and there is a growing number of younger Australians extending the life of their phone this way. The research shows that Australians are taking advantage of the wide range of repair options available to them, including independent repair shops, mobile phone manufacturer or network provider services to get their phones repaired.⁶

AMTA members provide certified repairs and services instore or through authorised providers where technicians are trained to provide a standard of service with genuine manufacturer parts.

³ [ACCC Repair, replace, refund.](#)

⁴ Ibid

⁵ [ACCC Repairs and spare parts](#)

⁶ MobileMuster research report [Insights into mobile phone use, reuse and recycling](#), 2020

In Australia, there has also been a significant growth of the independent repair sector for mobile phones and this is increasingly competitive in terms of price and convenience for consumers. Repair services for mobiles are more readily available than ever before. This trend is evidenced by the growth the MobileMuster program has seen in repair stores joining the program who use the program to dispose of any waste arising through the repair process.

Australian customers are well protected under the ACL. When seeking a repair, they are able to return their mobile phone to the place of purchase, the manufacturer. Alternatively, consumers can source repair services from an independent repair business for accidental damage incurred by them. This variety of options offers consumers a wide range of competition in terms of both price and convenience.

AMTA encourages consumers to check with the relevant manufacturer and service provider to determine what repairs are covered by the manufacturer's warranty. Consumers should also seek information on repair service fees for devices that are out of warranty or incurred from accidental damage before proceeding with any work.

When choosing a repair service provider, consumers should check that technicians are appropriately trained and provide a repair warranty. While the independent repair network has grown, customers still have access to use a preferred OEM repair service who ensure quality using accredited technicians. Alternatively, customers also have the ability to access repair services through their mobile service provider.

CONSUMER SAFETY AND DATA SECURITY

Mobile phones are delicate and complex devices and there can be safety issues around repairing devices without proper training. Mobiles also contain lithium-ion batteries which must be handled safely and appropriately.

AMTA therefore encourages consumers to only use repair services where technicians have been trained accordingly and repairs are done to a high standard and safely. Trained technicians and reputable repair services should provide a warranty on parts and repairs.

Finally, consumers store a lot of data on their devices. Repair providers are obliged under the ACL to provide customers with a Repair Notice which serves to help protect customer data and privacy as well as inform the customer about any risks related to loss of data in the repair process. We also note that our research shows that the number of Australians worried about the data stored on their phone has increased from 31% in 2017 to 36% in 2020, and we expect this concern to continue to grow as consumers use their mobile for a variety of purposes in their daily lives.⁷

⁷ MobileMuster research report [Insights into mobile phone use, reuse and recycling](#), 2020

MobileMuster has developed several resources, including how to videos, to show consumers how to back-up, transfer or delete their data before re-using or recycling their old mobiles.

WASTE ARISING

Through MobileMuster's recycling process over 95% of the materials in a mobile phone are recovered. MobileMuster partners with [TES](#), a global leader in electronic waste recycling, to maximize recovery rates and ensure all mobile phone components are processed in an environmentally responsible manner.

TES uses state-of-the-art equipment and processing techniques to deliver the highest recovery rates with the lowest environmental impact. The process also ensures that any data left on a device is destroyed, protecting consumer's privacy and building confidence and trust in consumers when using the program.

The performance of MobileMuster is measured against a number of key performance indicators that include changes in consumer awareness, collection and recycling rates, diversion from landfill, consumer accessibility and industry participation. Each of these indicators is assured independently by auditors, RSM Australia, ensuring transparency of the program's performance.

In the coming years, the introduction of 5G will deliver significant growth in the number of connected devices. This will include wearables, household gadgets and industrial sensors which are mobile enabled. MobileMuster will continue to look for opportunities and work with industry to take on a proactive approach to product stewardship responsibilities as new products enter the market.

In 2021, MobileMuster is working with its members and the Federal Government to build a business case and trial to broaden the scope of products collected and recycled that is currently not covered under any other stewardship scheme. This will potentially introduce new industry members to the program as well as further develop collection channels and the recycling industry.

The MobileMuster program also provides social benefits to the community. The recycling service is both free and accessible to all mobile phone users. Along with providing a free take-back program, MobileMuster works to raise the awareness of mobile phone recycling through its communications and education activities, including a school's program across Australia. Everything collected by the program is recycled for resource recovery and any data left on devices is destroyed securely as part of the recycling process, ensuring customer privacy and confidence.

CONCLUSION

AMTA supports Australia's transition to a circular economy, one that is designed to support the repair, reuse and recycling of mobile phone products. Through repair we are able to increase the product's lifespan and ensure the materials that have gone into making mobile phones are in circulation for longer.

The mobile phone repair market in Australia is well established and supported by industry. Our members provide certified repairs and services instore or through authorised providers where technicians are trained to provide high quality service with genuine manufacturer parts.

MobileMuster works with the repair industry to provide free recycling for devices, parts and accessories that have reached end of life, ensuring they are recycled responsibly. The program has over 270 repair stores and service centres who are part of the collection network. The growth in collections from this channel is an indicator that could illustrate that competition is well established within the mobile repair industry in Australia. AMTA encourages all industries to establish voluntary product stewardship schemes to deliver social and environmental outcomes for their customers.

Finally, AMTA believes that Australian consumers are well served by the existing regulatory framework when it comes to repairing mobile phones and devices and that there is no need to add further regulation beyond the rights already included in the ACL. OEMs are committed to offering quality products and authorise repairers so that their high standards are maintained in terms of quality of repair to these products.

The repair sector, like the broader mobile industry, is strongly competitive and consumers have access to a wide choice when it comes to repairing their mobile device as evidenced by the fact that 38% of Australians have repaired their mobile. When repair is no longer an option, at the end of the device's life-cycle, our MobileMuster program provides consumers with a free, safe and accessible recycling service.

Finally, AMTA and its members support consumers accessibility to widely available and sustainable repair options that ensure quality, safety and security. We remain concerned with the safety risks associated with user-led repair attempts.

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