

Telephone Services Standards Council Limited (TISSC)

*Response
To:*

Review of
Australia's
Consumer Policy
Framework
Productivity Commission
Draft Report

Telephone Information Services Standards Council Ltd (TISSC) is an independent regulatory body that handles public complaints about 190 premium services, and conducts monitoring and investigative activities of these services. The council consists of an independent chairman, three industry representatives, and three consumer representatives. TISSC is funded by the telephone information services industry. TISSC sets standards for the message content and advertising of 190 services in a Code of Practice which is regularly updated to reflect community standards. Service providers of 190 numbers must abide by the Code of Practice, and complaints received by TISSC are assessed against the Code by an independent arbitrator. If a breach of the Code is determined by the arbitrator, the remedies of a refund for the complainant via the service provider, rectification of the breach, take-down of the service on either a temporary or permanent basis can apply.

We would like to comment on the Productivity Commission Draft Report as follows:

Draft recommendation 9.2

The Productivity Commission Draft Report recommendation 9.2 states that the functions of the Telecommunications industry Ombudsman (TIO) should be extended to cover all telecommunications premium content services in order to improve the effectiveness of alternative dispute resolution arrangements for consumers (Draft Report Volume 2, P 162).

Implications of recommendation 9.2

If this recommendation were to be implemented, our understanding is that the TIO would deal with public complaints about 190 premium rate services that are currently handled by TISSC.

TISSC has a number of concerns about this recommendation and its consequences if implemented. The council holds the view that such a widening of the TIO's powers would not adequately substitute for TISSC's role, and to this extent would result in considerable consumer detriment. The reasons for this are as follows:

- TISSC recognises the desire to streamline ADR/Ombudsman agencies but considers this is an instance where the agency does not simply exist to resolve individual consumer disputes. TISSC is not only a complaints handling body but also pro-actively monitors 190 premium services to ensure they comply with the standards set out in the Code of Practice. This capacity ensures a comprehensive degree of consumer protection by addressing issues before they give rise to consumer complaint, and provides a powerful tool in identifying and

dealing with systemic industry practices that may be detrimental to consumers.

- Unlike the TIO, TISSC is not an office of last resort. We handle complaints about the message content and advertising of 190 premium services in the first instance. Consumers are not required to have first taken up their complaint with the industry provider.
- TISSC has longstanding, extensive and successful record of complaint handling, and has developed a unique expertise in its dealings with 190 content providers in the premium rate area.
- TISSC has gained widespread acceptance amongst 190 premium content providers over a sustained period, most of whom are not encompassed by the TIO scheme. 190 premium content providers are obliged to comply with the TISSC Code as a condition of their contract to provide 190 premium services with Telstra.

The Council is of the view that it would not benefit consumers and would rather diminish their protection, for the role TISSC plays as a regulator of premium rate services to be lost, along with the distinctive functions and accompanying expertise that it has garnered over the years.

Enhanced consumer information and referral systems

TISSC supports the enhancement of consumer education and referral systems, so that consumers are accurately referred to the organisation best able to assist with their complaints about telecommunications issues and 190 premium services in particular.

To this effect, the Council supports a co-ordinated model for an integrated national system outlined as option (a) on page 153, Volume 2, draft Report i.e.

(a) retention of existing contact points, but with more efficient networking and cross-referrals between bodies, so that a complaint made in any one part of the system is rapidly transferred to the right place;

TISSC actively supports and implements this approach by conducting ongoing training sessions with key complaints handling agencies in the premium services field, and also develops strategies to raise public awareness of TISSC as a source of consumer redress. To this end TISSC liaises with the TIO, Telstra and other telecommunications carriers, and State and Territory Departments of Fair Trading, to maintain awareness of the type of complaints handled by our office, and to support the co-referral process between respective government and industry complaints handling areas. This ensures that complaint overlapping is minimised, and is an approach actively supported by the TIO. TISSC believes this approach is the most effective and efficient way of directing and handling consumer complaints.

In 2008, as part of TISSC's public awareness strategy, the role of TISSC will continue to be promoted and explained at consumer councils and forums convened by both Telstra and the Consumers' Telecommunications Network (CTN).

Thank you for the opportunity to respond to the Draft Report. Should you wish to discuss any aspect of our response, please do not hesitate to contact me.

VICTORIA RUBENSOHN
CHAIRMAN
6.2.08