

TELECOMMUNICATIONS INDUSTRY OMBUDSMAN 2011 ANNUAL REPORT



A year of change

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ABOUT US

How the TIO works

The Telecommunications Industry Ombudsman is a fast, free and fair dispute resolution service for small business and residential consumers who have a complaint about their telephone or internet service in Australia. We are independent and do not take sides. Our goal is to settle disputes quickly in an objective and non-bureaucratic way.

We are able to investigate complaints about telephone and internet services, including by collecting all documentation and information relevant to the complaint. We have the authority to make binding decisions (decisions a telecommunications company is legally obliged to implement) up to the value of \$30,000, and recommendations up to the value of \$85,000.

The TIO is independent of telecommunications service providers, consumer groups and government. The TIO is governed by a Council and a Board of Directors, and is managed by an independent Ombudsman and a Deputy Ombudsman. The Council is comprised of five representatives from service providers and five consumer representatives, with an independent chairman.

For more information about our governance structure, complaint handling procedures, position statements, and who can make a complaint and how, please visit our website.

ABOUT US: BOARD AND COUNCIL

Statement of the Council Chair



Normally, a Chairman would be delighted to report on growth in an annual review. But, growth in complaints to the TIO is not something to celebrate.

In 2010-11, we received almost 200,000 new complaints from consumers. About 90 per cent of these are resolved as a "level one" complaint. Many of these complaints could have been resolved directly by the industry member if the customer had been able to contact the appropriate department of that member.

Sadly, an increasing number of customers are unable to make the appropriate connections with their provider, or their discussions with the provider are ineffective, and are contacting the TIO instead.

Industry needs to provide stronger leadership in both determining and eliminating the root causes of customer complaints as well as ensuring that their customers can readily contact their complaint handling department to enable an expedient resolution. The TIO's doors are open for industry members that would benefit from our advice and insights on how to improve service to customers.

The growth in complaints received has certainly provided challenges for our management and I would like to thank Ombudsman Simon Cohen and Deputy Ombudsman Diane Carmody for their strong leadership throughout the year in readily adapting to these conditions.

Our TIO Council plays a pivotal role in governing the TIO scheme and I am privileged to work with such a talented and committed team. I would like to thank outgoing Council members Jackie Giles and Leroy Parkinson for their service to Council and welcome John Wilkes, Dr Paul Harrison and Jonathan Matthews as new members. I also note the reappointment of Chris Dodds and Loretta Kreet to Council for a further term and very much appreciate their continued dedication to the Scheme.

I would especially like to thank Virginia Hickey, who completed her term as Chair of Council in 2010, for her leadership of the Council during a period of rapid change and for her sound advice and help to me as the incoming Chair.

Finally, I offer my thanks to the TIO Board. In addition to ensuring ongoing funding to the TIO, their wisdom and encouragement to ensure that we have a world class TIO scheme in place facilitates both a refreshing and enjoyable working environment.

Andrew Dyer

Chairman of Council

ABOUT US: BOARD AND COUNCIL

Statement of the Board Chair

Complaint handling activity increased in 2010-11, following a year of reduced complaint demand in 2009-10.

New complaints increased by 17.8 per cent, which was disappointing, but escalated complaints, those longer, more complex and costly complaints which are not resolved at an early stage by members, decreased by 14.8 per cent, which was very pleasing. The tools and experience of recent years, along with some fresh and innovative approaches to complaint handling, assisted the TIO to successfully cope with the overall increase.

The increased demand also placed additional stress on the core business IT platform. Short term solutions allowed the current system to meet demand but the need for the replacement of the ageing system became clearer. Considerable work has now been completed on this major project which will be implemented before the end of 2011-12.

An excellent financial result was achieved, balancing the needs of the TIO with the financial commitment required of the funding members. An operating surplus of \$961,819 was achieved.

The transition from quarterly billing in advance to monthly billing in arrears was completed and is now in place for all members.

The total number of members increased

from 1,162 at 30 June 2010 to 1,214 at 30 June 2011. One hundred new members joined the scheme and 48 members departed the scheme. I welcome all new members and wish departing members well for the future.

I would like to thank all the directors for the expertise and professionalism they bring to the strategic and financial management of the TIO, and the members of the TIO Council, headed by new Chairman Andrew Dyer, for their valuable work in developing policy and overseeing the operations of the company. I would particularly like to thank Virginia Hickey who departed as Chair of Council during the year.

The Ombudsman, Simon Cohen, has quickly established an increased stakeholder focus and improved the operational performance of the company. I would like to thank him, his executive team and all the TIO staff for their hard work throughout the year.

John Rohan

Chairman of the Board



ABOUT US: BOARD AND COUNCIL

About the Board and Council

The TIO Scheme is governed by a Board and a Council.

The Board has corporate governance responsibilities and is mainly made up of individuals nominated by telecommunications service providers, the members of the TIO Scheme. The Board is responsible for setting global limits for our funding and managing the business, affairs and property of TIO Limited.

The TIO Council is made up of an equal number of representatives of consumers and service providers, with an independent Chair. The TIO Council has oversight of the TIO Scheme. The Council's responsibilities include maintaining the Ombudsman's independence by acting as an intermediary between the Ombudsman and the Board, and monitoring and making recommendations about amendments to the TIO Constitution.

More details about our Board and Council members can be viewed in the *About Us* section of our website.

Board and Council activities in 2010-11

The Board met eight times in 2010-11, and the Council met six times. There was one joint meeting of Board and Council.

There were a number of changes to the Council throughout the year. Andrew Dyer succeeded Virginia Hickey as Chair in December 2010. Mr Dyer is a company director who serves on a number of boards, including utility companies and non-profit and cultural organisations. Dr Paul Harrison, a specialist in marketing and consumer behaviour, joined the Council on 1 July 2010 as a consumer representative. John Wilkes was appointed as the representative for Vodafone Hutchison Australia, replacing Jackie Giles. Jonathan Matthews from Intelligent IP Communications was elected unopposed to the Council, filling the vacancy created by the departure of Leroy Parkinson.

There were no changes to the membership of the Board.

THE YEAR AT A GLANCE

Ombudsman's Overview

I am pleased to present this report on the activities of my office during a year of tremendous change.

In 2010-11, the TIO received 197,682 new complaints. This was an increase of more than 17 per cent on the previous year, and our busiest year on record. Mobile phone complaints were responsible for this increase – up more than 50 per cent to more than 112,000 new complaints.

While the well publicised network and customer service issues affecting Vodafone in early 2011 were the cause of much of this increase, this company was not alone in receiving more complaints. Credit management issues generally, including complaints about unexpectedly high bills, continued to increase.

There were better signs towards the end of the financial year, with new complaints decreasing somewhat in the fourth quarter. Pleasingly, the TIO had to investigate fewer complaints, reflecting that service providers are responsive when we are involved.

The increase in complaints this year comes in the middle of a debate about the right changes for customer service and complaint handling in the industry. We have been an active voice in this debate.

We made more than 20 submissions to government and industry inquiries to provide an independent and expert perspective.

We also raised with service providers more than 50 systemic problems – ranging from sales and transfer practices to billing and credit management issues – to improve services for large numbers of consumers.

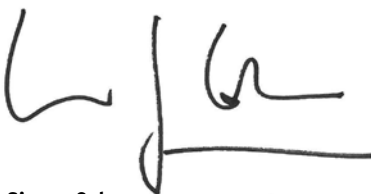
With all these changes, TIO officers demonstrated an outstanding capacity to respond to the challenges of the past year.

Consumers continue to report high satisfaction with the service we provide – more than 93 per cent of consumers we asked in a February 2011 survey stated that they were satisfied with how we handled their complaint.

In the coming year we aim to make more changes to keep improving the way we service the community. A new website and a conciliation process for unresolved complaints are just some of the improvements we will deliver.

This is the printable version of the first annual report we are publishing through a micro website. I hope you find our new approach interesting and informative.

Thank you.



Simon Cohen
Ombudsman



THE YEAR AT A GLANCE

A year of change

Change in the industry

The Australian telecommunications industry is known for its innovation and competition. Over the past year, the industry has followed changes in consumer behaviour and supplies more mobile services than ever before.

Smartphones and wireless broadband are in demand by consumers who find them convenient and attractive. According to research by IBISWorld¹, there are 29 million mobile subscriptions in Australia, outnumbering the population of the country by more than 6 million. About half of the mobile phone handsets in Australia are smartphones, according to market research by Kantar Worldpanel², making Australians the second largest buyers of smartphones in the world.

The Australian Communication and Media Authority (ACMA) estimates that the number of internet subscriptions from a mobile phone is 8 million, a 21 per cent increase compared to last year. On a similar note, the number of wireless broadband subscriptions (products such as dongles) increased 49 per cent to 4.2 million during the same period³.

The take up of fixed internet plans and landlines is declining, and that gap is filled by these flexible mobile services.

Changing regulation

Complaints to the TIO are a thermometer of this trend in the industry. New complaints about mobile phone services in 2010-11 grew to a record 112,376 – 51.4 per cent more than in 2009-10.

Too many consumers came to us with issues about unusually high bills because they are not able to monitor their spending. Many were not provided the tools to do so, or the charges in their plans were overly complex.

The majority of complaints reflect what hadn't changed in the industry: consumers' frustration with not being heard in a timely manner, and providers that don't action their undertakings or give inadequate advice.

This frustration sparked a push for change in telecommunications regulation. The ACMA's *Reconnecting the Customer* public inquiry brought customer service and complaint handling practices in the industry to the forefront at a time when the industry itself was looking to reform its code of practice, the Telecommunications Consumer Protections (TCP) code.

We joined this debate by adding our voice to those who believe the telecommunications industry needs to improve the amount and quality of information it gives consumers, and simplify its advertising, bills and description of telecommunications products. We also called on service providers to give consumers better tools to manage their spending.

Change in the TIO

While these changes were happening, the TIO came under review. The Department of Broadband, Communications and the Digital Economy (DBCDE) launched a consultation to make sure the TIO has the right tools in a changing and more complex telecommunications environment.

The TIO Board also started a review by KPMG – *Preparing for the future* – to assess how the TIO is placed to meet the challenges in coming years.

We had already taken a number of steps to handle increased complaint demand over 2010-11. We completed the rollout of our process to notify providers by email of most complaints as soon as they were registered by the TIO. We also required providers to contact consumers more quickly. This makes our referral process faster and gives providers another opportunity to repair the relationship with their customers.

We have begun to introduce conciliation for complaints not resolved by referral. This process is less formal than evidence-based investigations. We are achieving faster solutions for consumers and service providers, with fewer cases requiring detailed and time consuming investigations.

We worked on redesigning our website to increase our accessibility and the quality of information we provide. We also continued to work on a new complaint handling system that will increase the efficiency with which we assist consumers and service providers to resolve their disputes in this environment, where the only constant is change.

1 Sallmann, Nick (May 2011), *IBISWorld Industry Report J7122: Mobile Telecommunications Carriers in Australia*

2 Kantar Worldpanel Comtech (August 2011), *Smartphone ownership in Australia*

3 Australian Communications and Media Authority (July 2011), *The internet service market and Australians in the online environment*

THE YEAR AT A GLANCE

Highlights

This year was the busiest on record for the TIO. We received 197,682 new complaints, an increase of 17.8 per cent. More than half of these complaints – 112,376 – were about mobile phone services.

- We identified key issues related to smartphones, such as a 26 per cent increase in disputes about internet charges on a mobile service.
- We responded to unprecedented levels of demand by introducing fair, efficient and environmentally friendly processes such as conciliation and email referral.
- We continued to meet the needs of consumers who contacted us. The level of overall satisfaction with our complaint handling was 93 per cent among consumers we surveyed in February 2011.
- We were an active voice in the debate about customer service and complaint handling practices in the telecommunications industry. We made more than 20 submissions to public inquiries and reviews, most importantly the ACMA's *Reconnecting the Customer* inquiry, to highlight the ongoing problems in customer service in the telecommunications industry.
- We became more accessible by reaching out to culturally and linguistically diverse communities, and visiting vulnerable consumers, attending more than 50 events and conferences around Australia.
- We monitored over 100 systemic issues and directly intervened in more than 50 matters to avoid problems for large numbers of consumers.
- We improved communications with all our stakeholders, by working on a new website, improving reports to service providers and simplifying our complaint handling procedures.

THE YEAR AT A GLANCE

Top trends 2010-11

The TIO received a record number of new complaints in 2010-11, 197,682 or a substantial 17.8 per cent increase compared to the previous year, reversing the 4.6 per cent decrease in new complaints we reported in 2009-10.

This sharp increase can almost exclusively be attributed to a rise in complaints about mobile phone services. In other areas, we recorded continuing downward trends in complaints about dedicated internet (such as cable, wired ADSL and wireless broadband) and landline services, as a result of changes in industry and consumer behaviour. We also conducted fewer investigations than in previous years, due to improved service provider cooperation in resolving referred complaints and changes within the TIO in the form of improved procedures

Increased mobile phone complaints

Consistent with the growth in the mobile phone market, more than half the complaints we received this year – 112,376 – were exclusively about mobile phone services, an increase of 51.4 per cent from the previous year.

This spike in complaints about mobile services was largely caused by two important factors: Vodafone's network issues and the increased market share of smartphones.

New complaints about Vodafone mobile services almost tripled in 2010-11 to 32,744. They peaked in January 2011 with a total of 5,712 new complaints, coinciding with the provider's much publicised network and customer service issues. While new complaints about Vodafone took a downward turn in February with 4,205 new complaints, their complaint levels in June 2011 – 2,783 new complaints – were more than double the number received at the same time in the previous year.

However, Vodafone was not alone in receiving more complaints. We observed growth in mobile complaints more generally and many of the issues we have seen appear to be related to the growth in the market, which has been driven by smartphones.

The issue with the largest increase in mobile phone complaints was faults, with 56,475 issues raised or a 180.7 per cent increase from the previous year. The two most common complaints in this area include poor coverage (28,634 issues or a 609.6 per cent increase) and dropouts (6,941 issues or a 482.8 per cent increase).

There have also been increases in billing disputes in mobile phone services.

The top three issues are disputes about the total of a bill (10,425 issues or a 52 per cent increase), termination fees (5,748 issues or a 9.6 per cent increase) and internet usage from a mobile phone (4,222 issues or an increase of 26 per

cent). This last statistic is unsurprising, as more consumers are accessing the internet from their smartphones – 71 per cent according to a 2011 Google/Ipsos study⁴.

We have noticed an alarming increase in the number of consumers complaining about high debts due to not being able to monitor their usage adequately, the majority from mobile phone users. Of the 10,469 issues reported to us about

⁴ Google/Ipsos (September 2011), *Australia Mobile Smartphone Consumer Study*

CASE STUDY

RAMON'S COMPLAINT

Ramon called the TIO after a problem with his mobile phone service.



A few months before, he had visited a phone dealer to sign up to a mobile plan telling them that he would be living in one country town for a short time and then moving permanently to another country town, so he needed a service for which he would have coverage in both towns. He was advised that coverage would be no problem in either location. On that basis he signed up for a prepaid plan and arranged a direct debit to pay the account.

Within days of moving to his permanent address, Ramon claimed the service was patchy and his phone would often roam on to another provider's network, incurring expensive charges. He told us he contacted his provider's customer service centre several times about the issues, as he was not told at the dealership that data roaming would be part of the contract. He told us he would not

have signed up if he had been aware of this.

During the course of the complaint the provider offered to waive all fees incurred and allow him to transfer his number to another provider if he returned his handset, which he accepted. Despite the offer, he received a bill for \$1,400 the following month. From this amount, \$700 was an early termination fee – the cost of his handset and the balance for charges incurred when he exceeded his cap.

Ramon called us again when his bank notified him that his service provider had attempted to direct debit his account, but the transaction had been rejected due to insufficient funds. During our investigation, the service provider waived all the fees and cancelled the direct debit action in their system.

The year at a glance → Top trends 2010-11

inadequate spend controls, 7,844 were exclusively about mobile services – an increase of 119.8 per cent compared to the previous year. This trend can, at least in part, be attributed to service providers offering new technology without giving adequate information to consumers, either at point of sale or when using their phone, about the charges they may incur.

Declines in landline, internet and mobile premium service complaints

In contrast, new complaints about internet services (wired such as home ADSL or wireless internet such as dongles) are down 13.1 per cent to 37,092. This may be attributed to the industry offering affordable internet plans with generous data allowances, either as part of bundled packages or standalone deals.

Complaints about landline services have had a small decline of 1.7 per cent, coinciding with a decline in overall landline subscriptions⁵ resulting from the continuing trend of high mobile service take up.

The most significant decline was in new complaints about mobile premium services (MPS) – 2,174 or a 45.6 per cent decrease. This builds on the 70.5 per cent decrease in MPS complaints we reported in 2009-10 and further reflects the positive effects of stronger regulation from the ACMA with service providers required to contract registered MPS providers, stronger self-regulation in the form of an improved industry code, and a decline in consumer demand for mobile premium services as a result of increased use of applications in smartphones.

Fewer investigations

We have also seen a decrease in cases that we need to investigate as a result of improved responsiveness from service providers to our referrals and other changes to our processes. In 2010-11 we investigated 20,635 cases, a decrease of 14.8 per cent. Our email referral process and our conciliation process provide fast, flexible options for consumers and service providers to resolve their disputes. These figures also demonstrate that service providers are responsive when the TIO is involved.

Issues that haven't changed

The growth of the mobile market and the complaints that we received about these services present a challenge that the telecommunications industry must respond to. Migration of consumers to mobile devices looks set to continue in even higher numbers, and if the issues we have seen in 2010-11 are not addressed, complaint levels may continue to rise.

Frustratingly for everyone concerned, some of the most common issues identified by consumers who come to us have not changed. These include simple matters about:

- customer service, such as inadequate assistance and quality of attention given to consumers – 50,928 consumers mentioned this as an issue in their complaint
- complaint handling, such as service providers not acting on the promises they make – 42,259 consumers mentioned this as an issue in their complaint
- service providers failing to refer dissatisfied consumers to us – 36,530 consumers said their provider had not advised them of their external recourses after not resolving a complaint, a responsibility outlined in the Telecommunications Consumer Protections Code.

We know that most consumers spend a great deal of time and energy trying to resolve their complaints with their service providers before coming to the TIO. They are often forwarded from one department to another and unable to speak with the right person who can deal with their issues.

Our experience tells us that 90 per cent of these complaints are easily resolved once a consumer comes to the TIO and we refer their complaint to the right person within their service provider. These complaints should not have come to the TIO in the first place.

High debts and bill shock

A key focus of our office is to monitor the trends in complaints about unusually high debts and bill shock. These issues have the power to cause significant detriment to consumers, particularly vulnerable and disadvantaged ones. The key areas that consumers have complained about include:

- unusually high bills where the cause is not clear, where multiple aspects of the bill are in dispute or where the consumer exceeded their call cap. We recorded 19,137 issues in new complaints this year, an increase of 31.5 per cent compared to the previous year
- failure on behalf of a service provider to notify their customers about higher than average usage, which results in receiving a bill or falling into a debt they cannot afford to pay. We recorded 10,469 issues in new complaints this year, an increase of 66.7 per cent compared to the previous year
- a service provider disconnecting or suspending a consumer's service without proper notice. We recorded 5,834 issues in new complaints, an increase of 11.7 per cent

⁵ Sallmann, Nick (May 2011), *IBISWorld Industry Report J7121: Mobile Telecommunications Carriers in Australia*

The year at a glance → Top trends 2010-11

- collection agents acting on behalf of service providers pursuing debts that were in dispute. We recorded 5,430 issues in new complaints, an increase of 2.2 per cent
- consumers who were default listed by their service provider without notice (3,217 issues in new complaints or a 13.4 per cent increase) or who were default listed for a debt that was in dispute (3,688 or an increase of 27.4 per cent).

While these numbers may appear low in the context of hundreds of thousands of complaints, the impact they can have can be tremendous.

A substantial telecommunications debt can throw a low income consumer into further financial hardship, or it can affect a consumer's ability to obtain credit, such as a home loan, because default listings are kept for five years.

What needs to change

While the industry has shown great innovation in offering us these new, exciting and better life-changing technologies, there is a clear need for its sales and customer service areas to keep up with this fast changing environment to avoid consumer detriment.

The Australian Communications and Media Authority's (ACMA) *Reconnecting the Customer* inquiry has clearly made the case for change and has identified the issues that need attention. Its recommendations to improve the quality of information, advertising and spend management tools point to a clear path forward. Integral to this is improving customer service and complaint handling for consumers.

We look forward to seeing the outcome of the recommendations made in the report.

More information on the TIO's reporting methodology and complaint terms can be found on *Appendix 5: Explanation of TIO data terms*.

CASE STUDY

THOMAS'S COMPLAINT

Thomas contacted the TIO after he came home from an overseas holiday to a \$2,000 mobile phone bill.



While he was overseas, he received a text message from his provider advising him that his bill was more than \$300. The following day, he got another message because his bill had gone over \$1,000. A day after that, he checked his bill online and saw that it was over \$2,000.

Thomas had been using a GPS application on his smartphone. He claimed his provider had assured him that using the application would be free. After two days of using it during his holiday, he checked his balance online and saw that there had been no charges, which reinforced his belief that he would not be charged for using the GPS application.

He contacted his service provider when he got back home as he had received a bill of over \$2,000, which he claimed had no itemised internet usage charges. Thomas claimed he had not contacted his

service provider before going overseas to disable international roaming on his mobile service because he thought it was not set up previously.

After raising the issue with his service provider, he was offered a credit of half the fees. Thomas was dissatisfied with this outcome, so he called us.

We referred the complaint to Thomas's service provider who did not contact him in the initial 10 working day timeframe to try and resolve the issue. Following that, the full amount was debited from his credit card, attracting a higher than expected fee from his bank.

After we began an investigation, the service provider agreed to refund the amount that had been taken from Thomas's credit card for internet usage, and to give him the equivalent of the extra bank fee as a credit to his next account.

PERFORMANCE

Resolving complaints

Systemic issues

The TIO can investigate issues arising from complaints that may affect a large number of consumers as a result of a failure in a service provider's systems or processes. We identify those "systemic issues" by monitoring complaint data, alerts from our staff and information received from service providers.

When we decide that an issue warrants our intervention we approach the service provider for information and evidence. This part of the process can involve formal written submissions or informal communication such as face to face meetings or conference call discussions.

We will recommend a number of potential solutions and seek undertakings from the service provider to demonstrate they have resolved the systemic issue. Issues are most often resolved at this stage.

If the TIO and the provider are unable to negotiate a reasonable solution, we may decide to report the issue to the company CEO or a regulator such as the Australian Communications and Media Authority (ACMA) or the Australian Competition and Consumer Commission (ACCC) or another relevant authority.

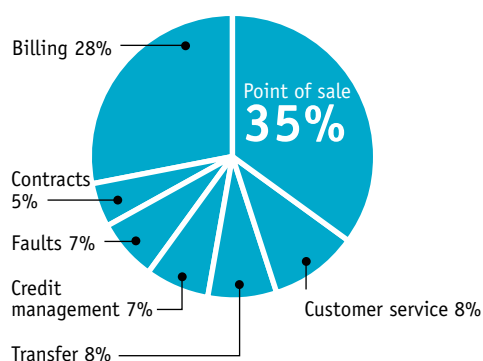
When we have intervened on a systemic issue, we monitor complaints made against the service provider for up to 12 months to determine whether the agreed resolution is reducing complaints.

Recent changes to our procedures assist us to conduct more investigations across a range of issues, within five key stages:

Identification:	raising an alert of a possible systemic issue as a result of our monitoring of trends and cases
Assessment:	deciding whether the issue warrants investigation, including monitoring the issue over a period of time
Investigation:	we may raise the issue with a service provider informally; assess the issue with specific information received from the service provider as a potential investigation; or investigate formally – a resolution can be reached from any one of these stages
Resolution:	reaching a solution through negotiation with the provider
Reporting:	reporting the issue to a regulator, CEO or other agency if no resolution is achieved.

Systemic investigations

1 July 2010–30 June 2011 by Issue



Systemic issues in 2010-11

This year, we conducted more than 50 investigations, including matters we acted on informally or formally:

- Credit management: over-commitment, issues around usage meters.
- Sales practices: telemarketing practices and misrepresentations, advertising, online sign up processes.
- Mobile networks: coverage, drop outs, roaming charges.
- Billing: new products and services, mobile SMS charges, billing format.

Some key outcomes of those investigations include:

- the introduction of an over-commitment policy by a medium to large mobile company
- changes to a bill format where the plan credits were unclear
- changes to coverage maps and sales information by a large mobile provider
- changes to telemarketing scripts and online sign up information by a large internet provider
- changes to the billing notification policies in two large mobile providers to reduce financial over-commitment
- assistance to a number of new or small mobile and internet providers in customer service, complaint handling procedures and sales and telemarketing practices.

For a full list of investigations view: *Appendix 1 – Systemic investigations 1 July 2010- 30 June 2011*

Performance → Resolving complaints

CASE STUDY

VODAFONE NETWORK CAPACITY

From September 2010, we saw a considerable increase in complaints about Vodafone's coverage and customer service that later became the subject of extensive media coverage and consumer campaigns.

We analysed complaint data to ascertain what the key issues driving complaints were and what consumers sought as a resolution. We contacted Vodafone requesting information about what was causing the coverage problems, what steps it was taking to fix these problems and what steps it was taking to address individual complaints.

Vodafone outlined a program of work aimed at upgrading its network over the next 12 months and increased the number of resources in customer service to improve its handling and resolving of customer complaints. The number of new complaints about Vodafone's mobile services spiked in January 2011 with 5,712 new complaints received. Although complaint volumes have steadily declined, with 2,783 received in June 2011, we remain concerned that they are significantly higher than a year ago.

We continue to monitor Vodafone complaints and have requested regular updates on further works or outages impacting their network or customer complaint handling processes. We also continue to investigate individual complaints about coverage problems on a case-by-case basis.

CASE STUDY

WHERE'S MY NUMBER – WHERE'S MY \$20,000?

In April 2011, we became aware of an issue in which consumers were having their mobile number transferred away without their authorisation followed shortly by a large sum of money taken out of their personal bank accounts.

We discovered the affected consumers had a feature on their internet banking that sent them a unique code via SMS for them to authorise an external funds transfer. This meant that the bank was sending the code to the new holder of the number.

The Systemic team undertook an assessment of TIO complaints and found customers of a number of service providers were being affected by this issue. Most had amounts transferred out of their bank accounts averaging \$10,000. Although the number of complaints was not large, given the level of financial detriment and the likelihood that consumers would not be aware that the issue was related to an unauthorised mobile phone transfer, we took immediate action to ensure all relevant authorities were aware of the issue. This included state-based consumer affairs offices, the ACCC, the Financial Ombudsman Service (FOS) and the Australian Federal Police. This information was then used by these agencies to advise their staff, stakeholders and the public of the prevalence of the issue.

The Systemic team also recognised that a consumer calling the TIO may not be aware that it can take up to two hours for an unauthorised transfer of a mobile service to be reversed. In that time, the consumer's bank account may be at risk of being accessed again and further amounts taken. The team developed advice that our staff could provide to consumers who contacted the TIO with this issue. In this way, we ensured that we took all reasonable action to minimise consumer detriment. We have not heard of this issue recurring since May 2011.

CASE STUDY

WORKING WITH TELSTRA TO IMPROVE COMPLAINT MANAGEMENT

During 2010 we identified a significant number of cases where the resolutions of complaints proposed by Telstra to customers were not acted upon in a timely manner. This included cases where agreed credits did not appear on customers' next Telstra bill.

We contacted Telstra seeking information about its complaint handling processes and any mechanisms in place to ensure that agreements were actioned. We also met with Telstra for a demonstration of its complaint handling process. Telstra's CEO supported this focus and communicated to staff the importance of honouring every commitment made to customers in the course of resolving a complaint.

A key initiative was Telstra's changes to its systems to allow credit to appear on a customer's next bill. In the past, credits could take up to two billing cycles to appear, resulting in consumers believing that a promised credit had not been applied.

As a result of these changes, complaints about Telstra not actioning undertakings dropped by more than 50 per cent over six months.

Performance → Resolving complaints

Acting on non compliance

Section 132 of the *Telecommunications (Consumer Protection & Service Standards) Act 1999* requires service providers to comply with the TIO. We do not enforce this provision – that is the role of the Australian Communications and Media Authority (ACMA). However, the ACMA cannot exercise its enforcement power without the information or evidence we provide. When we believe a service provider does not comply with the TIO, we will refer them to the ACMA.

Some issues that can be considered non-compliant behaviour include failing to provide information about a complaint, failing to comply with determinations or failing to comply with an industry code. We may also refer an eligible carriage service provider that does not apply for membership of the TIO when it is required to do so.

It is important to note that the vast majority of service providers work cooperatively with us and we refer only a few service providers to the ACMA each year.

In 2010-11 we made nine referrals to the ACMA. These referrals related to four different service providers who failed to comply with one of the Ombudsman's determinations.

Effective outcomes

The Ombudsman or Deputy Ombudsman can issue a binding Determination up to the value of \$30,000 if a complaint is not resolved through our processes of referral, conciliation or investigation. Our Determinations are binding on service providers.

Before we issue a Determination we will notify the service provider of a Preliminary View, which outlines our findings and our preliminary position about what would be a fair and reasonable resolution to the complaint.

Determinations in 2010–11

Issue	Decision	Outcome	Date
Disconnection in error, CSG compensation and lost credits from a bundled finance agreement.	Consumer is entitled to CSG compensation and a refund of \$2,900.	The service provider did not comply and is now in liquidation.	March 2011
Liability for charges following unauthorised transfers of a landline service.	Service provider to waive all charges and reimburse \$1,152 in payments made by consumer.	The service provider did not comply. The TIO is in the process of referring the member to the ACMA.	February 2011
Liability for charges following unauthorised transfers of a landline service.	Service provider to waive all charges and reimburse \$560 in payments made by consumer.	The service provider did not comply. The TIO is in the process of referring the member to the ACMA.	February 2011
Liability for charges following unauthorised transfers of a landline service.	Service provider to waive all charges and reimburse \$699 in payments made by consumer.	The service provider did not comply. The TIO is in the process of referring the member to the ACMA.	February 2011
Excess usage charges; adequacy of credit control tools; financial over-commitment.	Service provider to refund \$735, being half the disputed excess usage charges.	The service provider did not comply. The TIO is in the process of referring the member to the ACMA.	December 2010
Unfair contract terms; automatic renewal clause; applicability of TCP Code to business customers; how TIO uses industry codes to make decisions.	Direction and recommendation that service provider waive an early termination fee of \$19,000.	The service provider complied.	August 2010
Whether a prepaid international calling service has performed to the standard promised at the point of sale.	Service provider to refund \$86 to consumer.	The service provider did not comply and has been referred to the ACMA.	July 2010

Performance → Resolving complaints

CASE STUDY

STEPHEN'S COMPLAINT

Stephen, a small business owner, came to us in 2008 with a dispute over a bill of almost \$19,000 for overdue charges and the remainder of a minimum service agreement for almost two years of internet services.



His contract was for 24 months worth of internet services, to the value of \$19,500. Stephen claimed that unbeknownst to him, the agreement had a clause that allowed the service provider to automatically renew the agreement every two years unless Stephen gave written notification of his intention to terminate the contract within 30 days of its expiry. A failure to do so would result in him owing the full amount of charges until the end of the agreement.

In May 2008, he sent a letter to his service provider notifying it of his intention to cancel the contract as his business was moving premises. However, the service provider did not accept it to be a valid termination as it had been sent 39 days after his contract had expired, nine days more than the clause stipulated. The service provider requested payment of the outstanding minimum agreement, or \$18,700.

Stephen made a complaint through us claiming that the terms of the contract were unfair as it would be unreasonable for him to have to pay the full charges of the agreement and he didn't have full

knowledge of the automatic renewal clause.

Meanwhile, the service provider believed that Stephen was liable for the whole sum as it claimed the automatic renewal clause had been explained and Stephen had signed the agreement in knowledge of this.

The complaint made its way through our whole complaint process without a resolution that was agreeable to both parties.

After considering all the evidence in the matter, the law and best industry practice as per the Telecommunications Consumer Protections Code, the Acting Ombudsman issued a Preliminary View in 2010, recommending the service provider waive the fees as it was evident that Stephen had inadvertently signed up to an unfair contract.

In August 2010, Ombudsman Simon Cohen issued a direction that the service provider waive part of the fees, and recommended it to waive another part of the fees. The service provider complied with both the decision and recommendation.

Determinations in 2010-11

Very few Determinations are issued each year. Generally the parties are likely to resolve the disputes at an earlier stage of the complaint handling process. In 2010-11, we issued seven determinations. The majority of these resulted in a referral of the company to the ACMA.

In our submission to the DBCDE discussion paper about the TIO, we noted that for the small number of service providers who exhibit consistent non-compliant behaviour, a stronger enforcement regime may be needed. Currently, non-compliance will result in referral to the ACMA for consideration of an enforcement action. However, some additional steps could be considered, including:

- removal from TIO membership
- a bar on a non-compliant company, and the persons who run the company, from operating within the telecommunications industry
- protected public reporting by the TIO of non-compliant behaviour, both to encourage compliance and perhaps more critically, reduce potential consumer detriment.

Understanding the causes of complaints

A high number of complaints we receive are simple issues related to customer service and complaint handling. After monitoring our complaint statistics over two years, we found that while overall complaint numbers were stable, the proportion of those complaints that were about customer service and complaint handling kept rising.

To better understand what drove these complaints, we surveyed more than 500 consumers who contacted us between July and August 2010 with a complaint about customer service and complaint handling.

Performance → Resolving complaints

This survey found:

- more than half of the consumers (55 per cent) contacted their service providers five or more times before ringing us
- more than half of the consumers (54 per cent) raised the matter with their service provider at least a month before contacting the TIO, with 31 per cent stating they had made a complaint more than three months beforehand
- most consumers (60 per cent) spent three or more hours unsuccessfully trying to solve their complaint before approaching the TIO, with one in five (20 per cent) saying they spent more than nine hours resolving their complaint
- half (50 per cent) contacted more than three different departments.

Improving the way we resolve complaints

Improving our reporting

In October 2010 we revised the way we report our complaint statistics, categorising the data into enquiries, new complaints and investigations. Our stakeholders can now easily identify the volume of cases we handled and the extent to which we conciliate or investigate those cases. This improves our accountability and makes our statistics easier to interpret.

Enquiries are matters we cannot deal with directly, such as when a consumer comes to us before contacting their service provider or complains about something outside our functions or powers.

New complaints are recorded when a residential or small business consumer contacts us about a matter they have already raised with their service provider. These are often resolved through referral by us back to the service provider's complaint handling specialists to give consumers and service providers another chance to work out the complaint together. When a new complaint remains unresolved, we will use other methods to resolve the complaint.

CASE STUDY

MAX'S COMPLAINT

Max contacted us with a complaint about the speed of his internet service and a billing error.



When his two-year contract for an ADSL service was due to expire, Max approached his provider to upgrade to an ADSL2+ service on a \$50 plan. He claimed that for half the money of his previous service, he was promised faster speeds and a greater data allowance than he had been paying. It was an offer that was attractive to him because he watched news from his home country over the internet, and it would be convenient for the videos to load quicker.

However, he claimed that when he started using the service he experienced slower speeds than he got through his previous service. At the same time, he was being billed \$100 a month – the same amount as his old service. He told us that he tried to contact his service provider 20 to 30 times over three months to gain a resolution, but was unsuccessful every time. Before he could get to talk to anyone, he claimed he would have to spend a long time on hold.

When he got through to the customer service department,

he claimed the staff were of little help. They told him that the age of wires connecting his telephone service might be affecting the speed of his internet service. His service provider said that the speeds were within “the range of what is acceptable” and it would not send a technician to investigate the situation. Regarding his billing error, he was promised that a member of their senior complaint handling team would ring him back. When they called, he was unavailable. He returned the call, but it rang out and he was unable to leave a message.

When Max rang the TIO, we wrote to the service provider, which then acknowledged that he was not being billed in accordance with the ADSL2+ service and it would credit the \$150 he had been overcharged for the previous three months. They also provided a goodwill credit for the poor customer service he experienced and performed troubleshooting that improved the speed of his internet service.

Performance → Resolving complaints

Investigations include complaints that require further involvement by us. They include informal conciliation and formal investigations that will require evidence of claims. When all else fails, we will make a decision about the case.

Focusing on conciliation

In April 2011, we began introducing a streamlined, less formal conciliation process to deal with complaints not resolved by referral. The process of conciliation encourages and assists consumers and providers to:

- identify and openly discuss the issues surrounding the complaint
- consider creative options for a resolution, keeping in mind the law, industry standards and what is fair and reasonable, and
- agree on a resolution.

We manage the conciliation process, confirming that communication between the parties is taking place, providing information about the issues in dispute and helping to generate options for resolution.

Early evidence from the conciliation process is showing that complaints are being resolved more quickly, and fewer cases require detailed investigation.

Streamlining our procedures

Our complaint handling procedures (CHPs) provide clarity and transparency for consumers and service providers with information about how we handle complaints, and ensure consistency and fairness in our decision making. Importantly, where a consumer or service provider believes that we have not followed our process, they can request a review of our decisions.

Over the course of 2010-11, we consolidated our CHPs to make them more streamlined and transparent. We introduced an Objectives and Definitions section, clearly separated specific procedures, removed overlapping sections, introduced numbered paragraphs for each CHP and improved clarity of language for publication on our website.

Clarifying our jurisdiction

Two major amendments to the TIO Constitution came into effect in February 2011.

The first clarifies the TIO's jurisdiction to investigate complaints about "bundled" services that comprise carriage services through a telecommunications provider and equipment typically leased through a finance company. Consumers with disputes about bundles often claim that they are unaware that their telecommunications agreement was bundled with a finance agreement or that they were promised "free" equipment such as plasma TVs or laptops. While they can terminate their telephone service agreement, they are unable to terminate the finance contract without incurring a substantial early termination charge. The constitutional amendment allows the TIO to hold the service provider responsible for the actions or omissions of the finance company if it considers it fair and reasonable to do so.

CASE STUDY

ELLIE'S COMPLAINT

Ellie, a TAFE student, contacted the TIO about a problem that she was having with a wireless broadband service.



She said she had signed up at a store for a prepaid service which offered 8GB a month for \$49. As she was required to submit all her assignments electronically, it was a service that she could not do without. Another reason she claimed she signed up for the service was that it would be cut off after she exceeded her 8GB limit.

Ellie claimed that she did not receive a SIM card for the modem until a month after her service was to start and was then charged \$100 for the wireless modem. She claimed she had to pay \$80 for a wireless broadband connection from another provider during the first month, as her original service had failed to work. A few months

later, her provider barred the service because she hadn't paid the \$100. Ellie had also been billed for going over her 8 GB limit, which she disputed.

She claimed that she called her service provider several times to try and get the service reactivated and the charges waived. Each time she called her service provider's representatives they claimed they had no copy of her contract stating there would be no charge for her modem or excess usage charges.

When Ellie contacted the TIO, the service provider had sent her a bill for \$249. During the TIO's investigation, the provider agreed to waive excess charges Ellie had incurred, bringing her bill down to two months worth of actual spending, or \$98. As a gesture of good will, they also agreed to reimburse the money for the second service she bought in the first month that the SIM card had not been sent.

Performance → Resolving complaints

The second amendment allows the Ombudsman or Deputy Ombudsman to issue an interim direction requiring a service provider to cease credit management action while the TIO is considering or investigating a complaint. No interim directions have been required. However, in some cases we have been required to draw this power to service provider's attentions to make sure they cease credit management action such as pursuing a debt. This is an important safeguard to maintain status quo while a complaint is being investigated.

Reviewing our position statements

The TIO has a series of publicly available position statements that set out our position on a range of issues. We have, over a number of years, developed targeted position statements to help give certainty to consumers and their providers of the approaches we take to particular types of complaints that have been repeatedly reported to our office.

In early 2011, the TIO began a comprehensive review of these Position Statements to ensure they remain relevant and contain accurate, consistent and up-to-date information. We have consulted representatives of service providers and consumer groups to get feedback on how to make our Position Statements more accessible. The review is still under way and will be completed by early next year.

New and updated keywords

The tags by which the TIO describes and categorises the issues a consumer raises in a complaint are known as keywords. Keywords form the basis of our reporting about complaint issues. During 2010-11, the TIO introduced a number of new keywords after a review conducted over the course of the previous financial year.

The new keywords reflect new products and services while other existing ones were finetuned to reflect industry changes.

Some of these keywords relate to complaints about:

- locking and unlocking of handsets and SIM cards for prepaid services
- compliance with the Mobile Premium Services Barring Determination
- unfair contract terms such as forced cancellation of a service, termination fees as penalties, changes in pricing, changes in goods or services provided and automatic renewals
- equipment fault issues such as refusal to repair goods still under warranty, inappropriate remedies to a fault and delays in repairing faulty equipment.

CASE STUDY

TAMARA'S COMPLAINT

Tamara came to us with a complaint about a bundled internet and landline service.



She opted to bundle those services in a \$115 a month unlimited plan, which she believed could save her money as she understood calls to mobiles from her landline would be free.

The plan also included voicemail, caller ID and an internet security suite, which she believed would cost \$3 on top of the \$115 each month. But in her first bill, Tamara told us she was surprised to receive a bill for \$340.

Tamara said she tried to resolve the problem with the provider, who initially offered to reduce the bill and put her on a more suitable \$70 a month plan. However, the following month she received another bill that was higher than she expected – this time for \$270. Her service provider claimed that the bill was so high because there

were outstanding charges she had not paid for. She then approached the TIO for help resolving the issues. The TIO's approach was to conciliate the case, so that both parties could agree on a resolution, without a formal investigation.

To clarify the issues, we organised a conference call so Tamara and her service provider could discuss the complaint. As a result of this, it became clear that the added features of the plan were causing the bill to be higher than expected.

The service provider agreed to remove the caller ID, voicemail and internet security, waived the excess fees and confirmed that she was on a lower plan of \$70 per month that covered her landline and internet services, and would not be charged more than that amount.

PERFORMANCE

Our organisation

TIO as a fair employer

Staff snapshot

The rise in complaints, particularly in early 2011, required a recruitment drive to allow us to respond to the influx of calls and emails to our office. There were 275 employees at the TIO at 30 June, 65 more than in 30 June 2010. Our staff are 49 per cent female, 51 per cent male.

Remuneration review

In 2010-11 we conducted a comprehensive review of our pay structure to make it more fair, equitable and transparent for staff members. We worked with independent consultants Mercer to tailor a pay structure that rewards performance and aligns pay increases to labour market movements. The pay review was completed and rolled out for a switchover in the new financial year.

Performance measures review

As our new pay structure links a staff member's pay to their performance, we aligned this measurement to our organisation's goals of Fairness, Accountability, Independence, Accessibility, Efficiency and Effectiveness. These are the national benchmarks for alternative dispute resolution, which underpin our day to day operations. We will continue to work in 2011-12 to align these measures to new areas of dispute resolution we use, such as conciliation.

Learning and development

In this year of unprecedented demand we streamlined our training procedures to make sure new staff could start helping consumers as quickly as possible. We also delivered training to existing staff to continue to provide the best assistance possible in a constantly changing industry. These learning areas included:

- conciliation
- financial hardship
- Australian Consumer Law
- internet service provider technology
- the National Broadband Network
- equal opportunity legislation
- systemic investigation procedures
- complaint handling procedures
- acquired brain injury
- depression.

Heidi Odermatt

On 1 October 2010 we tragically lost Heidi Odermatt, an Enquiry Officer who had worked with the TIO for four years. Heidi was an outstanding Enquiry Officer and aspiring leader who had been appointed to a Team Manager position. Her passing affected her many friends at the TIO. In memory of Heidi we created the Heidi Odermatt Leadership Scholarship, to give non-managerial staff the opportunity to undertake management studies.

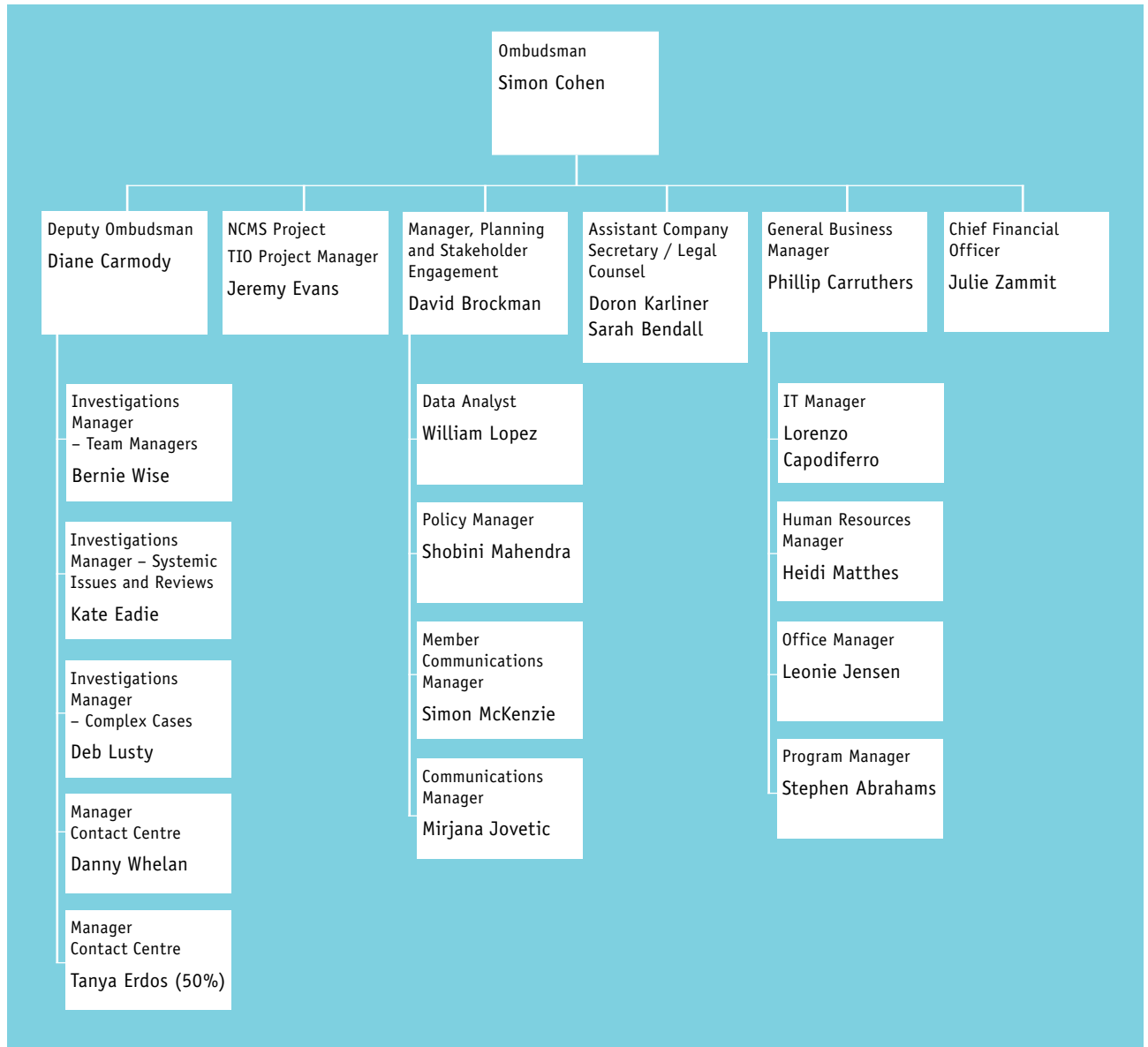
Our staff remember Heidi as a kind hearted, generous and supportive friend and workmate. To honour Heidi's memory, fellow staff contributed to the Heidi Odermatt Guide Dog Fund, which is successfully sponsoring a future Guide Dog, Heidi-0.

OH&S wellness

A number of activities were undertaken as part of our Health and Wellness Program over 2010-11.

Activity	Details	Participation	Outcomes
Stress Down Day	Lighten Up seminar	84	Increased awareness of personal reactions to stress and how to manage stress.
FebFast	Mocktail night (non-alcoholic cocktails) and sponsorship of staff to participate in FebFast	40	Sponsorship of staff members raised approximately \$2,000 for charity.
QUIT	Fresh Start course -health effects of smoking and quitting methods	18	Excellent feedback from the eight sessions. Five people quit completely and eight people have cut back.
Work Health checks	Onsite	43	Sixty percent of staff have received a health check over the last two years. This has helped identify risk factors at the TIO and provided input to future activities of the Health and Wellness Program.
Flu Vaccinations	Onsite	55	Reduced personal leave.
Care Super and Outlook seminars	One-on-one meetings to consolidate super and financial advice/seminars	61	Raised awareness of financial issues affecting staff with the aim of reducing financial stress.
Ergonomics	Workstation ergonomic assessments	147	Improved awareness of good posture and desk setup.
Optional massages	Monthly massages	389	Remedial shoulder and neck massages.

TIO Organisational Chart July 2011



Performance → Our organisation

Reducing our carbon footprint

Complaint handling is not a carbon-intensive activity. However, the TIO shares the same environmental challenges that any other office in Australia would: reducing waste, using energy more efficiently and increasing our recycling.

In 2010-11, we took more steps to reduce our impact on the environment:

- we changed our paper supply from 100 per cent virgin pulp to 80 per cent recycled paper
- we reduced the paperwork we printed and moved towards emailing service providers instead of faxing
- we began a number of initiatives to re-use or recycle items, such as providing Keep Cups, as well as collecting old batteries, mobile phones and printing cartridges for various recycling programmes
- we have started an audit of our energy use to identify areas where we can be more efficient.

In 2011-12 the TIO will further formalise our efforts to reduce the organisation's impact on the environment within a corporate social responsibility policy.

Transitioning to email correspondence

In 2010-11 we continued to use measures to avoid printing and sending letters or faxes to consumers and service providers. In the past, we relied heavily on faxing details of complaints to service providers and posting letters to consumers.

Several years ago, prompted by a request from a service provider, we began a trial to transition all our communication with service providers to email, including notification of when a complaint was lodged and the notes relevant to that complaint. We compared costs of paper, envelopes and time spent by staff before and after the email trial.

The results of that comparison proved that there were significant savings in stationery and postage and no impact on the time our staff spent in our dealings. Most importantly, our staff generally agreed that this approach was the most environmentally responsible.

Based on the success of this trial, we rolled out an email communication process that will eventually include all members of the scheme. By May 2011, we had moved to email-only communication with the ten service providers that account for the majority of our dealings and their subsidiaries. The rollout will continue in 2011-12.

Improving our service

Consumer satisfaction

In 2010-11 we conducted three surveys, each with a sample of 300 consumers who used our services. We asked them about a range of aspects of their experience, including how accessible we were and their satisfaction with the way we handled their complaint. The surveys were conducted in July 2010, November 2010 and February 2011. They were aimed at consumers whose matters had been referred back to their provider's complaint-handling specialists, or where we had facilitated a resolution.

These surveys reflected very positive results in the consumers' satisfaction with the TIO's handling of complaints as well as satisfaction with the outcome of their complaint.

Complaints and compliments

On 1 February 2011 the TIO put in place an improved complaints and compliments framework to allow consumers and service providers to give us formal feedback about the quality of our dispute resolution services.

While we have always received complaints and compliments about our services, this framework gives stakeholders a clearer process for raising matters with us.

Consumer satisfaction with the TIO

Consumer satisfaction	Overall satisfaction			"Extremely" or "very" satisfied		
	FEB 2011	NOV 2010	JUL 2010	FEB 2011	NOV 2010	JUL 2010
Satisfaction with the TIO's handling of complaints	93%	93%	84%	84%	82%	69%
Satisfaction with the outcome of complaints	79%	82%	60%	71%	69%	48%

Performance → Our organisation

Between 1 February and 30 June 2011, the TIO received 63 compliments about our services. These were compliments about specific TIO staff members and do not include emails praising the TIO in general.

During the same period we received 43 complaints about our services, 11 of which were found to be substantiated. No recurring issues have been found.

Complaints and compliments under this procedure are accepted verbally or in writing through a variety of media.

Our Complaints and Compliments policy is available on our website.

A new complaints management system

In 2010-11 the TIO has been working with software developer Resolve to build a smart, modern and reliable complaints management system.

The software will greatly improve the quality and efficiency of our complaint handling and data collection, and will have benefits for telecommunications providers and consumers.

For service providers the new system will provide greater transparency of the TIO processes with improved complaints-related information.

Consumers will also benefit from the new system. They will now be able to make a complaint via an improved online form, add information to a complaint in progress and view the progress of their complaint.

Design of the new system started in March 2011. Resolve is currently building the system, which is expected to go live in 2012.

Reviewing the TIO

Our Articles of Association call for the TIO to commission an independent review of our service periodically. The Board engaged consultancy firm KPMG to conduct such a review in December 2010, which handed its report in June 2011.

The review included consultation with more than 30 stakeholders such as government, industry, other ombudsman schemes, consumer representatives, the Ombudsman, and Board and Council members. Through this consultation, KPMG assessed our current performance, our future and the industry's and made strategic recommendations on how we might best take on future challenges.

At the time of completing this report, the review's findings had not been published. The review report and the TIO's response will be published during 2011-12.

PERFORMANCE

Contributing to the co-regulatory environment

Submissions to regulators

The TIO regularly makes submissions to regulators and other agencies about trends in dispute resolution within the telecommunications industry. Through our submissions, we also provide information to regulators and the public about who the TIO is and what we do. Our submissions include complaint statistics, statistics about code compliance and relevant case studies.

Submissions focus on the ways in which issues, legislation or codes of practice can and do affect telecommunications consumers. We also provide data to regulators, which may identify systemic issues, industry trends over time or may focus on specific issues of interest.

In 2010-11 we made 20 public submissions. The most comprehensive was in response to the Australian Communication and Media Authority's (ACMA) *Reconnecting the Customer consultation* paper. We provided a range of statistics and case studies to identify key themes in customer service and complaint handling issues in the telecommunications industry. We also made an extensive submission to the related review of the TIO by the Department of Broadband, Communications and the Digital Economy (DBCDE). Other important themes in submissions over the past year have included consumer protection, regulatory reform and convergence.

Highlights

September 2010.

Reconnecting the Customer. TIO's submission to the ACMA's public inquiry into customer service in the telecommunications industry.

We identified trends in complaint and issue data over a four-year period using statistics and case studies to illustrate the key stages of the consumer-service provider relationship. We highlighted improvements that the telecommunications industry could make in customer service and complaint handling. We also discussed the systemic issues we had investigated over the previous 18 months. Finally, we reflected on the role of the TIO as an external dispute resolution scheme, historically and looking to the future.

December 2010.

Numbering Plan (Consultation Paper 1). TIO's comments on the first consultation paper about the structure of Australia's telephone numbering plan.

This TIO submission to the ACMA primarily focused on the potential impact to consumers of the proposed changes to Australia's telephone numbering plan. We provided an overview of TIO complaint data (longitudinal statistics and case studies) relevant to the allocation of numbers. We noted our concerns about the Integrated Public Number Database, geographical numbering and 1300/1800 number routing, accuracy and charging. We noted the need for consumer awareness about revisions to the Numbering Plan to minimise consumer detriment. We also provided suggestions for consideration by the ACMA about its future work program for the Numbering Plan.

April 2011.

Discussion paper on TIO Scheme. Submission to the Department of Broadband, Communications and the Digital Economy on its discussion paper examining opportunities to reform the Telecommunications Industry Ombudsman (TIO) scheme.

We provided an overview of our role, including our functions and powers, our governance structure, funding model and consumer base. We discussed consumer satisfaction with our service. We outlined changes to how we report our statistics to regulators and in our annual report, TIO Talks, and public Determinations. We also detailed our recent initiatives to increase our efficiency, such as recruitment, staff training, increasing our capacity to investigate systemic issues and other activities. Overall, our focus was on identifying the ways in which we work to meet the needs of telecommunications consumers and service providers.

A full list of submissions made by the TIO can be viewed at:
Appendix 2 – List of public submissions made by the TIO 2010-11

PERFORMANCE

Creating awareness

A new website



In 2010-11, work continued on a new website to help consumers and service providers learn about their rights and responsibilities, and the work we do.

An online strategy was developed that aims to make sure our website is easy to navigate and search, and contains clear and concise information.

It guides consumers so they can handle their complaints about telecommunications services more easily and so they can understand what the TIO can and cannot help them with.

The website includes audio information in languages other than English, video case studies and some Auslan translation.

TIO Talks



In our newsletter, *TIO Talks*, we publish regular information such as complaint statistics and developments in the telecommunications industry or regulatory environment that could be useful for consumers.

This financial year we published three issues of *TIO Talks* with a circulation of 1,000 and which is available online. These publications were supported by media releases to raise awareness of the issues highlighted. Some of the topics we covered included:

- the impact of credit management on disadvantaged consumers
- a guide on the potential risks of global roaming
- what to be aware of when signing up to a direct debit account
- how to understand what affects the speed of an internet connection.

Outreach activities



We have a strong focus on reaching people who may have difficulty getting in touch with us due to financial, social, cultural or language barriers, a lack of access to the internet or not knowing what the TIO does. These people include the elderly, youth, Indigenous consumers, rural and regional residents, those with a disability or people whose preferred language is not English.

Every year, our representatives go out to many of these communities to raise awareness of our service and make sure the scheme remains easy to reach. These visits include talks at conferences, community gatherings, festivals and meetings. We often partner with other organisations such as financial counsellors and community legal centres. In 2010-11 we made more than 50 visits all over the country.

Performance → Creating awareness

CASE STUDY

NERIDA'S COMPLAINT

Ahmed, a lawyer for an Indigenous community legal service, approached the TIO about a debt-collection letter one of his clients had received about a \$1,500 landline bill.



His client, Nerida, lived with her young family on a remote community several hours drive from the nearest town.

Ahmed claimed Nerida had been contacted by a debt collector about a bill she had accrued over a four-month period. As well as being asked to pay the bill, her phone was disconnected and a default listing was placed on her file. Nerida's service had since been reconnected so she could make and receive local calls only.

Upon investigation, the TIO was concerned that the provider had appeared not to have conducted a proper credit assessment before providing Nerida and her family with the landline service. Nerida's only source of income was Centrelink payments, which were income managed. This meant that half her income was withheld to pay bills.

Nerida's phone debt appeared to have occurred because of several hundred long distance and mobile calls. The *Telecommunications Consumer Protections* code says that providers must undertake an appropriate credit assessment to determine whether to supply a service to that customer or supply a service which includes measures to effectively limit the customer's expenditure or usage. In Nerida's case, her service could have been

limited to local calls to ensure she did not incur a high debt.

The provider said that it assessed all customers for their ability to pay their accounts, but could not provide any evidence that it had done so in Nerida's case. It had listed her occupation when she applied for the service as unemployed.

Ahmed sought to have the total bill waived, have the default listing removed and keep the service restricted to local calls provided to Nerida and her family. The service provider declined, showing that it had followed the appropriate procedures before default listing Nerida. It said that Nerida had agreed, during the time that she was incurring high bills, to enter a payment arrangement. At this stage she owed \$570, which the provider said she should now pay.

After further investigation by the TIO, the provider agreed to waive the whole debt, and withdraw the default listing. It said it would place a note on its systems so that if Nerida applied for a post-paid landline service again, she may be referred to a customer relations team for review to determine whether any restrictions could be placed on her service, to limit Nerida's exposure to unexpectedly high bills.

Some of the highlights of this year were:

- a community consultation session between members of the TIO Council and financial counsellors in Adelaide
- the Ombudsman, Deputy Ombudsman and the head of our Indigenous Liaison Team spoke to financial counsellors and Indigenous community workers from all over the country at the External Dispute Resolution conference in Sydney
- for the first time this year, we spoke at the National Association of Community Legal Centres conference held in Melbourne
- the TIO went to three conferences aimed at people with disabilities: the Deaf Australia conference in Hobart, the Having a Say Conference in Geelong and the Disability Professionals Victoria conference in Melbourne
- we spoke at the Business Educators Association of Queensland and Victorian Commercial Teachers Association conferences aimed at secondary school teachers
- we went to the Indigenous Rugby League Knockout in Woy Woy, one of the largest gatherings of Indigenous people in NSW, with attendance of 20,000 people
- we continued our strong links with the Indigenous Consumer Assistance Network (ICAN) in Cairns, providing training to their staff and clients in Far North Queensland.

View the full list of our activities around the country: *Appendix 3 – Calendar of outreach activities*

Performance → Contributing to the co-regulatory environment

Reaching out to culturally diverse communities



Culturally and Linguistically Diverse (CALD) communities were the main focus of our awareness activities in the first six months of 2011, as we began a strategy to make our services more accessible to consumers whose preferred language is not English.

The Australian Bureau of Statistics considers that migrants from all over the world account for more than half of the 400 languages other than English spoken in Australian homes. Knowing which of those communities are in most need presented a challenge.

In late 2010, the TIO surveyed agencies that provide services to CALD communities to find out which language groups we should focus on first.

As a result, we produced a brochure in 31 languages, which we have distributed widely to organisations including:

- community houses
- migrant resource centres
- state and federal multicultural affairs departments
- community legal centres
- council libraries
- ethnic communities councils in all states.

More detailed fact sheets can be viewed or downloaded on our website.

The TIO will continue its outreach work into CALD communities by producing a series of radio announcements to be played in community radio stations throughout the country, visiting community representatives and organisations, and providing cultural awareness training for TIO staff.

We also hosted visitors from Australian and international agencies who wanted to learn about the work we do as a leading alternative dispute resolution service and the complaints we receive from consumers. These included the Korean Association for Information and Technology (KAIT), India's Telecom Disputes Settlement and Appellate Tribunal (TDSAT) and the Indonesian Ombudsman.

PERFORMANCE

The road ahead

The telecommunications sector in Australia is a rapidly changing environment, with technology both driving and striving to keep pace with consumer demands. In the immediate future, the increasing sophistication of mobile phones and the strong consumer appetite for them indicates that much of the TIO's work will be spent resolving issues from this segment of the market.

Mobile services are increasingly becoming the primary mode of browsing, and transacting on, the world-wide-web. Service plans that offer both significant included call values as well as substantial data download limits will generate strong demand. Experience tells us that such plans are not always simple to understand. There is scope for consumer confusion if telecommunications services are not marketed and sold in a straightforward, transparent way.

During the past year, the TIO has observed the further convergence of services across telecommunications platforms and this is a trend we expect to continue. IPTV is growing in popularity and the devices on which consumers are able to download content are becoming more numerous. There are also signs that mobile phones as payment devices may be starting to gather momentum and bundled telephone and electricity plans are established and available.

While a proliferation of services and a choice of ways to access them is no doubt of benefit to consumers, it is also critical that they have clear paths to follow if things go wrong. The TIO anticipates that it will need to assist consumers in circumstances where not only one service provider may be a party to a complaint, but several.

This is a consideration as we look a little further ahead to the full-scale roll-out of the National Broadband Network.

Our initial focus will be on the deployment of the network, and assisting consumers and NBN Co in circumstances where the installation of infrastructure on consumers' property may have caused disputes and damage. As consumers become connected to the NBN through their retail providers, the TIO will need to be alert to a range of other potential issues. These may include difficulties during the migration to the NBN, newly converged services and multiple service offerings at the same premises by different providers.

Notwithstanding the exciting technological developments that no doubt lie ahead for consumers, the TIO recognises that typical service-related matters such as sales transactions, bills and product faults will likely remain key drivers for consumers contacting our office. The TIO will therefore need to be flexible and to adapt if it is to respond effectively to both traditional complaint issues and the developing technologies and consumer demands that accompany them.

Outcomes from the ACMA's *Reconnecting the Customer* public inquiry, as well as the launch of the DBCDE's review of the TIO Scheme, reflect the importance of ensuring the TIO itself is appropriately prepared to tackle the exciting developments that lie ahead in Australian telecommunications.

TIO IN NUMBERS

Complaint statistics 2010–11

The TIO's new reporting methodology

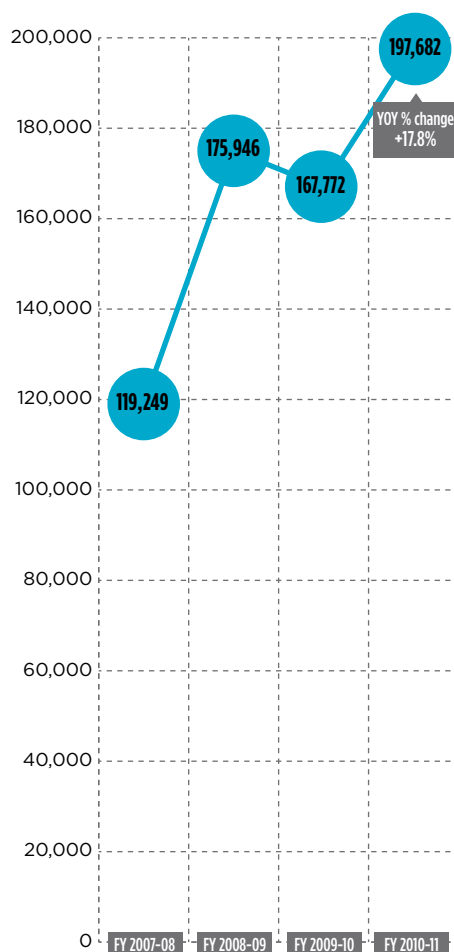
We report on new complaints that we receive from individual residential or small business consumers whose complaints have not been resolved by their service providers. If these new complaints remain unresolved after referral to the service provider, the TIO gets involved by conciliating a resolution between the parties. If necessary, cases may be further investigated and a final decision may be made by the TIO.

In January 2011, we stopped separately charging providers whenever a consumer returned to us for further advice but where the complaint could not be taken further. This includes where no action was taken on the first consumer contact because for example, the offer made by the provider was reasonable or the TIO did not have the power to assist any further. Because of this change, we have removed "further advice" matters from all our statistics (both for TIO Cases and Issues) in this annual report.

The data in this Annual Report does not reflect adjustments made after billing periods as a result of any reclassification of cases.

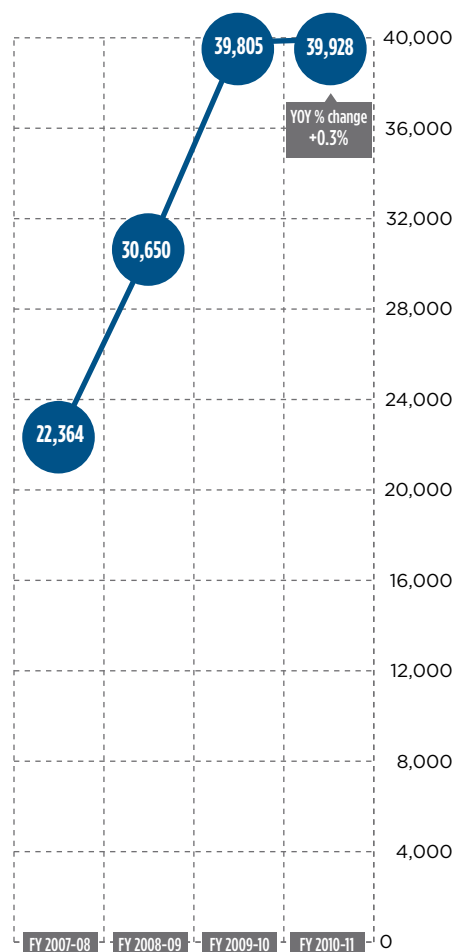
For more information, refer to our guide Understanding TIO complaint data

New complaints



Most **new complaints** are Level 1 cases where the TIO gives the service provider a final chance at resolving the case without further involvement by the TIO. New complaints also include a very small number of complaints that are recorded directly at Level 2 and Land Access Objections that are recorded at Level 4.

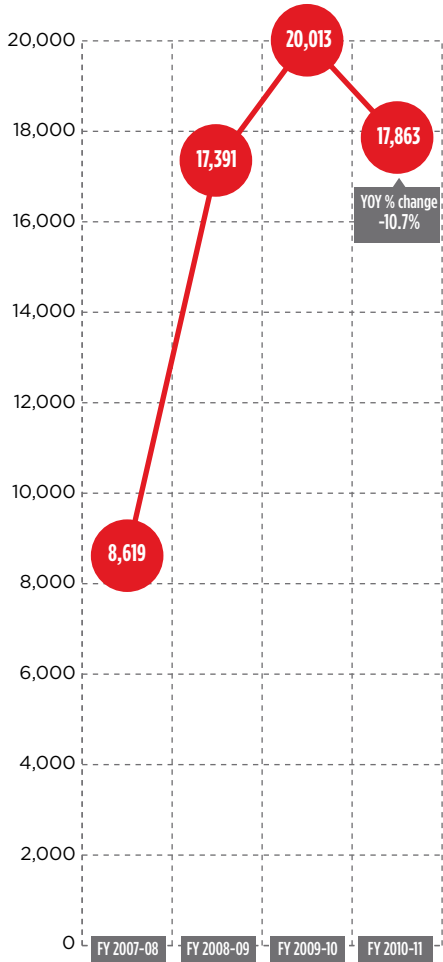
Enquiries



The TIO records an **enquiry** when a person contacts us about something we cannot deal with directly - including when the person has not contacted their provider, or complaints about something outside the TIO's functions and powers.

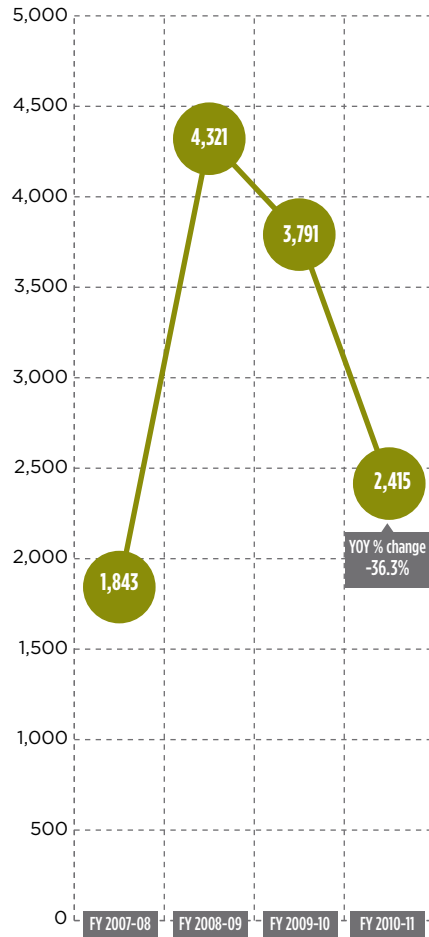
TIO in numbers → Complaint statistics 2010–11

Investigations
Level 2



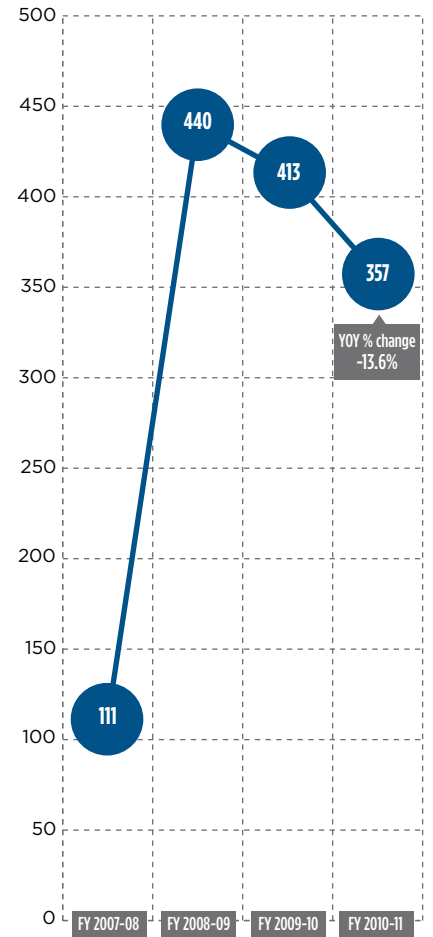
Cases that are not resolved by referral to the service provider and require the TIO to conciliate a resolution.

Level 3



Cases requiring further investigation, including where the TIO provides advice about a fair outcome. The TIO can make binding decisions at this Level if the value of the dispute is below \$1,200.

Level 4



Cases requiring a thorough and detailed investigation, and may result in a binding decision or direction by the TIO.

TIO in numbers → Complaint statistics 2010–11

New complaints

Financial year (FY)	New Complaints
	Most new complaints are Level 1 cases where the TIO gives the service provider a final chance at resolving the case without further involvement by the TIO. New complaints also include a very small number of complaints that are recorded directly at Level 2 and Land Access Objections that are recorded at Level 4.
2007-08	119,249
2008-09	175,946
2009-10	167,772
2010-11	197,682
Change (%)*	17.8

Investigations

Level 2	Level 3	Level 4
Cases that are not resolved by referral to the service provider and require the TIO to conciliate a resolution.	Cases requiring further investigation, including where the TIO provides advice about a fair outcome. The TIO can make binding decisions at this Level if the value of the dispute is below \$1,200.	Cases requiring a thorough and detailed investigation and may result in a binding decision or direction by the TIO.
8,619	1,843	111
17,391	4,321	440
20,013	3,791	413
17,863	2,415	357
-10.7	-36.3	-13.6

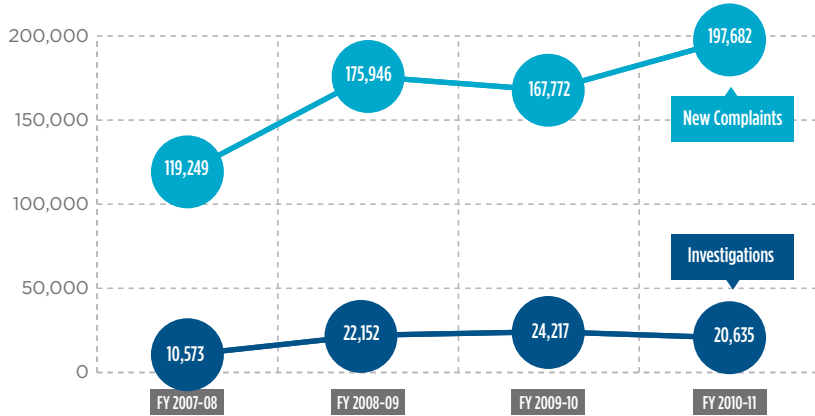
Enquiries

Enquiries
The TIO records an Enquiry when a person contacts us about something we cannot deal with directly - including when the person has not contacted their provider, or complains about something outside the TIO's functions and powers.
22,364
30,650
39,805
39,928
0.3

* from 2009-10 to 2010-11

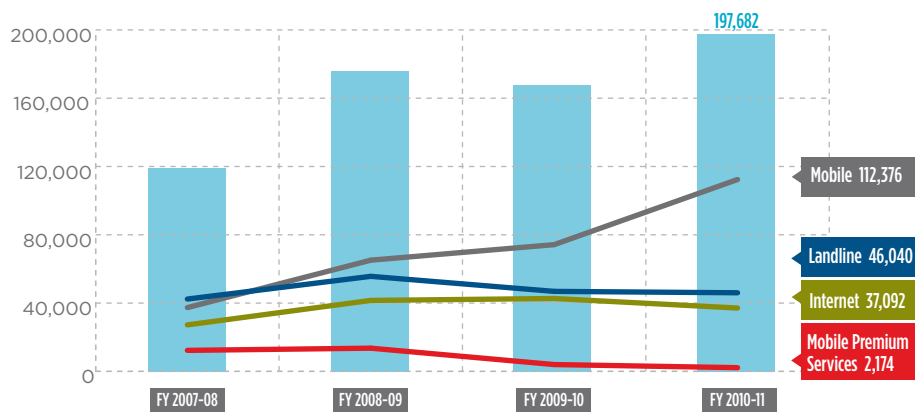
TIO in numbers → Complaint statistics 2010–11

New complaints v investigations



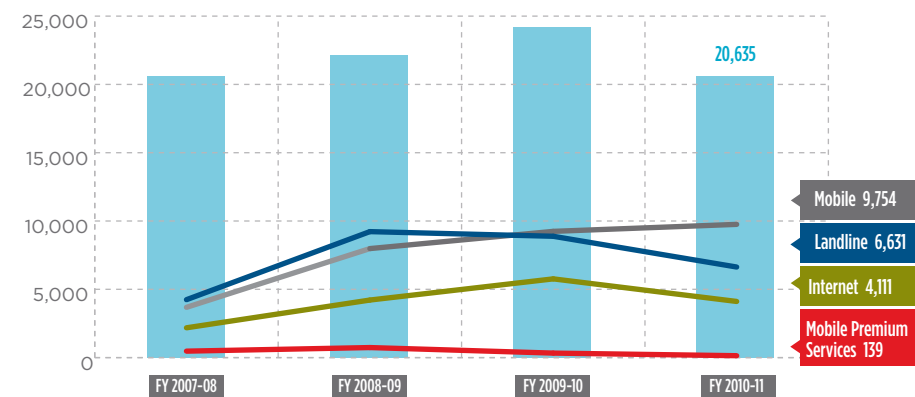
New complaints increased by 17.8% in 2010-11, with most new matters resulting from issues with mobile telephone services. Investigations decreased by 14.8%, in part due to improved and more effective complaint handling processes introduced by the TIO, including the email referral and conciliation processes, and in part because some providers made improvements to their complaint handling processes.

New complaints by service type



New complaints about mobile services increased by 51.4% in 2010-11 and contributed significantly to the increase in new complaints received by the TIO in 2010-11. This was partly driven by the service issues faced by Vodafone and partly due to issues associated with rising smartphone use. New complaints about landline and internet decreased in 2010-11. New complaints about mobile premium services decreased to 2,174, some 45% less than in 2009-10.

Investigations by service type

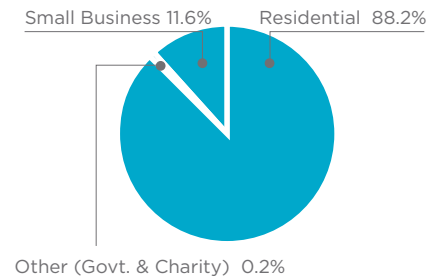


Although investigations across all service types decreased in 2010-11, investigations for mobile services increased by 5.5%, partly driven by the surge in complaints about the Vodafone service issues where further TIO involvement through conciliation and investigation was required.

TIO in numbers → Complaint statistics 2010–11

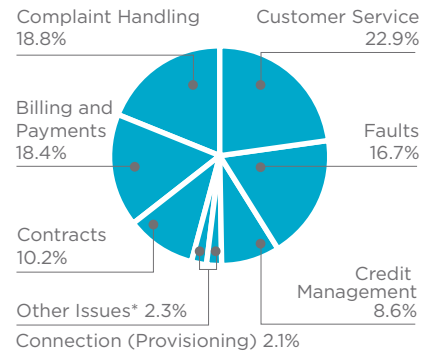
New complaints by consumer type

The TIO receives new complaints from small business and residential consumers who have a grievance or dispute with their telephone or internet service provider. Most consumers who approach the TIO are residential consumers. However, complaints involving small businesses are more likely to involve higher dollar value disputes.



Top 7 issues for new complaints

The TIO records and reports on issues at each case level. Every new complaint involves at least one issue. Some new complaints can involve multiple issues – for example, a complaint about a faulty mobile service may also involve a concern over the lack of a response from the service provider about the fault. In such circumstances, the TIO would record one new complaint with two issues – a faults issue and a customer service issue. This year, there has been a small decrease in complaints about billing and payments. All other issues increased, with fault issues increasing by more than 87 per cent, primarily as a result of a 467 per cent increase in mobile coverage issues in new complaints.



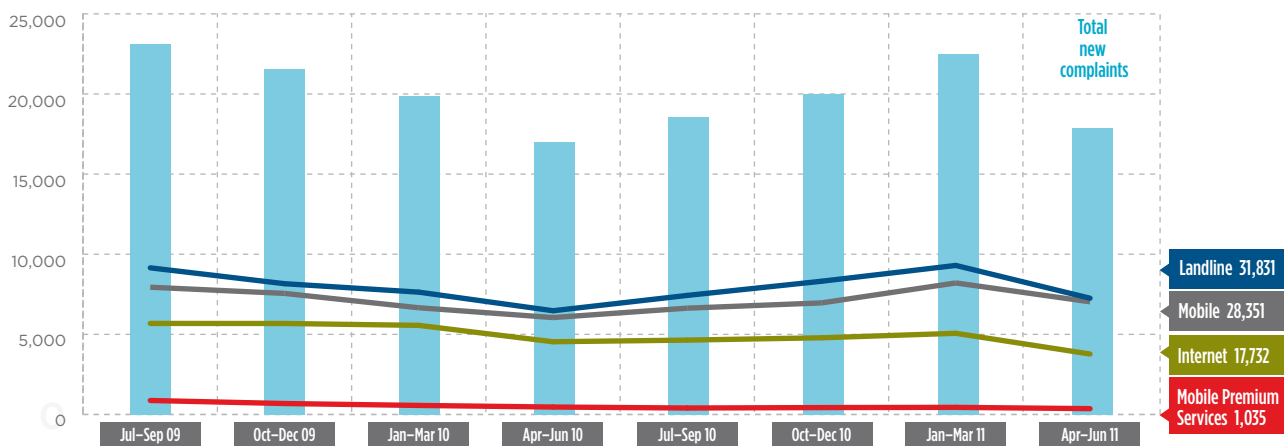
*includes transfers, privacy, directories, disability, land access, phonecards and payphones

TIO IN NUMBERS

Top 10 members – new complaints

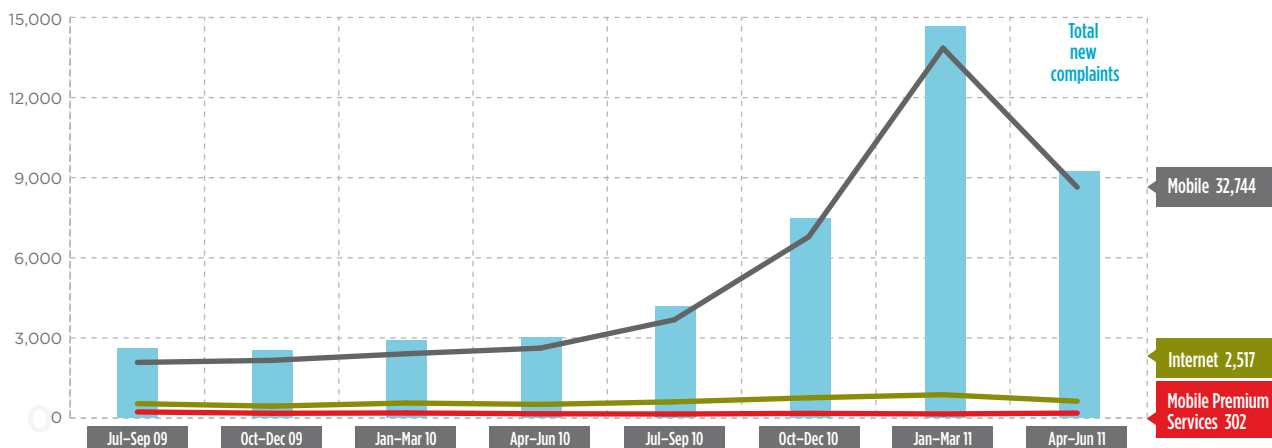
Telstra (and Bigpond)

Total new complaints 2009-10	Total new complaints 2010-11	% Change
81,589	78,949	-3.2



Vodafone

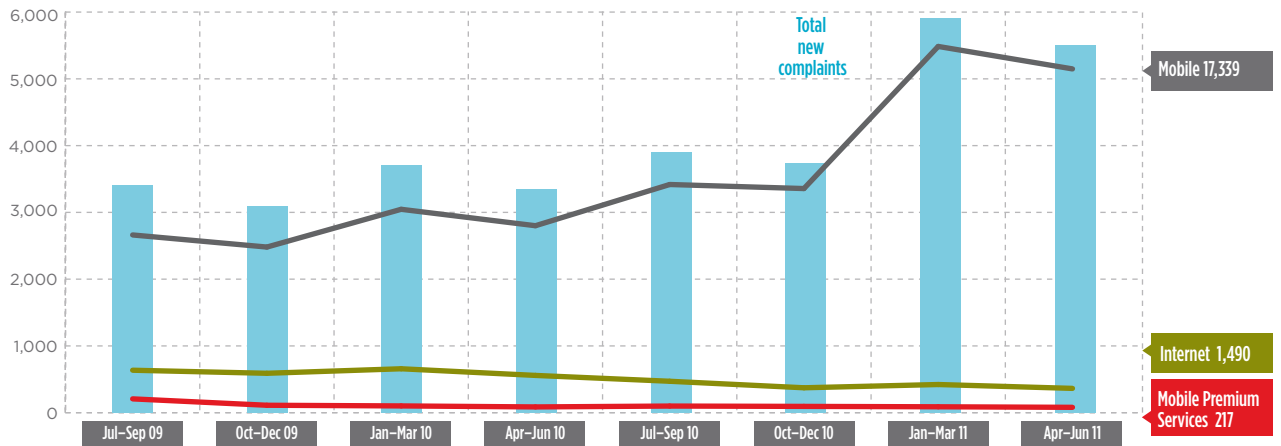
Total new complaints 2009-10	Total new complaints 2010-11	% Change
11,040	35,563	222.1



TIO in numbers → Top 10 members new complaints

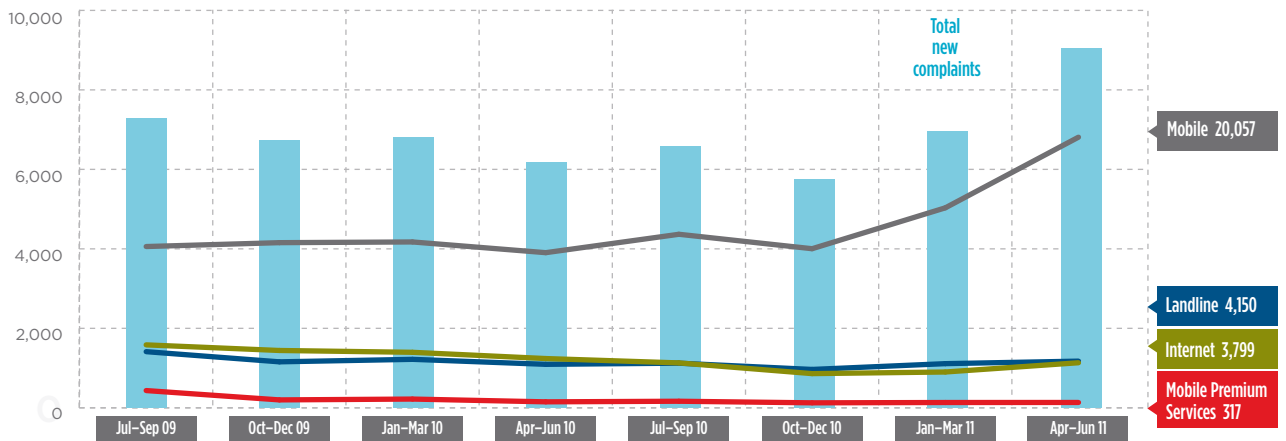
VHA(3)

Total new complaints 2009-10	Total new complaints 2010-11	% Change
13,558	19,046	40.5



Optus*

Total new complaints 2009-10	Total new complaints 2010-11	% Change
26,988	28,323	4.9

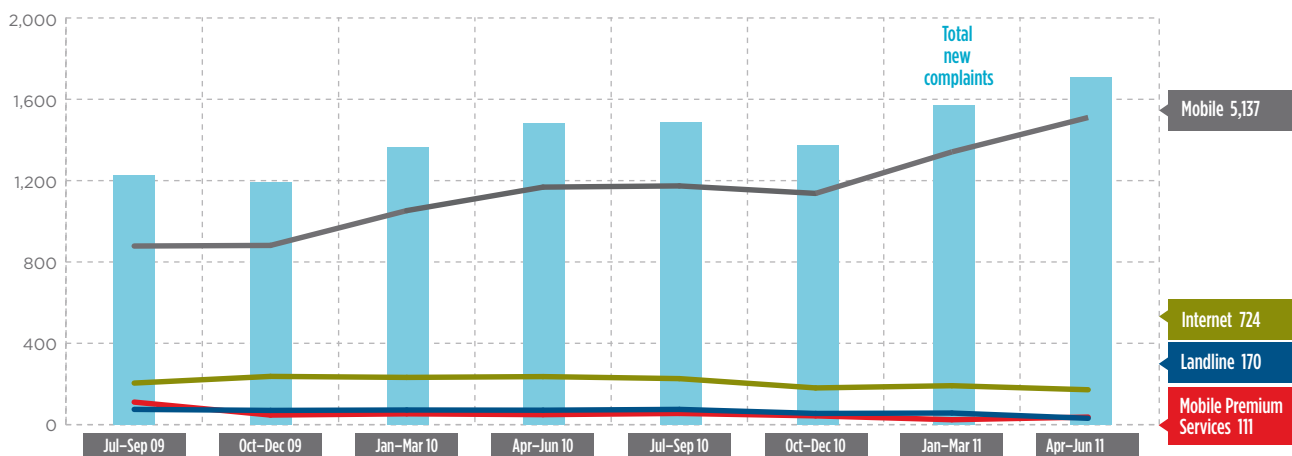


*Optus new complaints include new complaints recorded against Optus Networks, Optus Broadband and Optus Mobile.

TIO in numbers → Top 10 members new complaints

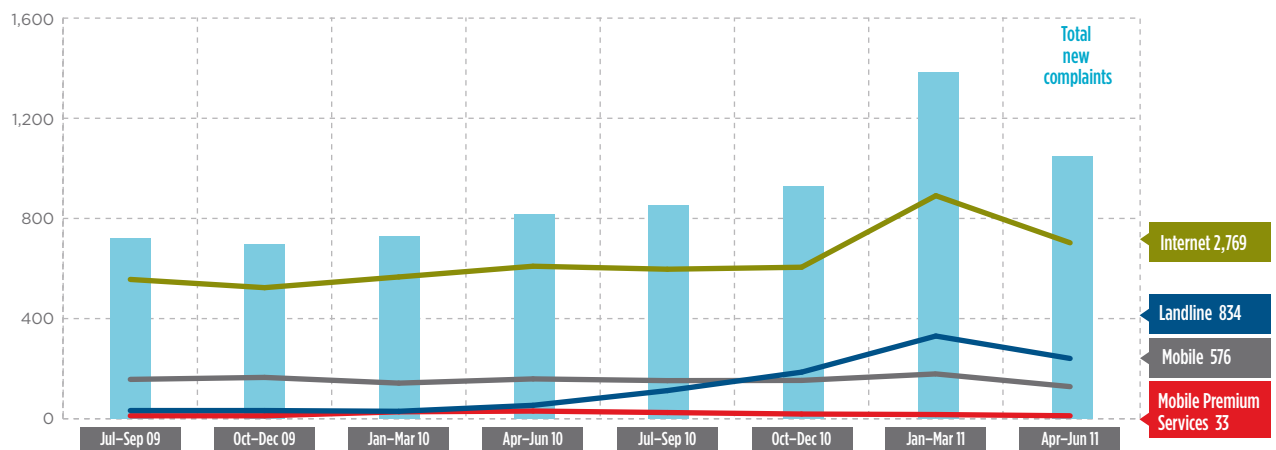
Virgin

Total new complaints 2009-10	Total new complaints 2010-11	% Change
5,266	6,142	16.6



TPG

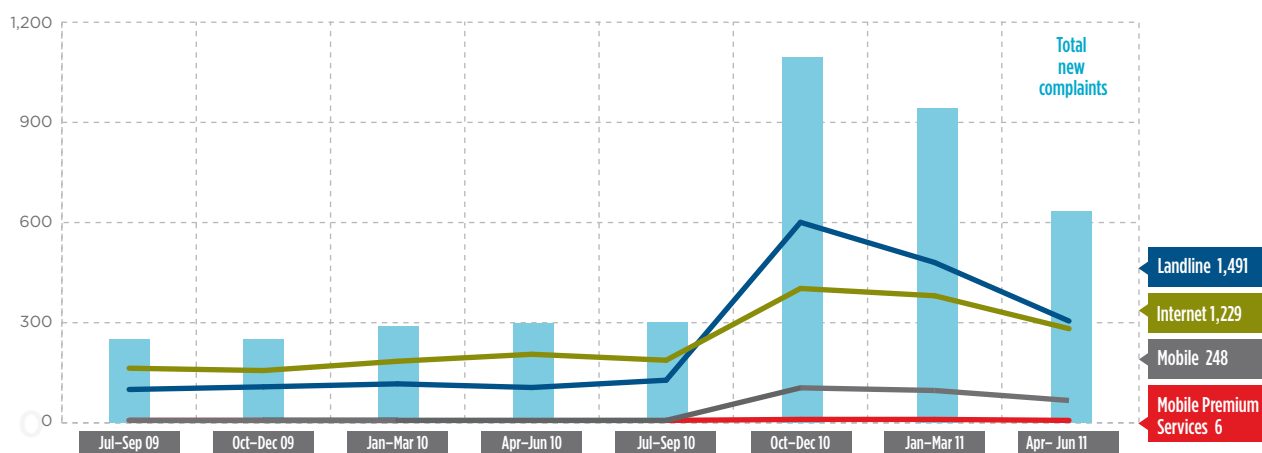
Total new complaints 2009-10	Total new complaints 2010-11	% Change
2,966	4,212	42



TIO in numbers → Top 10 members new complaints

iiNet*

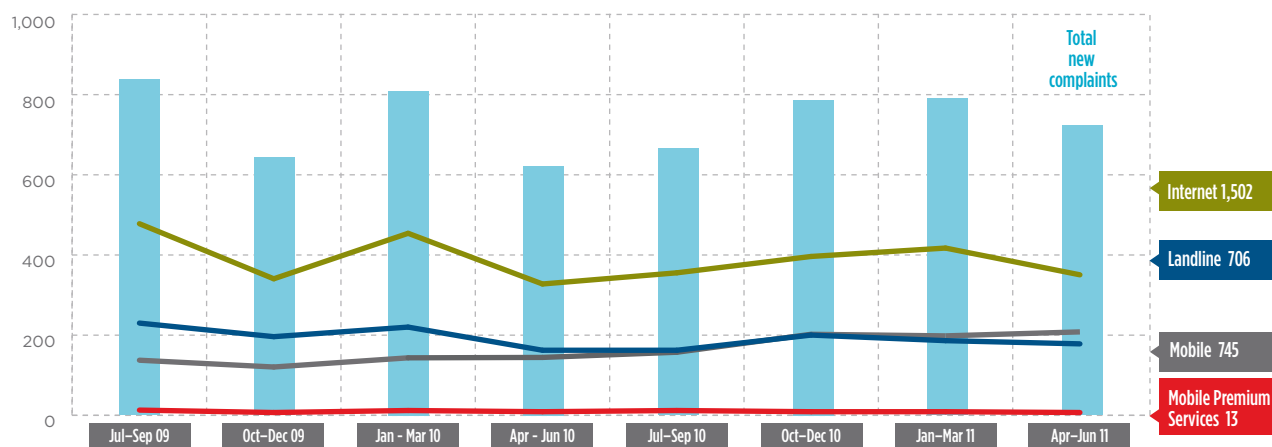
Total new complaints 2009-10	Total new complaints 2010-11	% Change
1,087	2,974	173.6



* The increase in new complaints against iiNet after October 2010 is a result of their acquisition of AAPT residential consumers, a very substantial customer base

Dodo

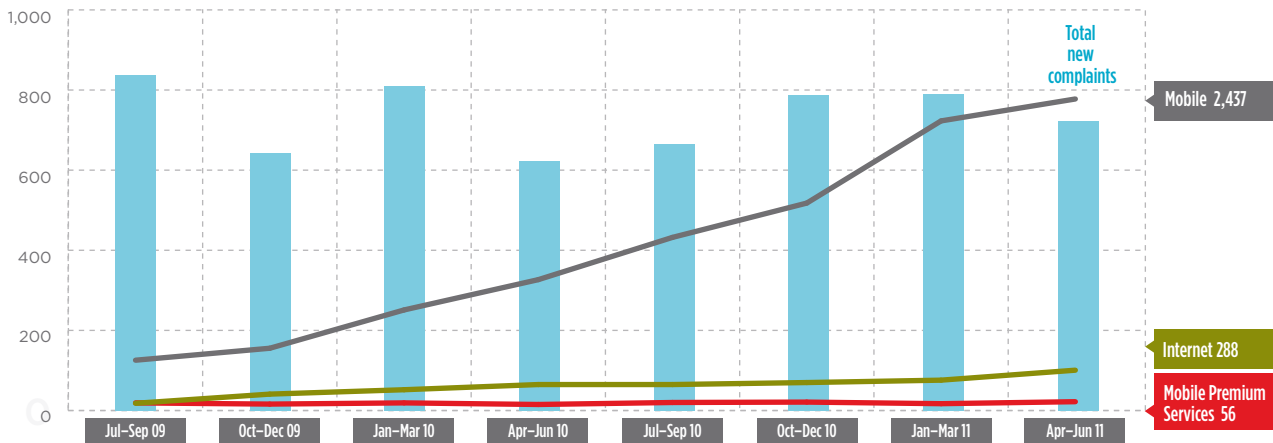
Total new complaints 2009-10	Total new complaints 2010-11	% Change
2,912	2,966	1.9



TIO in numbers → Top 10 members new complaints

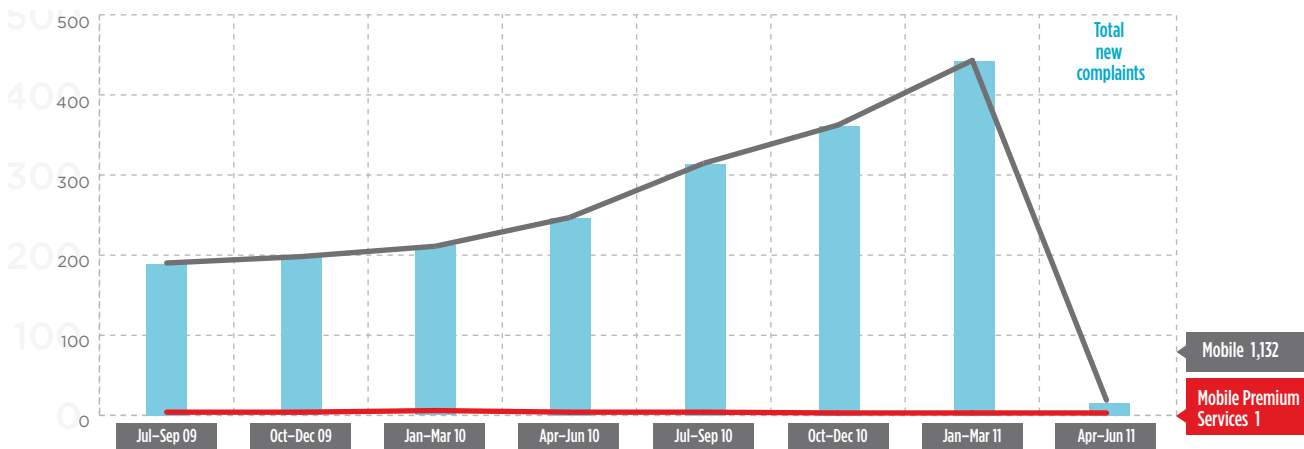
Crazy John's

Total new complaints 2009-10	Total new complaints 2010-11	% Change
1,035	2,781	168.7



Edirect (VIPTel)*

Total new complaints 2009-10	Total new complaints 2010-11	% Change
844	1,133	34.2



* Edirect's customer base was taken over by M2 VIPTel in March 2011. Complaints received after this period from customers of M2 VIPTel are recorded under this new entity since it became a member of the TIO scheme in April 2011

TIO IN NUMBERS

Complaints by member

TIO Members with 25 or more new complaints registered in 2010-11
- by case level and service type.

Member Name	Total New Complaints	Internet			Landline			Mobile		Mobile Premium Services
		Level 1	Level 2	Level 4	Level 1	Level 2	Level 4	Level 1	Level 2	Level 1
1800Mumdad Pty Ltd (t)	55	0	0	0	0	0	0	55	0	0
AAPT Ltd (t&i) (c)	1,078	297	3	0	650	2	0	121	0	5
ACN Pacific Pty Ltd (t&i)	267	50	0	0	78	1	0	128	1	9
Adam Internet Pty Ltd (i) (c)	184	149	0	0	35	0	0	0	0	0
amaysim Australia Pty Ltd (t)	32	0	0	0	0	0	0	26	0	6
Australian Private Networks Pty Ltd (t&i) (c)	168	153	0	0	12	0	0	3	0	0
Astron Communication and Information Services Pty Ltd (t)	87	4	0	0	81	0	0	2	0	0
Aussie Broadband Pty Ltd (t&i) (c)	35	21	0	0	14	0	0	0	0	0
Australia Internet Solutions Pty Ltd (i)	78	68	0	0	10	0	0	0	0	0
Soul Communications Pty Ltd (t&i)	585	54	1	0	125	2	0	395	1	7
Club Telco Pty Ltd (t&i)	930	291	0	0	560	1	0	75	0	3
BEST Internet and Telecom Pty Ltd (t&i) (c)	68	2	0	0	60	0	0	6	0	0
Telemates Pty Ltd (t&i)	84	1	0	0	80	0	0	3	0	0
Motion Telecom Pty Ltd (t)	26	0	0	0	26	0	0	0	0	0
CardCall Pty Ltd (t&i)	156	0	0	0	96	0	0	60	0	0
Chariot Internet Ltd (i)	56	56	0	0	0	0	0	0	0	0
The trustee for Clear Networks Trust (t&i) (c)	49	44	0	0	5	0	0	0	0	0
Clear Telecoms (Aust) Pty Ltd (t&i)	172	2	0	0	134	2	0	33	0	1
Complete Telecom Pty Ltd (t&i)	100	4	0	0	94	2	0	0	0	0
Connex Communications Pty Ltd (t&i)	44	0	0	0	4	0	0	38	0	2
Mobileworld Operating Pty Ltd (t)	2,781	288	0	0	0	0	0	2,433	4	56
EFTel Limited (t&i) (c)	35	25	0	0	10	0	0	0	0	0
Dodo Australia Pty Ltd (t&i)	2,966	1,502	0	0	704	2	0	744	1	13
Edirect Pty Ltd (t)	1,133	0	0	0	0	0	0	1,121	11	1
EFTel More Than Broadband Pty Ltd (t&i)	340	276	1	0	63	0	0	0	0	0
E-Talk Communications Pty Ltd (t&i)	71	52	0	0	17	0	0	2	0	0
Excite Mobile Pty Ltd (t) (c)	107	0	0	0	0	0	0	106	1	0
Exetel Pty Ltd (i) (c)	205	157	0	0	30	0	0	16	0	2
FairTalk Pty Ltd (t&i)	81	5	0	0	76	0	0	0	0	0
Flexirent Capital Pty Ltd (i)	43	43	0	0	0	0	0	0	0	0
Flex Group Pty Ltd (t)	104	0	0	0	95	0	0	8	0	1
GoTalk Australia Pty Ltd (t)	437	126	0	0	264	0	0	46	0	1
HarbourIT Pty Ltd (i)	37	37	0	0	0	0	0	0	0	0
Hi Tech Telecom Pty Ltd (t)	383	41	0	0	65	0	0	276	1	0
VHA(3) (o) (c)	19,046	1,487	3	0	0	0	0	17,319	20	217
iiNet Ltd (t&i)	2,974	1,216	13	0	1,464	27	0	244	4	6
Internode Pty Ltd (t&i)	354	277	1	0	76	0	0	0	0	0
Lebara Australia Limited (t)	41	0	0	0	0	0	0	36	0	5
Live Connected Pty Ltd (t)	27	0	0	0	0	0	0	27	0	0
Lycamobile Pty Ltd (t)	58	0	0	0	0	0	0	58	0	0
M2 Commander Pty Ltd (t&i)	118	5	0	0	90	3	0	18	0	2
M2 Telecommunications Pty Ltd (t)	54	1	0	0	19	0	0	34	0	0
M2 VIPtel (t)	411	0	0	0	0	0	0	406	5	0

(t) = telephone service provider (i) = internet service provider (o) = other (c) = holds carrier licence

TIO in numbers → Complaints by member *continued*TIO Members with 25 or more new complaints registered in 2010-11
- by case level and service type *continued*.

Member Name	Total New Complaints	Internet			Landline			Mobile		Mobile Premium Services
		Level 1	Level 2	Level 4	Level 1	Level 2	Level 4	Level 1	Level 2	Level 1
m8 Telecom Pty Ltd (t&i)	73	0	0	0	0	0	0	70	1	2
M2 Clear Pty Ltd (t&i)	156	2	0	0	128	1	0	25	0	0
Mibroadband Pty Ltd (t)	277	145	0	0	132	0	0	0	0	0
Motiv Communications Pty Ltd (t&i)	44	32	0	0	12	0	0	0	0	0
My Net Fone Pty Ltd (t&i)	86	38	0	0	48	0	0	0	0	0
TransACT Victoria Communication Pty Ltd (t&i)	66	39	0	0	24	0	0	3	0	0
Netspace Online Systems Pty Ltd (i)	204	143	0	0	61	0	0	0	0	0
Next Business Telecommunications Pty Ltd (t&i)	54	1	0	0	52	0	0	1	0	0
Optus Networks Pty Ltd (t&i) (c)	5,220	1,070	0	0	4,138	12	0	0	0	0
Optus Broadband Pty Ltd (i)	2,729	2,728	1	0	0	0	0	0	0	0
Optus Mobile Pty Ltd (t) (c)	20,374	0	0	0	0	0	0	20,054	3	317
One Telecom Pty Ltd (t&i)	290	191	1	0	77	0	0	21	0	0
OurTel Pty Ltd (t&i)	44	4	0	0	40	0	0	0	0	0
PacNet Internet (A) Pty Ltd (i)	48	33	0	0	15	0	0	0	0	0
People Telecommunications Ltd (t&i)	399	105	1	0	217	1	0	75	0	0
Planet Ozi Pty Ltd (i)	46	40	0	0	6	0	0	0	0	0
Primus Telecommunications Pty Ltd (t&i) (c)	1,110	465	1	0	575	3	0	65	0	1
Pulse Telecom Pty Ltd (t)	38	0	0	0	38	0	0	0	0	0
Commoditel (Australia) Pty Ltd (t)	28	0	0	0	0	0	0	28	0	0
Tel.Pacific Limited (t)	51	0	0	0	30	0	0	21	0	0
SIMplus Mobile Pty Limited (t)	147	0	0	0	0	0	0	147	0	0
Saunders Properties Pty Ltd (i)	39	38	0	0	1	0	0	0	0	0
Savvy Communications (Aust.) Pty Ltd (t)	130	0	0	0	0	0	0	129	1	0
Mobile Services Only Pty Ltd (t)	260	0	0	0	0	0	0	258	1	1
Southern Cross Telco Ltd (t&i) (c)	109	21	0	0	67	0	0	21	0	0
Sensis Pty Ltd (o)	490	0	0	0	490	0	0	0	0	0
Simply Tel Pty Ltd (t&i) (c)	61	1	0	0	60	0	0	0	0	0
SkyMesh Pty Ltd (i) (c)	135	129	0	0	5	0	0	1	0	0
Southern Phone Company Ltd (t)	514	51	0	0	251	0	0	210	0	2
Spintel Pty Ltd (i)	189	98	0	0	84	0	0	7	0	0
Telco Blue Pty Ltd (t)	96	18	1	0	62	0	0	14	0	1
Startel Communications Pty Ltd (t&i)	235	0	0	0	84	0	0	143	0	8
Switched On - Victoria Pty Ltd (t&i)	55	1	0	0	53	0	0	1	0	0
Telstra Corporation (includes Telstra BigPond)* (t) (c)	78,949	17,702	30	0	31,732	99	0	28,301	50	1,035
Telair Pty Ltd (t&i) (c)	61	4	0	0	42	0	0	15	0	0
Teleus Pty Ltd (t)	57	0	0	0	57	0	0	0	0	0
Telko Pty Ltd (t&i)	74	1	0	0	70	1	0	2	0	0
Time Telecom Pty Ltd (t)	80	8	0	0	72	0	0	0	0	0
Touch Tel Pty Ltd (t&i)	35	1	0	0	34	0	0	0	0	0
TPG Internet Pty Ltd (i)	4,212	2,764	5	0	833	1	0	575	1	33
TransACT Capital Communications Pty Ltd (t&i) (c)	293	81	0	0	140	1	0	64	0	7
Trinity Telecom Pty Ltd (t&i)	30	0	0	0	26	0	0	4	0	0
Unwired Australia Pty Ltd (t&i) (c)	48	48	0	0	0	0	0	0	0	0
Value Tel Pty Ltd (t) (c)	62	6	0	0	55	1	0	0	0	0

*From 1 July 2010, the TIO recorded all Telstra BigPond new complaints against Telstra Corporation
(t) = telephone service provider (i) = internet service provider (o) = other (c) = holds carrier licence

TIO in numbers → Complaints by member *continued*TIO Members with 25 or more new complaints registered in 2010-11
- by case level and service type *continued*.

Member Name	Total New Complaints	Internet			Landline			Mobile		Mobile Premium Services
		Level 1	Level 2	Level 4	Level 1	Level 2	Level 4	Level 1	Level 2	Level 1
Veetel Pty Limited (t)	25	2	0	0	22	0	0	1	0	0
Lumo Energy Telecommunications Pty Ltd (t&i)	26	1	0	0	25	0	0	0	0	0
Reward Mobile Pty Limited (t)	63	0	0	0	0	0	0	57	1	5
Virgin Mobile (Australia) Pty Ltd (t&i)	6,142	724	0	0	170	0	0	5,132	5	111
Vivid Wireless Pty Limited (i) (c)	106	106	0	0	0	0	0	0	0	0
Vodafone Australia Limited (t) (c)	35,563	2,515	2	0	0	0	0	32,732	12	302
Westnet Pty Ltd (t&i)	524	323	0	0	199	0	0	2	0	0
Convergence Solutions Pty Ltd (t)	26	0	0	0	26	0	0	0	0	0
Bluemaxx Communications Pty Ltd (i) (c)	45	43	1	0	1	0	0	0	0	0
Yourtel Pty Ltd (t)	44	1	0	0	43	0	0	0	0	0

(t) = telephone service provider (i) = internet service provider (o) = other (c) = holds carrier licence

TIO in numbers → Complaints by member *continued*

TIO Members with 25 or more cases that required conciliation or investigation by the TIO in 2010-11 - by case level and service type.

Member Name	Total Investigations	Internet			Landline			Mobile			Mobile Premium Services		
		Level 2	Level 3	Level 4	Level 2	Level 3	Level 4	Level 2	Level 3	Level 4	Level 2	Level 3	Level 4
AAPT Ltd (t&i) (c)	173	36	8	1	82	20	11	9	5	1	0	0	0
Australian Private Networks Pty Ltd (t&i) (c)	31	26	4	0	1	0	0	0	0	0	0	0	0
Soul Communications Pty Ltd (t&i)	64	4	1	1	10	1	1	40	6	0	0	0	0
Club Telco Pty Ltd (t&i)	42	9	2	0	24	1	0	6	0	0	0	0	0
Mobileworld Operating Pty Ltd (t)	232	22	1	0	0	0	0	191	13	1	4	0	0
Dodo Australia Pty Ltd (t&i)	138	44	3	0	52	7	1	29	2	0	0	0	0
Edirect Pty Ltd (t)	116	0	0	0	0	0	0	108	8	0	0	0	0
EFTel More Than Broadband Pty Ltd (t&i)	43	23	2	1	12	4	1	0	0	0	0	0	0
GoTalk Australia Pty Ltd (t)	100	18	4	0	49	18	1	8	2	0	0	0	0
Hi Tech Telecom Pty Ltd (t)	52	5	0	0	8	3	0	28	8	0	0	0	0
VHA(3) (o) (c)	2,091	153	21	0	0	0	0	1,705	185	13	12	2	0
iiNet Ltd (t&i)	949	225	101	19	297	176	46	57	24	3	1	0	0
M2 Commander Pty Ltd (t&i)	29	0	0	0	15	9	2	2	1	0	0	0	0
M2 VIPtel (t)	58	0	0	0	0	0	0	58	0	0	0	0	0
Netspace Online Systems Pty Ltd (i)	27	15	4	0	5	3	0	0	0	0	0	0	0
Optus Networks Pty Ltd (t&i) (c)	331	48	2	0	259	19	3	0	0	0	0	0	0
Optus Broadband Pty Ltd (i)	113	107	6	0	0	0	0	0	0	0	0	0	0
Optus Mobile Pty Ltd (t) (c)	784	0	0	0	0	0	0	770	6	0	8	0	0
People Telecommunications Ltd (t&i)	60	12	1	0	26	7	0	12	2	0	0	0	0
Primus Telecommunications Pty Ltd (t&i) (c)	177	49	8	0	79	22	6	11	2	0	0	0	0
Savvy Communications (Aust.) Pty Ltd (t)	26	0	0	0	0	0	0	26	0	0	0	0	0
Southern Phone Company Ltd (t)	59	4	0	0	29	5	0	17	2	1	1	0	0
Spintel Pty Ltd (i)	38	19	2	0	12	3	0	1	1	0	0	0	0
Startel Communications Pty Ltd (t&i)	36	0	0	0	9	1	0	22	4	0	0	0	0
Telstra Corporation (includes Telstra BigPond)* (t) (c)	9,469	1,624	164	16	3,722	664	123	2,750	306	36	61	3	0
TPG Internet Pty Ltd (i)	1,057	527	99	7	199	57	7	129	24	0	7	1	0
TransACT Capital Communications Pty Ltd (t&i) (c)	67	12	6	1	17	7	1	15	4	0	3	1	0
Virgin Mobile (Australia) Pty Ltd (t&i)	442	39	1	0	15	3	0	347	31	1	5	0	0
Vodafone Australia Limited (t) (c)	2,830	230	7	0	0	0	0	2,490	75	4	22	2	0
Westnet Pty Ltd (t&i)	139	44	24	7	37	20	7	0	0	0	0	0	0

*From 1 July 2010, the TIO recorded all Telstra BigPond investigations against Telstra Corporation
(t) = telephone service provider (i) = internet service provider (o) = other (c) = holds carrier licence

TIO in numbers → Complaints by member *continued*

Issues registered for TIO Members with 25 or more new complaints - by service type

	Total Issues for New Complaints	LANDLINE										MOBILE								Total Mobile Issues			
		Billing and Payments	Credit Management	Complaint Handling	Transfer	Customer Service	Contracts	Faults	Privacy	Connection (Provisioning)	Other	Total Landline Issues	Billing And Payments	Contracts	Credit Management	Customer Service	Complaint Handling	Faults	Transfer		Other		
1800Mumdad Pty Ltd (t)	101	0	0	0	0	0	0	0	0	0	0	0	0	0	48	5	3	27	13	0	0	5	101
AAPT Ltd (t&i) (c)	2,723	327	220	354	15	301	203	120	21	62	10	1,633	69	68	52	54	60	12	6	6	6	327	
ACN Pacific Pty Ltd (t&i)	664	31	19	30	4	44	13	35	1	4	1	182	52	42	49	67	54	64	0	4	332		
Adam Internet Pty Ltd (i) (c)	445	4	0	17	1	24	1	34	0	8	1	90	0	0	0	0	0	0	0	0	0	0	
amaysim Australia Pty Ltd (t)	62	0	0	0	0	0	0	0	0	0	0	0	6	5	1	17	8	3	7	2	49		
Australian Private Networks Pty Ltd (t&i) (c)	392	2	0	5	0	6	3	11	1	0	0	28	2	1	0	2	2	3	0	0	10		
Astron Communication and Information Services Pty Ltd (t)	205	48	15	36	17	41	24	8	3	5	0	197	1	0	1	1	0	0	0	0	3		
Aussie Broadband Pty Ltd (t&i) (c)	81	3	2	7	1	6	1	5	0	2	0	27	0	0	0	0	0	0	0	0	0		
Australia Internet Solutions Pty Ltd (i)	194	4	3	6	2	7	2	2	0	2	0	28	0	0	0	0	0	0	0	0	0		
Soul Communications Pty Ltd (t&i)	1,367	66	64	50	0	67	17	27	4	2	1	298	220	88	243	187	134	30	4	11	917		
Club Telco Pty Ltd (t&i)	2,414	344	46	314	112	257	196	150	6	34	2	1,461	55	35	6	41	32	6	5	2	182		
BEST Internet and Telecom Pty Ltd (t&i) (c)	162	29	3	17	29	27	26	3	1	1	0	136	4	3	2	5	3	1	2	0	20		
Telemates Pty Ltd (t&i)	201	40	9	27	41	24	49	3	0	0	0	193	4	0	0	0	0	0	1	0	5		
Motion Telecom Pty Ltd (t)	57	8	0	10	8	11	12	2	3	0	3	57	0	0	0	0	0	0	0	0	0		
CardCall Pty Ltd (t&i)	307	13	0	8	0	7	4	1	0	0	141	174	26	13	0	38	33	6	9	8	133		
Chariot Internet Ltd (i)	112	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
The trustee for Clear Networks Trust (t&i) (c)	112	0	0	4	0	2	1	5	0	1	0	13	0	0	0	0	0	0	0	0	0		
Clear Telecoms (Aust) Pty Ltd (t&i)	362	85	15	43	9	47	74	12	0	2	0	287	18	19	7	10	13	3	0	0	70		
Complete Telecom Pty Ltd (t&i)	251	47	9	34	33	48	52	9	7	1	1	241	0	0	0	0	0	0	0	0	0		
Connex Communications Pty Ltd (t&i)	118	1	0	0	0	3	3	0	0	0	0	7	22	28	14	18	21	4	1	0	108		
Mobileworld Operating Pty Ltd (t)	7,053	0	0	0	0	0	0	0	0	0	0	0	924	859	611	1,306	1,059	1,382	36	34	6,211		
EFTel Limited (t&i) (c)	87	6	3	8	0	3	2	2	0	1	0	25	0	0	0	0	0	0	0	0	0		
Dodo Australia Pty Ltd (t&i)	7,442	375	112	303	39	415	193	185	27	92	3	1,744	482	278	259	399	338	154	24	31	1,965		
Edirect Pty Ltd (t)	3,143	0	0	0	0	0	0	0	0	0	0	0	682	687	223	637	680	98	13	122	3,142		
EFTel More Than Broadband Pty Ltd (t&i)	817	36	10	23	6	30	14	26	1	3	0	149	0	0	0	0	0	0	0	0	0		
E-Talk Communications Pty Ltd (t&i)	176	4	4	9	3	8	4	5	0	5	0	42	1	0	0	1	0	0	0	0	2		
Excite Mobile Pty Ltd (t) (c)	298	0	0	0	0	0	0	0	0	0	0	0	85	71	33	57	34	13	1	4	298		
Exetel Pty Ltd (i) (c)	467	13	2	12	3	18	4	9	1	6	1	69	8	4	2	5	7	3	1	0	30		
FairTalk Pty Ltd (t&i)	200	35	11	36	17	35	41	9	3	1	0	188	0	0	0	0	0	0	0	0	0		
Flexirent Capital Pty Ltd (i)	104	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Flex Group Pty Ltd (t)	256	51	16	43	27	41	39	16	3	1	0	237	4	2	3	2	4	0	1	1	17		
GoTalk Australia Pty Ltd (t)	1,131	178	41	136	40	119	98	54	2	19	8	695	33	16	0	19	32	8	4	8	120		

(t) = telephone service provider (i) = internet service provider (o) = other (c) = holds carrier licence

TIO in numbers → Complaints by member *continued*Issues registered for TIO Members with 25 or more new complaints – by service type *continued*

	Total Issues for New Complaints	INTERNET								MOBILE PREMIUM SERVICES (MPS)								
		Billing and Payment	Contracts	Credit Management	Customer Service	Complaint Handling	Faults	Connection (Provisioning)	Other	Total Internet Issues	Billing And Payments	Complaint Handling	Contracts	Credit Management	Customer Service	Privacy	Other	Total MPS Issues
1800Mumdad Pty Ltd (t)	101	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
AAPT Ltd (t&i) (c)	2,723	125	113	64	136	155	107	39	10	749	8	5	0	0	1	0	0	14
ACN Pacific Pty Ltd (t&i)	664	13	20	18	31	19	23	3	1	128	8	5	2	1	5	1	0	22
Adam Internet Pty Ltd (i) (c)	445	32	35	1	64	78	114	28	3	355	0	0	0	0	0	0	0	0
amaysim Australia Pty Ltd (t)	62	0	0	0	0	0	0	0	0	0	6	3	1	0	3	0	0	13
Australian Private Networks Pty Ltd (t&i) (c)	392	59	23	20	85	81	80	3	3	354	0	0	0	0	0	0	0	0
Astron Communication and Information Services Pty Ltd (t)	205	1	2	1	0	1	0	0	0	5	0	0	0	0	0	0	0	0
Aussie Broadband Pty Ltd (t&i) (c)	81	8	7	0	7	13	14	4	1	54	0	0	0	0	0	0	0	0
Australia Internet Solutions Pty Ltd (i)	194	31	20	4	42	33	30	5	1	166	0	0	0	0	0	0	0	0
Soul Communications Pty Ltd (t&i)	1,367	37	10	20	27	29	8	0	2	133	8	6	1	0	4	0	0	19
Club Telco Pty Ltd (t&i)	2,414	110	99	16	144	188	120	33	54	764	4	1	0	1	1	0	0	7
BEST Internet and Telecom Pty Ltd (t&i) (c)	162	3	0	1	1	0	1	0	0	6	0	0	0	0	0	0	0	0
Telemates Pty Ltd (t&i)	201	1	0	0	2	0	0	0	0	3	0	0	0	0	0	0	0	0
Motion Telecom Pty Ltd (t)	57	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CardCall Pty Ltd (t&i)	307	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Chariot Internet Ltd (i)	112	8	21	2	32	23	20	3	3	112	0	0	0	0	0	0	0	0
The trustee for Clear Networks Trust (t&i) (c)	112	10	5	1	24	16	40	1	2	99	0	0	0	0	0	0	0	0
Clear Telecoms (Aust) Pty Ltd (t&i)	362	1	2	0	0	0	0	0	0	3	1	0	0	0	1	0	0	2
Complete Telecom Pty Ltd (t&i)	251	1	2	0	2	2	0	1	2	10	0	0	0	0	0	0	0	0
Connex Communications Pty Ltd (t&i)	118	0	0	0	0	0	0	0	0	0	2	1	0	0	0	0	0	3
Mobileworld Operating Pty Ltd (t)	7,053	87	121	56	120	138	190	2	2	716	64	23	8	9	22	0	0	126
EFTel Limited (t&i) (c)	87	11	5	8	16	11	7	2	2	62	0	0	0	0	0	0	0	0
Dodo Australia Pty Ltd (t&i)	7,442	609	482	180	827	642	728	143	94	3,705	14	6	2	2	4	0	0	28
Edirect Pty Ltd (t)	3,143	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	1
EFTel More Than Broadband Pty Ltd (t&i)	817	157	61	30	140	141	115	12	12	668	0	0	0	0	0	0	0	0
E-Talk Communications Pty Ltd (t&i)	176	24	22	9	21	24	21	7	4	132	0	0	0	0	0	0	0	0
Excite Mobile Pty Ltd (t) (c)	298	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Exetel Pty Ltd (i) (c)	467	67	36	13	92	67	73	12	6	366	2	0	0	0	0	0	0	2
FairTalk Pty Ltd (t&i)	200	5	2	0	2	0	0	2	1	12	0	0	0	0	0	0	0	0
Flexirent Capital Pty Ltd (i)	104	26	21	1	15	18	23	0	0	104	0	0	0	0	0	0	0	0
Flex Group Pty Ltd (t)	256	0	0	0	0	0	0	0	0	0	1	1	0	0	0	0	0	2
GoTalk Australia Pty Ltd (t)	1,131	64	38	10	48	72	52	8	23	315	1	0	0	0	0	0	0	1

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TIO in numbers → Complaints by member *continued*Issues registered for TIO Members with 25 or more new complaints
- by service type *continued*

	Total Issues for New Complaints	LANDLINE										MOBILE									
		Billing and Payments	Credit Management	Complaint Handling	Transfer	Customer Service	Contracts	Faults	Privacy	Connection (Provisioning)	Other	Total Landline Issues	Billing And Payments	Contracts	Credit Management	Customer Service	Complaint Handling	Faults	Transfer	Other	Total Mobile Issues
HarbourIT Pty Ltd (i)	83	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Hi Tech Telecom Pty Ltd (t)	895	34	3	30	2	33	5	21	0	6	1	135	160	42	15	199	118	40	60	28	662
VHA(3) (o) (c)	48,671	0	0	0	0	0	0	0	0	0	0	0	8,304	4,663	3,945	10,170	7,380	9,323	132	390	44,307
iiNet Ltd (t&i)	7,614	707	358	793	64	808	308	513	27	195	24	3,797	142	96	78	126	139	58	17	13	669
Internode Pty Ltd (t&i)	774	24	6	13	2	48	7	38	2	24	2	166	0	0	0	0	0	0	0	0	0
Lebara Australia Limited (t)	80	0	0	0	0	0	0	0	0	0	0	0	12	7	0	19	13	8	8	4	71
Live Connected Pty Ltd (t)	61	0	0	0	0	0	0	0	0	0	0	0	21	6	5	14	7	3	1	4	61
Lycamobile Pty Ltd (t)	122	0	0	0	0	0	0	0	0	0	0	0	21	26	0	28	22	8	12	5	122
M2 Commander Pty Ltd (t&i)	286	57	23	23	6	46	31	21	0	3	2	212	6	7	6	12	9	7	0	1	48
M2 Telecommunications Pty Ltd (t)	131	8	2	3	6	13	4	7	0	0	0	43	18	20	9	21	15	2	0	1	86
M2 VIPtel (t)	1,172	0	0	0	0	0	0	0	0	0	0	0	291	260	58	229	267	37	6	24	1,172
m8 Telecom Pty Ltd (t&i)	164	0	0	0	0	0	0	0	0	0	0	0	19	11	61	41	25	0	1	2	160
M2 Clear Pty Ltd (t&i)	370	63	7	31	8	62	117	13	0	1	0	302	16	16	6	15	7	6	0	0	66
Mibroadband Pty Ltd (t)	679	57	17	57	12	72	48	53	0	13	0	329	0	0	0	0	0	0	0	0	0
Motiv Communications Pty Ltd (t&i)	85	3	1	2	1	7	1	6	0	0	0	21	0	0	0	0	0	0	0	0	0
My Net Fone Pty Ltd (t&i)	206	23	3	9	9	33	9	17	0	2	0	105	0	0	0	0	0	0	0	0	0
TransACT Victoria Communication Pty Ltd (t&i)	163	10	0	13	3	14	7	7	0	2	1	57	1	1	0	1	2	1	0	0	6
Netspace Online Systems Pty Ltd (i)	452	23	4	18	1	31	9	35	3	7	1	132	0	0	0	0	0	0	0	0	0
Next Business Telecommunications Pty Ltd (t&i)	138	27	8	20	19	26	27	3	0	1	0	131	1	2	0	1	1	0	0	0	5
Optus Networks Pty Ltd (t&i) (c)	12,944	1,776	1,011	1,833	375	2,267	1,165	830	191	527	49	10,024	0	0	0	0	0	0	0	0	0
Optus Broadband Pty Ltd (i)	6,670	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Optus Mobile Pty Ltd (t) (c)	49,553	0	0	0	0	0	0	0	0	0	0	0	7,623	6,317	4,486	11,057	8,664	9,878	182	708	48,915
One Telecom Pty Ltd (t&i)	666	40	13	29	6	35	25	8	0	5	2	163	8	6	1	10	10	6	0	3	44
OurTel Pty Ltd (t&i)	102	21	4	15	12	17	18	8	0	2	0	97	0	0	0	0	0	0	0	0	0
PacNet Internet (A) Pty Ltd (i)	96	6	3	7	1	6	6	2	2	0	0	33	0	0	0	0	0	0	0	0	0
People Telecommunications Ltd (t&i)	1,027	130	30	103	28	110	127	29	3	13	0	573	50	44	19	38	36	10	1	1	199
Planet Ozi Pty Ltd (i)	99	1	1	1	1	6	0	4	1	0	0	15	0	0	0	0	0	0	0	0	0
Primus Telecommunications Pty Ltd (t&i) (c)	2,667	247	104	247	35	292	97	210	27	57	10	1,326	39	18	18	31	41	21	0	5	173
Pulse Telecom Pty Ltd (t)	98	32	7	14	0	24	16	0	4	1	0	98	0	0	0	0	0	0	0	0	0
Commoditel (Australia) Pty Ltd (t)	47	0	0	0	0	0	0	0	0	0	0	0	8	1	1	13	8	6	6	4	47
Tel.Pacific Limited (t)	85	0	1	1	0	1	0	0	0	0	46	49	6	6	0	11	7	2	2	2	36
SIMplus Mobile Pty Limited (t)	315	0	0	0	0	0	0	0	0	0	0	0	30	11	152	82	35	2	1	2	315
Saunders Properties Pty Ltd (i)	80	0	0	0	1	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0
Savvy Communications (Aust.) Pty Ltd (t)	213	0	0	0	0	0	0	0	0	0	0	0	27	5	5	63	37	36	15	25	213

(t) = telephone service provider (i) = internet service provider (o) = other (c) = holds carrier licence

TIO in numbers → Complaints by member *continued*

Issues registered for TIO Members with 25 or more new complaints
- by service type *continued*

	Total Issues for New Complaints	INTERNET									MOBILE PREMIUM SERVICES (MPS)						
		Billings and Payment Contracts	Credit Management	Customer Service	Complaint Handling	Faults	Connection (Provisioning)	Other	Total Internet Issues	Billing And Payments	Complaint Handling	Contracts	Credit Management	Customer Service	Privacy	Other	Total MPS Issues
HarbourIT Pty Ltd (i)	83	23	8	4	22	9	14	2	1	83	0	0	0	0	0	0	0
Hi Tech Telecom Pty Ltd (t)	895	23	10	5	28	18	13	0	1	98	0	0	0	0	0	0	0
VHA(3) (o) (c)	48,671	1,008	384	622	825	594	445	10	12	3,900	231	79	38	30	86	0	464
iiNet Ltd (t&i)	7,614	500	320	154	656	616	666	170	54	3,136	7	2	1	0	2	0	12
Internode Pty Ltd (t&i)	774	74	46	7	146	82	182	57	14	608	0	0	0	0	0	0	0
Lebara Australia Limited (t)	80	0	0	0	0	0	0	0	0	0	4	2	1	0	2	0	9
Live Connected Pty Ltd (t)	61	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Lycamobile Pty Ltd (t)	122	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
M2 Commander Pty Ltd (t&i)	286	6	2	3	5	3	2	0	0	21	2	1	0	0	2	0	5
M2 Telecommunications Pty Ltd (t)	131	0	0	0	0	1	1	0	0	2	0	0	0	0	0	0	0
M2 VIPtel (t)	1,172	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
m8 Telecom Pty Ltd (t&i)	164	0	0	0	0	0	0	0	0	0	1	1	1	1	0	0	4
M2 Clear Pty Ltd (t&i)	370	2	0	0	0	0	0	0	0	2	0	0	0	0	0	0	0
Mibroadband Pty Ltd (t)	679	59	58	2	62	67	78	10	14	350	0	0	0	0	0	0	0
Motiv Communications Pty Ltd (t&i)	85	1	1	1	29	2	29	0	1	64	0	0	0	0	0	0	0
My Net Fone Pty Ltd (t&i)	206	17	10	1	28	11	27	4	3	101	0	0	0	0	0	0	0
TransACT Victoria Communication Pty Ltd (t&i)	163	28	22	4	17	20	7	0	2	100	0	0	0	0	0	0	0
Netspace Online Systems Pty Ltd (i)	452	62	39	6	65	45	91	10	2	320	0	0	0	0	0	0	0
Next Business Telecommunications Pty Ltd (t&i)	138	0	1	1	0	0	0	0	0	2	0	0	0	0	0	0	0
Optus Networks Pty Ltd (t&i) (c)	12,944	543	379	257	555	587	442	108	49	2,920	0	0	0	0	0	0	0
Optus Broadband Pty Ltd (i)	6,670	1,335	787	733	1,414	1,208	1,007	128	58	6,670	0	0	0	0	0	0	0
Optus Mobile Pty Ltd (t) (c)	49,553	0	0	0	0	0	0	0	0	0	315	128	45	25	123	2	638
One Telecom Pty Ltd (t&i)	666	101	76	17	106	83	67	6	3	459	0	0	0	0	0	0	0
OurTel Pty Ltd (t&i)	102	2	3	0	0	0	0	0	0	5	0	0	0	0	0	0	0
PacNet Internet (A) Pty Ltd (i)	96	19	8	5	9	10	10	1	1	63	0	0	0	0	0	0	0
People Telecommunications Ltd (t&i)	1,027	68	55	19	43	40	17	9	4	255	0	0	0	0	0	0	0
Planet Ozi Pty Ltd (i)	99	4	3	1	33	10	29	0	4	84	0	0	0	0	0	0	0
Primus Telecommunications Pty Ltd (t&i) (c)	2,667	195	174	61	264	180	232	42	18	1,166	1	0	0	1	0	0	2
Pulse Telecom Pty Ltd (t)	98	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Commoditel (Australia) Pty Ltd (t)	47	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tel. Pacific Limited (t)	85	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SIMplus Mobile Pty Limited (t)	315	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Saunders Properties Pty Ltd (i)	80	13	4	1	22	14	18	2	5	79	0	0	0	0	0	0	0
Savvy Communications (Aust.) Pty Ltd (t)	213	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

(t) = telephone service provider (i) = internet service provider (o) = other (c) = holds carrier licence

TIO in numbers → Complaints by member *continued*Issues registered for TIO Members with 25 or more new complaints
- by service type *continued*

	Total Issues for New Complaints	LANDLINE										MOBILE									
		Billing and Payments	Credit Management	Complaint Handling	Transfer	Customer Service	Contracts	Faults	Privacy	Connection (Provisioning)	Other	Total Landline Issues	Billing And Payments	Contracts	Credit Management	Customer Service	Complaint Handling	Faults	Transfer	Other	Total Mobile Issues
Mobile Services Only Pty Ltd (t)	510	0	0	0	0	0	0	0	0	0	0	0	34	8	15	202	77	109	19	43	507
Southern Cross Telco Ltd (t&i) (c)	253	31	12	25	5	30	10	21	3	6	0	143	13	11	7	13	10	2	1	0	57
Sensis Pty Ltd (o)	631	66	16	40	0	62	49	0	9	0	389	631	0	0	0	0	0	0	0	0	0
Simply Tel Pty Ltd (t&i) (c)	166	25	6	30	15	30	50	5	2	1	0	164	0	0	0	0	0	0	0	0	0
SkyMesh Pty Ltd (i) (c)	292	1	0	4	0	0	0	4	0	1	0	10	0	0	0	1	1	1	0	0	3
Southern Phone Company Ltd (t)	1,330	126	36	120	33	137	88	66	7	9	3	625	92	93	33	111	115	86	17	8	555
Spintel Pty Ltd (i)	495	45	10	32	32	50	21	18	1	8	1	218	2	1	1	5	2	1	1	1	14
Telco Blue Pty Ltd (t)	232	22	9	31	13	25	21	18	1	2	0	142	11	6	4	9	5	4	1	1	41
Startel Communications Pty Ltd (t&i)	598	38	1	31	29	42	75	3	2	0	0	221	72	84	28	74	64	24	7	2	355
Switched On - Victoria Pty Ltd (t&i)	130	27	4	7	17	19	49	0	0	0	0	123	1	2	0	0	1	0	0	0	4
Telstra Corporation (includes Telstra BigPond)* (t) (c) (i)	206,607	18,865	8,104	18,384	1,031	18,047	5,535	6,766	1,275	3,081	1,437	82,525	16,808	9,175	9,342	16,549	15,082	6,157	571	1,314	74,998
Telair Pty Ltd (t&i) (c)	152	36	4	17	10	12	29	2	0	2	0	112	9	6	4	1	9	3	0	0	32
Teelus Pty Ltd (t)	131	23	5	15	22	23	19	10	14	0	0	131	0	0	0	0	0	0	0	0	0
Telko Pty Ltd (t&i)	192	38	12	35	15	32	36	9	5	0	1	183	1	2	0	1	2	0	0	0	6
Time Telecom Pty Ltd (t)	197	36	5	35	25	32	29	13	3	1	0	179	0	0	0	0	0	0	0	0	0
Touch Tel Pty Ltd (t&i)	83	12	3	15	7	19	16	5	2	1	0	80	0	0	0	0	0	0	0	0	0
TPG Internet Pty Ltd (i)	10,554	219	16	393	57	479	158	351	14	419	6	2,112	445	150	121	370	270	71	33	17	1,477
TransACT Capital Communications Pty Ltd (t&i) (c)	704	68	26	62	4	57	55	28	4	12	1	317	43	24	10	31	36	23	3	2	172
Trinity Telecom Pty Ltd (t&i)	80	10	4	15	3	19	4	13	0	0	0	68	4	5	1	1	1	0	0	0	12
Unwired Australia Pty Ltd (t&i) (c)	101	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Value Tel Pty Ltd (t) (c)	147	29	7	18	16	27	29	2	6	0	0	134	0	0	0	0	0	0	0	0	0
Veetel Pty Limited (t)	65	13	6	7	7	15	1	5	2	0	0	56	0	0	0	0	0	1	0	0	1
Lumo Energy Telecommunications Pty Ltd (t&i)	66	9	1	21	1	12	3	18	0	0	0	65	0	0	0	0	0	0	0	0	0
Reward Mobile Pty Limited (t)	149	0	0	0	0	0	0	0	0	0	0	0	31	14	20	31	31	5	3	2	137
Virgin Mobile (Australia) Pty Ltd (t&i)	14,963	49	36	87	7	101	32	89	7	4	1	413	2,107	1,364	1,540	2,993	2,230	1,876	182	221	12,513
Vivid Wireless Pty Limited (i) (c)	257	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Vodafone Australia Limited (t) (c)	91,773	0	0	0	0	0	0	0	0	0	0	0	9,209	6,716	4,641	22,622	13,014	26,832	456	908	84,398
Westnet Pty Ltd (t&i)	1,248	103	29	98	9	98	24	82	6	26	4	479	0	0	0	2	0	0	1	0	3
Convergence Solutions Pty Ltd (t)	77	17	2	20	12	9	17	0	0	0	0	77	0	0	0	0	0	0	0	0	0
Bluemaxx Communications Pty Ltd (i) (c)	105	3	0	1	0	0	1	0	0	1	0	6	0	0	0	0	0	0	0	0	0
Yourtel Pty Ltd (t)	112	18	7	20	10	21	16	9	3	1	0	105	0	0	0	0	0	0	0	0	0

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(t) = telephone service provider (i) = internet service provider (o) = other (c) = holds carrier licence

TIO in numbers → Complaints by member *continued*Issues registered for TIO Members with 25 or more new complaints
- by service type *continued*

	Total Issues for New Complaints	INTERNET									MOBILE PREMIUM SERVICES (MPS)							
		Billing and Payment	Contracts	Credit Management	Customer Service	Complaint Handling	Faults	Connection (Provisioning)	Other	Total Internet Issues	Billing And Payments	Complaint Handling	Contracts	Credit Management	Customer Service	Privacy	Other	Total MPS Issues
Mobile Services Only Pty Ltd (t)	253	0	0	0	0	0	0	0	0	0	2	1	0	0	0	0	0	3
Southern Cross Telco Ltd (t&i) (c)	631	8	3	1	10	10	16	5	0	53	0	0	0	0	0	0	0	0
Sensis Pty Ltd (o)	166	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Simply Tel Pty Ltd (t&i) (c)	292	0	2	0	0	0	0	0	0	2	0	0	0	0	0	0	0	0
SkyMesh Pty Ltd (i) (c)	1,330	19	12	7	70	58	100	12	1	279	0	0	0	0	0	0	0	0
Southern Phone Company Ltd (t)	495	25	30	3	29	22	24	6	4	143	2	2	0	1	2	0	0	7
Spintel Pty Ltd (i)	232	46	43	28	45	53	37	8	3	263	0	0	0	0	0	0	0	0
Telco Blue Pty Ltd (t)	598	6	5	0	6	9	14	4	2	46	1	1	1	0	0	0	0	3
Startel Communications Pty Ltd (t&i)	130	0	0	0	0	0	0	0	0	0	7	5	3	2	5	0	0	22
Switched On - Victoria Pty Ltd (t&i)	206,607	1	1	1	0	0	0	0	0	3	0	0	0	0	0	0	0	0
Telstra Corporation (includes Telstra BigPond)* (t) (c) (i)	152	8,114	4,483	2,918	10,595	10,130	7,584	2,294	691	46,809	1,073	461	151	37	546	7	0	2,275
Telair Pty Ltd (t&i) (c)	131	3	3	0	0	0	1	0	1	8	0	0	0	0	0	0	0	0
Teelus Pty Ltd (t)	192	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Telko Pty Ltd (t&i)	197	0	1	0	1	0	0	0	1	3	0	0	0	0	0	0	0	0
Time Telecom Pty Ltd (t)	83	2	1	0	5	3	1	2	4	18	0	0	0	0	0	0	0	0
Touch Tel Pty Ltd (t&i)	10,554	1	0	0	0	1	0	1	0	3	0	0	0	0	0	0	0	0
TPG Internet Pty Ltd (i)	704	948	626	62	1,614	1,292	1,656	595	96	6,889	31	21	11	1	12	0	0	76
TransACT Capital Communications Pty Ltd (t&i) (c)	80	42	20	19	40	39	38	1	1	200	4	4	2	2	3	0	0	15
Trinity Telecom Pty Ltd (t&i)	80	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unwired Australia Pty Ltd (t&i) (c)	101	29	15	1	27	11	17	0	1	101	0	0	0	0	0	0	0	0
Value Tel Pty Ltd (t) (c)	147	2	4	0	1	3	0	0	3	13	0	0	0	0	0	0	0	0
Veetel Pty Limited (t)	65	2	2	0	1	2	1	0	0	8	0	0	0	0	0	0	0	0
Lumo Energy Telecommunications Pty Ltd (t&i)	66	1	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0
Reward Mobile Pty Limited (t)	149	0	0	0	0	0	0	0	0	0	5	2	3	2	0	0	0	12
Virgin Mobile (Australia) Pty Ltd (t&i)	14,963	291	186	159	422	295	417	18	13	1,801	107	47	18	10	54	0	0	236
Vivid Wireless Pty Limited (i) (c)	257	30	52	4	53	36	81	0	1	257	0	0	0	0	0	0	0	0
Vodafone Australia Limited (t) (c)	91,773	1,000	650	472	1,565	1,183	1,764	41	27	6,702	297	108	56	48	161	3	0	673
Westnet Pty Ltd (t&i)	1,248	158	76	39	146	142	161	33	11	766	0	0	0	0	0	0	0	0
Convergence Solutions Pty Ltd (t)	77	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bluemaxx Communications Pty Ltd (i) (c)	105	12	6	1	19	24	35	2	0	99	0	0	0	0	0	0	0	0
Yourtel Pty Ltd (t)	112	0	1	0	2	3	0	1	0	7	0	0	0	0	0	0	0	0

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TIO in numbers → Complaints by member *continued*

Issues registered by the TIO in 2010-11 for TIO Members with 25 or more cases requiring conciliation or investigations - by service type

	Total Issues for Investigations	LANDLINE										MOBILE									
		Billing and Payments	Credit Management	Complaint Handling	Transfer	Customer Service	Contracts	Faults	Privacy	Connection (Provisioning)	Other	Total Landline Issues	Billing and Payments	Contracts	Credit Management	Customer Service	Complaint Handling	Faults	Transfer	Other	Total Mobile Issues
AAPT Ltd (t&i) (c)	475	63	37	74	2	55	29	33	8	11	3	315	8	7	10	8	7	5	0	0	45
Australian Private Networks Pty Ltd (t&i) (c)	90	0	0	1	0	0	0	1	0	0	0	2	2	0	0	0	2	0	0	0	4
Soul Communications Pty Ltd (t&i)	177	11	6	5	0	5	0	1	0	0	0	28	37	7	32	23	15	6	0	3	123
Club Telco Pty Ltd (t&i)	112	12	5	19	8	10	9	5	0	3	0	71	5	0	0	3	3	1	1	0	13
Mobileworld Operating Pty Ltd (t)	643	0	0	0	0	0	0	0	0	0	0	0	113	76	70	92	121	105	1	3	581
Dodo Australia Pty Ltd (t&i)	354	26	15	20	3	26	5	29	2	18	1	145	21	9	13	16	11	3	1	4	78
Edirect Pty Ltd (t)	384	0	0	0	0	0	0	0	0	0	0	0	81	78	35	78	75	13	3	21	384
EFtel More Than Broadband Pty Ltd (t&i)	133	15	2	9	2	8	3	7	0	0	0	46	0	0	0	0	0	0	0	0	0
GoTalk Australia Pty Ltd (t)	327	54	32	45	9	27	28	18	1	9	0	223	8	4	0	10	8	1	1	1	33
Hi Tech Telecom Pty Ltd (t)	148	6	0	4	0	7	3	5	0	1	0	26	27	5	5	26	26	8	8	4	109
VHA(3) (o) (c)	6,102	0	0	0	0	0	0	0	0	0	0	0	1,187	680	589	1,025	1,135	875	23	41	5,555
iiNet Ltd (t&i)	2,853	299	195	364	12	240	127	205	13	94	7	1,556	56	37	42	34	69	15	3	0	256
M2 Commander Pty Ltd (t&i)	74	19	5	8	1	7	14	4	0	2	0	60	1	2	0	3	4	4	0	0	14
M2 VIPtel (t)	174	0	0	0	0	0	0	0	0	0	0	0	48	31	10	29	44	9	0	3	174
Netspace Online Systems Pty Ltd (i)	70	6	2	1	0	3	5	4	0	2	0	23	0	0	0	0	0	0	0	0	0
Optus Networks Pty Ltd (t&i) (c)	928	105	53	139	32	151	75	115	16	57	3	746	0	0	0	0	0	0	0	0	0
Optus Broadband Pty Ltd (i)	307	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Optus Mobile Pty Ltd (t) (c)	2,148	0	0	0	0	0	0	0	0	0	0	0	369	245	229	441	419	357	15	50	2,125
People Telecommunications Ltd (t&i)	172	20	5	16	2	21	22	6	0	4	0	96	12	5	7	8	5	2	0	0	39
Primus Telecommunications Pty Ltd (t&i) (c)	469	30	20	56	13	58	13	63	7	5	8	273	10	7	4	5	5	1	0	0	32
Savvy Communications (Aust.) Pty Ltd (t)	42	0	0	0	0	0	0	0	0	0	0	0	6	1	0	14	5	8	1	7	42
Southern Phone Company Ltd (t)	170	13	6	15	5	17	10	17	2	2	1	88	8	8	16	10	10	7	3	1	63
Spintel Pty Ltd (i)	126	8	2	9	5	8	9	8	0	3	0	52	0	0	0	0	2	0	0	2	4
Startel Communications Pty Ltd (t&i)	105	2	0	5	4	5	12	0	0	0	0	28	19	16	7	16	12	5	2	0	77
Telstra Corporation (includes Telstra BigPond)* (t) (c) (i)	28,174	2,642	1,686	3,045	213	2,262	754	1,183	174	683	290	12,932	2,270	1,078	1,756	1,650	1,934	523	74	183	9,468
TPG Internet Pty Ltd (i)	3,045	67	5	135	16	158	63	154	3	130	1	732	156	34	52	99	81	10	7	3	442
TransACT Capital Communications Pty Ltd (t&i) (c)	208	19	9	10	0	13	14	8	2	0	0	75	10	11	6	12	14	8	1	0	62
Virgin Mobile (Australia) Pty Ltd (t&i)	1,199	4	5	12	0	6	2	11	0	1	1	42	166	124	141	222	208	134	18	16	1,029
Vodafone Australia Limited (t) (c)	8,238	0	0	0	0	0	0	0	0	0	0	0	1,093	619	549	1,757	1,418	1,913	44	84	7,477
Westnet Pty Ltd (t&i)	380	33	25	46	1	27	13	34	2	13	1	195	0	0	0	0	0	0	0	0	0

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(t) = telephone service provider (i) = internet service provider (o) = other (c) = holds carrier licence

TIO in numbers → Complaints by member *continued*

Issues registered by the TIO in 2010-11 for TIO Members with 25 or more cases requiring conciliation or investigations - by service type *continued*

	Total Issues for Investigations	INTERNET									MOBILE PREMIUM SERVICES (MPS)							
		Billing and Payments	Contracts	Credit Management	Customer Service	Complaining Handling	Faults	Connection (Provisioning)	Other	Total Internet Issues	Billing and Payments	Complaint Handling	Contracts	Credit Management	Customer Service	Privacy	Other	Total MPS Issues
AAPT Ltd (t&i) (c)	475	26	21	8	12	23	19	5	1	115	0	0	0	0	0	0	0	0
Australian Private Networks Pty Ltd (t&i) (c)	90	17	5	8	13	20	20	1	0	84	0	0	0	0	0	0	0	0
Soul Communications Pty Ltd (t&i)	177	6	1	8	0	7	3	0	0	25	1	0	0	0	0	0	0	1
Club Telco Pty Ltd (t&i)	112	3	4	0	8	4	7	0	2	28	0	0	0	0	0	0	0	0
Mobileworld Operating Pty Ltd (t)	643	6	7	6	10	12	13	0	0	54	5	0	0	1	2	0	0	8
Dodo Australia Pty Ltd (t&i)	354	19	11	19	25	23	32	0	2	131	0	0	0	0	0	0	0	0
Edirect Pty Ltd (t)	384	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
EFtel More Than Broadband Pty Ltd (t&i)	133	23	6	3	17	19	15	3	1	87	0	0	0	0	0	0	0	0
GoTalk Australia Pty Ltd (t)	327	16	6	3	10	16	13	1	6	71	0	0	0	0	0	0	0	0
Hi Tech Telecom Pty Ltd (t)	148	4	0	1	2	4	2	0	0	13	0	0	0	0	0	0	0	0
VHA(3) (o) (c)	6,102	134	50	84	97	78	69	1	3	516	18	8	0	1	4	0	0	31
iiNet Ltd (t&i)	2,853	186	115	87	190	207	207	33	10	1,035	3	2	0	0	1	0	0	6
M2 Commander Pty Ltd (t&i)	74	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
M2 VIPtel (t)	174	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Netspace Online Systems Pty Ltd (i)	70	8	6	1	10	6	15	0	1	47	0	0	0	0	0	0	0	0
Optus Networks Pty Ltd (t&i) (c)	928	17	17	21	29	44	40	7	7	182	0	0	0	0	0	0	0	0
Optus Broadband Pty Ltd (i)	307	51	24	41	64	63	56	5	3	307	0	0	0	0	0	0	0	0
Optus Mobile Pty Ltd (t) (c)	2,148	0	0	0	0	0	0	0	0	0	10	10	0	3	0	0	0	23
People Telecommunications Ltd (t&i)	172	9	8	7	4	6	2	1	0	37	0	0	0	0	0	0	0	0
Primus Telecommunications Pty Ltd (t&i) (c)	469	27	24	7	28	30	43	4	1	164	0	0	0	0	0	0	0	0
Savvy Communications (Aust.) Pty Ltd (t)	42	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Southern Phone Company Ltd (t)	170	2	3	0	3	4	2	0	0	14	1	1	0	1	2	0	0	5
Spintel Pty Ltd (i)	126	13	9	5	11	18	12	2	0	70	0	0	0	0	0	0	0	0
Startel Communications Pty Ltd (t&i)	105	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Telstra Corporation (includes Telstra BigPond)* (t) (c) (i)	28,174	1,076	500	478	1,028	1,282	920	245	79	5,608	83	42	8	2	31	0	0	166
TPG Internet Pty Ltd (i)	3,045	271	167	18	363	382	503	126	18	1,848	9	4	1	0	9	0	0	23
TransACT Capital Communications Pty Ltd (t&i) (c)	208	11	8	6	9	10	10	1	0	55	1	2	6	4	3	0	0	16
Virgin Mobile (Australia) Pty Ltd (t&i)	1,199	17	6	14	21	22	33	0	1	114	6	3	1	2	2	0	0	14
Vodafone Australia Limited (t) (c)	8,238	137	61	57	146	138	162	5	2	708	26	10	2	5	10	0	0	53
Westnet Pty Ltd (t&i)	380	50	14	15	26	37	32	10	1	185	0	0	0	0	0	0	0	0

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TIO IN NUMBERS

Timeliness

The majority of complaints we receive are resolved quickly after we refer a consumer to their service provider's complaint handling specialists. After a consumer contacts us, we send an email to the service provider with the details of the complaint, and it has 10 working days to respond to the consumer. We assume that the complaint has been resolved through this process if a consumer doesn't contact us again after that timeframe, and the case remains closed.



When we conciliate or investigate a complaint we have longer timeframes for service providers to negotiate a solution with their customers or for the TIO to assess evidence about a complaint.



We expect that new procedures we implemented in 2010-11, such as email referral and conciliation, will assist us to further improve closure rates in 2011-12. However, these rates also depend on cooperation by service providers, a willingness to negotiate on behalf of the consumer and the nature of individual complaints.

TIO IN NUMBERS

Industry codes

Industry codes are rules identified by the telecommunications industry as the benchmarks of best practice. The TIO investigates complaints using codes that have been formally recognised by the Australian Communications and Media Authority (ACMA).

We record two types of code data:

Confirmed breaches - a confirmed breach is identified during a formal investigation (Levels 3 and 4 of our process). It is never recorded without giving the service provider a reasonable opportunity to respond with evidence and its own version of events.

Possible code issues - these are generally recorded during Referral and Conciliation (Levels 1 and 2), where the claims of the consumer indicate that a code compliance problem might exist.

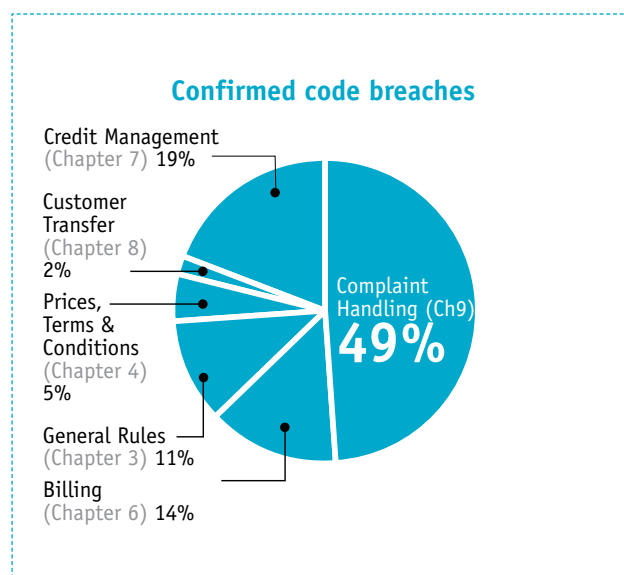
Confirmed code breaches in 2010-11

The TIO recorded 4,653 confirmed code breaches during 2010-11, a drop of 32 per cent from the previous financial year. The reason for the decrease is that fewer cases required detailed investigation by the TIO. It may not reflect improved code compliance within the telecommunications industry.

The TIO recorded confirmed breaches by 122 different service providers during 2010-11, but more than 80 per cent of those confirmed breaches related to only ten providers.

Of the 4,653 confirmed breaches recorded, 4,634 (99.59 per cent) relate to the Telecommunications Consumer Protection (TCP) Code. Almost half the confirmed breaches concerned member compliance with the complaint handling provisions of the TCP Code (2,293 in total), while credit management related provisions accounted for another 19 per cent. Billing provisions accounted for 14 per cent (632 in total).

The most commonly recorded breaches during 2010-11 were about a failure by suppliers to action the undertakings they made to resolve consumers' complaints and the failure of suppliers to adequately resource their complaint-handling departments.



Commonly recorded confirmed code breaches

Clause	Description	Total confirmed	%
TCP Code - 9.1.1(f)	Providers must record, action and monitor the undertakings they make to resolve consumer complaints	703	15.1
TCP Code - 9.1.1(d)	A provider must ensure that its complaint handling department is sufficiently resourced	658	14.1
TCP Code - 9.2.5	A provider must seek to resolve a complaint at first contact, and where this is not possible the complaint must be finalised within 30 days or as soon as practicable in all the circumstances	519	11.1
TCP Code - 3.2.1	The information that the provider gives to a consumer must be accurate, relevant, current and timely	462	9.9
TCP Code - 6.4.1	Providers must both ensure and be able to demonstrate that their billing is accurate	371	7.9
TCP Code - 7.3.4	Providers must both have and apply free credit control tools to manage customer expenditure where appropriate	150	3.2
TCP Code - 7.4.10(a)	A provider must not take credit management activity in relation to genuinely disputed amounts while that amount is the subject of an ongoing investigation	147	3.1
TCP Code - 6.4.2	Bills must contain enough information for a consumer to be able to easily determine whether they have been billed accurately or not	104	2.2
TCP Code - 4.2.4(a)(iii)	If a consumer has made it clear that they are planning on using a product/service for a particular purpose, a provider must inform the consumer of anything it is aware of that might affect the consumer's ability to use the product/service for that purpose	73	1.5
TCP Code - 9.2.6	A provider must make every reasonable effort to tell a complainant within 5 working days about the probable timeframe for finalisation given the complexity of their complaint. The provider must also keep the complainant updated about timeframe delays and about the complaint's progress.	72	1.5

TIO in numbers → Industry codes

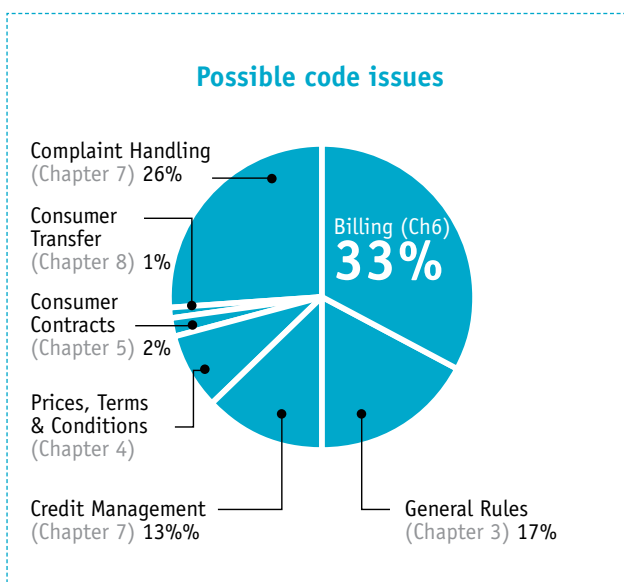
Possible code issues in 2010-11

We recorded 450,364 possible code issues, almost 32 per cent more than in 2009-10. This increase is mainly due to the 17.8 per cent increase in new complaints, but some changes to the keywords we use to more completely capture issues has also contributed to the increase.

We recorded possible code issues related to 391 different service providers, but more than 90 per cent of those possible breaches can be attributed to ten providers.

Of all the possible code issues recorded, 442,491 (98.25 per cent) were related to the TCP Code. Although still common, the complaint handling and credit management provisions of the TCP Code feature less than they do in confirmed code breaches. The billing chapter of the TCP Code features most in possible code issues, with more than 145,000 issues recorded.

The most frequently recorded possible code issue was the alleged failure of providers to give their customers accurate, relevant, current or timely information. The next most common issue related to the alleged failure of providers to ensure and demonstrate billing accuracy.



Commonly recorded possible code breaches

Clause	Description	Total confirmed	%
TCP Code - 3.2.1	The information that a provider gives to a consumer must be accurate, relevant, current and timely	72,202	16.0
TCP Code - 6.4.1	Providers must both ensure and be able to demonstrate that their billing is accurate	52,756	11.7
TCP Code - 9.1.1(f)	Providers must record, action and monitor the undertakings they make to resolve consumer complaints	43,084	9.5
TCP Code - 9.4.1(b)	Providers must supply information about alternative avenues of recourse when a consumer expresses dissatisfaction with the outcome to their complaint	38,082	8.4
TCP Code - 6.4.2	Bills must contain enough information for a consumer to be able to easily determine whether they have been billed accurately or not	24,603	5.4
TCP Code - 4.2.4(a)(iii)	If a consumer has made it clear that they are planning on using a product/service for a particular purpose, a provider must inform the consumer of anything it is aware of that might affect the consumer's ability to use the product/service for that purpose	22,382	4.9
TCP Code - 6.3.2(e)	Bills issued by a provider must include a description of the charges and credits being billed, including third party charges	21,877	4.8
TCP Code - 6.3.1	The items listed on a consumer's bill must be described in sufficient detail to enable the consumer to identify and understand what each charge is for	21,530	4.7
TCP Code - 7.3.4	Providers must both have and apply free credit control tools to manage customer expenditure where appropriate	8,179	1.8
TCP Code - 6.3.2(f)	Providers must ensure that their bills specify the total amount billed, all applicable credits/payments/discounts as well as the net amount payable by the consumer	7,355	1.6

CASE STUDY

CODES IN ACTION

Jana called the TIO in mid-2010 for help with a payment arrangement dispute.



For more information on how the TIO shares its code data with service providers and regulators, see *Improving communications with service providers* on page 53.

She said that during the previous year she had accrued a debt of \$2,500 that she could not afford to pay without a long term payment arrangement. Although she had been paying \$50 every fortnight from her pension, she claimed her provider repeatedly contacted her to increase her payments, and that it had threatened to suspend her services when she said she could not afford to.

With resolution attempts unsuccessful through referral and conciliation, the TIO investigated Jana's complaint formally. At that stage, we made a series of findings based on the available evidence.

Despite Jana telling her service provider that she was a pensioner, could not keep up with her bills and could not increase payments, as well as her history of needing payment extensions and arrangements, the service provider failed to recognise that she was experiencing financial hardship. This meant that the service provider failed to discuss its financial hardship policy with Jana, a breach of clause 7.5.2 of the TCP Code.

The service provider told us that it could not have known Jana was

experiencing financial hardship because she did not specifically say so. We found that the service provider's financial hardship policy was insufficiently flexible and that its staff were not adequately trained. This was a breach of clause 7.5.1 of the TCP Code.

The original debt was the result of several unusually high bills that Jana had received. We found that the provider had failed to recognise and prevent Jana from becoming financially over-committed, acting in breach of clause 7.3.4 of the TCP Code.

Although Jana had demonstrated a willingness to honour the payment arrangement, her provider repeatedly contacted her to demand that she pay more. It also charged late payment fees and threatened to suspend her service while she kept to her agreed payment arrangement. From our perspective this was a breach of clause 7.8.1 of the TCP Code.

As a result, the provider responded to our investigation with an offer to refund all the payments Jana had made since June 2009 (minus credits already provided), a total of \$1,700. The provider acknowledged it should have noticed that Jana was experiencing financial difficulty.

TIO and industry

Our membership

The TIO is a compulsory, industry-based Ombudsman service. By the terms of the *Telecommunications (Consumer Protection and Services Standards) Act 1999*, if a company or business wishes to participate in the telecommunications industry in Australia it must also become a member of the TIO.

The TIO provides a forum for Alternate Dispute Resolution (ADR). For our members, the overriding role of the TIO is to help resolve disputes. Constitutionally, we have no power to punish, fine or imprison. It is the role of regulators such as the ACMA to enforce rules and statutes.

At the end of the 2010-11 financial year there were 1,214 members of the scheme, companies and businesses of all shapes and sizes. Some are household names that employ tens of thousands of people and have millions of customers. At the other end of the scale, there are community-based owner-operators with only a handful of subscribers.

A full list of our members can be seen on our website.

Changes to our billing

We are funded by telecommunications service providers, which are required to be members of the TIO. Fees are charged only against those companies about which we receive complaints. Our fees are based on recovering the costs for services provided, and are not designed to be punitive.

Prior to 1 July 2010, our invoices were issued to service providers on a quarterly-

in-advance basis. This method included invoicing service providers for a forward estimate of their complaints for the following quarter, based on budgets and past data. Each invoice also included a reconciliation of past estimates with actual complaints. This was a legacy of our origins as a small organisation with irregular cash flows.

From 1 July 2010, we overhauled the way we charged members for complaint handling – moving away from a quarterly-in-advance invoicing arrangement to monthly-in-arrears.

This is a much simpler method of invoicing service providers, providing a much clearer link between complaints handled by the TIO, and the costs of those complaints to TIO members.

This process is fairer. Smaller businesses will find it easier to manage their own cash. It also means that the TIO can provide real-time feedback to the industry, reflecting its fast moving nature.

From 1 July 2010, we also waived the first Level 1 complaint charge per month and the first four Level 2 complaint charges per financial year. This provides the benefit of assisting companies who are new to the scheme to understand our processes and resolve matters with their customers rather than having to focus on complaint handling fees.

Removal of recharges

Up until 1 January 2011, we would sometimes bill service providers more than once for complaints we had referred to them to resolve, and where the consumer contacted us for further information or advice.

This charge was removed to simplify and

have more efficient decision making when consumers re-contact us. It is also fairer for service providers, which will now be billed only once for new complaints we refer.

Improving communications with service providers

In February 2011 we launched an improved member portal – an online tool to communicate with service providers about their billing, complaint data and code issues.

The member portal replaces a number of hard and soft copy reports that were sent to service providers from various sources at the TIO. This new approach consolidates all this information in a standard format, providing consistent reports to service providers about their complaint statistics.

The data we provide through the member portal is also more frequent, with reports updated weekly or monthly, to give service providers a snapshot of:

- the number of complaints lodged against them
- the issues those complaints were about
- their compliance with industry codes
- the state of the industry.

We also provide weekly specific information about complaints in progress, escalations due to non-response and complaints issues.

The analysis we provide in these reports helps service providers to understand the broad nature of the complaints that are made to the TIO about their services and is valuable feedback for improvements in their business.

Telecommunications Industry Ombudsman Limited

ABN 46 057 634 787

FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2011



Telecommunications Industry Ombudsman Limited

ABN 46 057 634 787

Financial Report

for the year ended 30 June 2011

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Directors' Report

Directors' Report

Your directors present their report of Telecommunications Industry Ombudsman Ltd ("TIO") for the year ended 30 June 2011.

The TIO is a company limited by guarantee and incorporated in Australia in 1993 under the Corporations Act. The TIO was established to investigate, resolve, make determinations and give directions relating to complaints by residential and small business consumers of telecommunications services. The principal place of business is Level 3/595 Collins Street, Melbourne, Victoria.

Directors

The current composition and membership of the Board up to the date of this report is as follows:

Two (2) directors appointed by Telstra:

- J P Scarlett, with C Williams as an alternate director (appointed 25 July 2011)
- P J Sporton

Two (2) directors appointed by Optus:

- M J Elsegood
- A R Thomas, with G R Smith as alternate director for both

One (1) director appointed by Vodafone Hutchison Australia (VHA):

- M L Sexton with B Currie as an alternate director

One (1) director appointed by members who are other than Telstra, Optus, VHA and who are not internet service providers or internet service intermediaries:

- R Bhatia, with J Horan as an alternate director (alternate resigned 26 July 2011)

One (1) director appointed by internet service provider or internet service intermediary members:

- S J Dalby

Independent Directors:

- J M Harvey
- J F Rohan (Chairman).

Changes to Board composition are summarised in note 12 to the financial statements. The names of persons who were directors of TIO at any time during the financial year are as follows:

Name of Director	Date of Appointment	Date of Resignation
J Rohan	01 August 2001	Continuing
G Smith (Alternate)	4 March 2002	Continuing
J Harvey	7 April 2003	Continuing
M Elsegood	2 October 2006	Continuing
S Dalby	7 December 2006	Continuing
A Thomas	12 September 2007	Continuing
R Bhatia	22 November 2009	Continuing
J Scarlett	27 November 2009	Continuing
P Sporton	27 November 2009	Continuing
M Sexton	8 December 2009	Continuing
B Currie (Alternate)	8 December 2009	Continuing
J Horan (Alternate)	20 April 2010	26 July 2011

Directors' Report (continued)

Operating Results

The TIO recorded an operating surplus for the year of \$961,819. The operating surplus for 2010-11 increased primarily due to:

- An increase in demand for the TIO's services, particularly during the third quarter of the financial year. As a result, the requirement for increased staffing levels combined with efficient cost management resulted in a higher surplus compared to the previous financial year.
- An accounting adjustment of approximately \$349,000 for finance lease payments, increasing the surplus for statutory reporting at 30 June 2011. These finance lease payments related to funding a project to replace the complaint management system (known as the RADaR project). These costs were evenly distributed over 2010-11 within Operating Cost Recovery fees and will continue through to December 2013 as part of a 36 month co-terminating lease agreement.

The results for the year ended 30 June 2011 are as follows:

Year	Total Revenue	Total Expenditure	Surplus/(Deficit)
2009-2010	\$28,634,716	\$28,286,819	\$347,897
2010-2011	\$28,947,405	\$27,985,586	\$961,819

The accumulated surplus was increased from \$6,712,365 at the start of the financial year to \$7,674,184 at the end of 2010-2011.

Review of Operations

• Total Complaint Handling Transactions

Complaint handling transactions include enquiries, new complaints, cases and reviews. Total transactions for 2010-2011 are presented below.

Year	Total Transactions	% Change from Previous Year
2009-2010	256,609	2.0% Decrease
2010-2011	269,892	5.2% Increase

There was a sharp increase in complaints during the third quarter of 2010-2011. However, in the last quarter of 2010-2011 new complaint numbers returned to a steady growth in line with the forecast. The long term trend in increasing complaint/case numbers has continued during the 2010-2011 year and this is expected to continue across the 2011-2012 financial year.

• Debt Recovery

Bad debts of \$299,726 were written-off during the financial year, with the provision for bad debts reduced to \$834,165.

As at 30 June 2011 the accounts receivable balance reflects a higher balance than that of previous years due to changes in the billing of members. This change involved a transition from billing members quarterly in-advance (i.e. the last billing for the financial year would have been early April) to monthly in-arrears resulting in a significantly larger receivable balance at June 30, 2011 representing amounts owed from May invoices and complaints for June yet to be billed.

• Cash Flow

The TIO's bankers, Commonwealth Bank of Australia, provide the TIO with an overdraft facility of \$150,000. This facility was created to alleviate any temporary cash flow variations associated with the TIO's quarterly billing cycle. The overdraft was not utilised during the year.

• Performance

The TIO operational year featured a 5.2% increase in transactions. In response to this average full time equivalent (FTE) staff numbers increased from 222.3 to 235.1.

The TIO monitors levels of complainant satisfaction and confidence with the service provided by the TIO. Issues identified through the monitoring process are addressed as they arise by the Ombudsman and the Executive team.

Directors' Report (continued)

- **Industry Engagement**

During 2010-2011 the TIO continued to work collaboratively with industry to help reduce complaints about customer service and complaint handling.
- **Communications**

The TIO continued to focus on accessibility to the Scheme focusing its work to assist vulnerable groups in the community, including through the work of an Indigenous Liaison Team and Disability Access Group.
- **Governance**

The TIO implemented a comprehensive internal audit program during the course of 2010-2011, with audits focusing, inter alia, on a project to replace the TIO's complaint handling system, risk management and IT security.

The Board initiated a review of the TIO in late 2010 in accordance with Article 19 of the TIO Articles of Association. The Review considered future demands on the Scheme, current performance and outcomes and a framework for the future.
- **Financial Reserve**

The financial reserve increased to a total of \$3,610,264 at 30 June 2011.
- **Fee Increases**

The TIO did not increase volume related prices for 2010-2011 and had not increased volume related prices since July 1, 2007. A review of pricing has resulted in raised prices being set for 2011-2012.
- **Major Projects Program**

The TIO continued major projects initiated in 2009-2010 including the implementation of a new complaint management system (known as RADaR), redevelopment of the TIO Website, transition to monthly billing, review of Complaint Handling Procedures and implementation of an IT Infrastructure Upgrade. The TIO also undertook a comprehensive Remuneration Review.

The RADaR project has proved to be more complex than originally anticipated. The scheduled delivery date is planned for early 2012, with a commensurate increase in costs.
- **Membership**

The *Telecommunications (Consumer Protection and Services Standard) Act 1999* requires all carriers and eligible carriage service providers to be members of the TIO and comply with the Constitution and Memorandum and Articles of Association of the Scheme. Eligible carriage service providers are those which supply:

 - a standard telephone service where some of the customers are residential or small business customers; or
 - a public mobile telecommunications service; or
 - a carriage service which enables end users to access the Internet.

A carriage service intermediary which arranges the supply of the services referred to above qualifies as an eligible carriage service provider.

The total number of members increased from 1,162 at 30 June 2010 to 1,214 at 30 June 2011. 100 new members joined the scheme and 48 members departed the scheme.
- **Staffing**

As at 30 June 2011, the TIO employed 267 staff. This is an increase from 30 June 2010 when the TIO employed 230 staff, due to the increase in complaint numbers over the year, in addition to a requirement to increase staff allocated to specific projects, particularly the new complaint management system project, RADaR.

Diane Carmody commenced as Deputy Ombudsman on 13 September 2010.
- **Income Tax Exemption**

The TIO has been granted an exemption from income tax under Item 2.1 of Section 50-10 of the Income Tax Assessment Act 1997 until 30 June 2014.

Directors' Report (continued)

Principal Activities

During the year, the principal continuing activity of the TIO was the investigation and resolution of telecommunications complaints from small businesses and residential consumers. There were no significant changes in the nature of the activities during the year.

Objectives and Strategies

The TIO operates in the context of a three year strategic plan and an annual business plan. These detail long and short term objectives and KPI's.

Member Liability

The TIO is a company limited by guarantee. Every member undertakes that in the event that TIO Limited is wound up during the currency of the member's membership or within one year of the member ceasing membership, it will contribute to the property of TIO Limited for:

- (a) payment of the debts and liabilities of TIO Limited incurred before it ceased to be a member;
 - (b) the costs, charges and expenses of winding up; and
 - (c) an adjustment of the rights of the contributories among themselves,
- such amount as may be required, provided such amount shall not exceed one hundred dollars (\$100).

Dividends

Under the terms of its Memorandum and Articles of Association, the TIO is not permitted to pay dividends to members.

Significant Changes in the State of Affairs

By June 2011 all members moved from quarterly billing in advance to monthly billing in arrears. Monthly invoicing will provide members with a much simpler, more transparent and timely billing of complaints.

Matters Subsequent to the End of the Financial Year

Except for the matters noted above, at the date of this report no matter or circumstance has arisen since 30 June 2011 that has significantly affected or may significantly affect

- a) the operations of the TIO in future financial years: or
- b) the results of those operations in future financial years: or
- c) the state of affairs of TIO in future financial years.

Likely Developments and Expected Results of Operations

The TIO has budgeted for an increase in new complaints and cases of 10% in 2011-2012 based on the stabilisation of case numbers towards the end of 2010-2011 and increased new complaints over the year, but the TIO will continue to carefully monitor complaint statistics and resources accordingly.

Environmental Regulations

Apart from statutory provisions of general applicability, the TIO is not subject to any specific environmental regulation.

Insurance of Officers

During the financial year, the TIO paid a premium of \$13,662 (GST inclusive) to insure certain officers of the company. The officers of the company covered by the insurance policy included all Directors as listed in this report, Council members and the Executive management Team.

The liabilities insured include costs and expenses that may be incurred in defending proceedings that may be brought against the officers in their capacity as officers of the company.

Directors' Report (continued)

Information on Directors

Director	Experience	Responsibility
J F Rohan, <i>B Mech Eng, Grad Dip IE, MBA</i>	John has held senior positions including MD and CEO roles in CRA Ltd, James Hardie Australia Pty Ltd, Pirelli Ericsson Cables Ltd, McConnell Dowell Corporation Ltd and Vodafone Australia Ltd. His Board directorships have included University Paton Pty Ltd, Kockums Australia Ltd and Chairman of Hardex Australia Pty Ltd. In addition to chairing the TIO Board, John was a member of the inaugural TIO Council. He is currently a director of AARNet Pty Ltd, a not for profit education and research network owned by Australian universities and CSIRO.	Chairman from 1 August 2001
G R Smith, <i>B Econ / Politics (Hons)</i>	Manager Regulatory Operations, Optus. Gary has formerly worked with AUSTEL, the Reserve Bank of Australia and the Victorian state government.	Alternate Director from 4 March 2002
J M Harvey, <i>BCom, MBA, FCA, FAICD</i>	Directorships include: IOOF Holdings Ltd, Medibank Private Ltd, Colonial Foundation Trust, and oversight Board of the Department of Treasury and Finance. Victorian Council member of the Australian Institute of Company Directors.	Director from 7 April 2003
M J Elsegood <i>B Eng (Hons)</i>	Manager, Regulatory Compliance and Safeguards, Optus. Michael has extensive experience in the Australian telecommunications industry, having worked with regulators and carriers in a variety of planning, policy and compliance roles.	Director from 2 October 2006
S J Dalby	Chief Regulatory Officer, iiNet. Stephen has been involved in the telecommunications industry for more than 40 years. Since 2003, he has been an executive with the iiNet Group. Stephen is also CEO of Chime Communications Pty Ltd, iiNet's carrier subsidiary, holds directorships at Communications Alliance Ltd and Prosubi Ltd and is based in Perth.	Director from 7 December 2006
A R Thomas	Alexandra Thomas is the Director, Customer Solutions and Service at Optus. In this role, Alex is responsible for professional and managed services at Optus, as well as customer service operations for business and government customers.	Director from 12 September 2007
R Bhatia <i>B Tech Elec Eng</i>	Ravi has recently retired as the CEO and Founder of Primus Australia. He has held senior management positions in the US, Germany and other countries with Primus, MCI, OTC and Siemens in sales, marketing and public policy. Ravi is a member of the Board of the Alfred Foundation and the President of Australia India Business Council – Victoria.	Director from 22 December 2009
J P Scarlett <i>BA LLB (Hons)</i>	Jules is Director, Customer Service & Satisfaction for Telstra. Jules has responsibility for coordinating the customer service and satisfaction initiatives across the company. She is also responsible for corporate complaint management at Telstra. Jules has worked for Telstra for over 10 years.	Director from 27 November 2009
P J Sporton <i>B. App Sci (App Elec)</i>	Phill is the Executive Director of Service Delivery in Telstra Operations. This area of Telstra is responsible for the installation, connection and repair of Telstra's products, services and plant. Having started with Telstra as an engineer in 1983, Phill has spent 26 years at Telstra in range of roles, including several positions in senior management.	Director from 28 November 2009
M L Sexton <i>BA, LLM, MBA (Executive)</i>	Louise is Group General Counsel and Company Secretary of Vodafone Hutchison Australia (VHA) and Company Secretary of Hutchison Telecommunications (Australia) Limited (HTAL). Prior to the formation of VHA in June 2009, Louise has been General Counsel and Company Secretary of HTAL since September 1998. Louise has extensive legal and regulatory experience as General Counsel and Company Secretary in listed public companies across a number of high technology industries in Australia.	Director from 8 December 2009
B Currie	Brian is the General Manager of Regulatory Affairs of Vodafone Hutchison Australia. With over thirty years in the industry, Brian has broad experience and knowledge that covers telecommunication engineering, management and regulatory affairs. He has formal qualifications in engineering and management.	Alternate Director from 8 December 2009
J G Horan <i>BCom, LLB, LLM</i>	John is General Counsel for Primus Telecommunications (Australia). Prior to joining Primus Telecom in March 2007, John held advisory roles in legal private practice and national regulatory agencies. John has significant experience in relation to utility regulation, regulatory frameworks and competition law.	Alternate Director from 20 April 2010 to 26 July 2011
C Williams <i>BA, LLM</i>	Christine is Deputy Director, Regulatory Affairs at Telstra. Christine has performed a range of roles as regulatory manager and legal counsel for many different aspects of Telstra's business. Prior to joining Telstra in 1996, Christine was a senior associate in private legal practice.	Alternate Director from 25 July 2011

Directors' Report (continued)

Information on Company Secretary

Company Secretary	Experience	Responsibility
P J Carruthers <i>BA, MBA, MComLaw, MAICD</i>	Phillip has worked in similar roles with VicRoads and CSIRO and previously served as an officer in the Australian Army. Phillip has also been a Director on a mix of for-profit and not-for-profit boards.	Company Secretary from 5 March 2001

Meetings of Directors

The numbers of meetings of the company's directors (excluding meetings of committees of directors) held during the year ended 30 June 2011, and the number of meetings attended by each director were:

Number of meetings held: 8	Full Meetings of Directors	
	Number Eligible to Attend	Number Attended
Number of meetings attended by:		
J F Rohan	8	8
G R Smith	0	0
J M Harvey	8	7
M J Elsegood	8	8
S J Dalby	8	5
A R Thomas	8	5
R Bhatia	8	7
J P Scarlett	8	7
P J Sporton	8	5
M L Sexton	6	3
B Currie	2	2
J G Horan	0	0

Directors' Report (continued)

Auditors

Pitcher Partners continued their role as auditors of the TIO.

Auditor Independence

A copy of the auditor's independence declaration, as required under Section 307C of the *Corporations Act 2001*, is set out on the following page.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party, for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

This report is made in accordance with a resolution of the directors.



J F Rohan
Director



J M Harvey
Director

Melbourne
28 September 2011

Auditor's Independence Declaration

to the Directors of Telecommunications Industry Ombudsman Limited



TELECOMMUNICATIONS INDUSTRY OMBUDSMAN LIMITED
ABN 46 057 634 787

AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF TELECOMMUNICATIONS INDUSTRY OMBUDSMAN LIMITED

In relation to the independent audit for the year ended 30 June 2011, to the best of my knowledge and belief there have been:

- (i) No contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- (ii) No contraventions of any applicable code of professional conduct.

S SCHONBERG
 Partner

Date: 4/10/11

PITCHER PARTNERS
 Melbourne

Statement of Comprehensive Income

For the year ended 30 June 2011

	Note	2011 \$	2010 \$
Revenue			
Revenue from members	4	28,158,804	27,785,004
Other income	4	788,601	849,712
	4	28,947,405	28,634,716
Less: expenses			
Depreciation and amortisation expense	5	(617,115)	(493,260)
Employee benefits expense	5	(21,157,071)	(20,235,606)
Occupancy expenses	5	(1,589,685)	(2,187,295)
Marketing expense		(455,742)	(508,560)
Finance costs	5	(119,529)	(144,637)
Bad & Doubtful debts expense	5	(243,224)	(806,440)
Information technology expense		(1,059,274)	(820,407)
Consultancy expense		(594,433)	(986,881)
Legal expense		(249,960)	(206,348)
Relocation/fitout expense		-	(11,077)
Travel expense		(233,899)	(273,176)
Telephone and faxes		(435,477)	(518,086)
Other expenses		(1,230,177)	(1,095,046)
Total expenses		(27,985,586)	(28,286,819)
Total surplus for the year	15	961,819	347,897

The accompanying notes form part of these financial statements.

Statement of Financial Position

As at 30 June 2011

	Note	2011 \$	2010 \$
Current assets			
Cash and cash equivalents	7	5,855,578	10,520,128
Receivables	8	5,582,944	512,994
Other current assets	9	176,680	229,179
Total current assets		11,615,202	11,262,301
Non-current assets			
Plant and equipment	10	2,891,206	2,373,503
Total non-current assets		2,891,206	2,373,503
Total assets		14,506,408	13,635,804
Current liabilities			
Payables	11	2,120,776	3,021,431
Borrowings	12, 16	525,667	237,018
Provisions	13	1,577,671	1,436,704
Other liabilities	14	139,997	139,997
Total current liabilities		4,364,111	4,835,150
Non-current liabilities			
Borrowings	12, 16	1,290,465	931,900
Provisions	13	524,331	363,075
Other liabilities	14	653,317	793,314
Total non-current liabilities		2,468,113	2,088,289
Total liabilities		6,832,224	6,923,439
Net assets		7,674,184	6,712,365
Accumulated surplus			
Accumulated surplus	15	7,674,184	6,712,365
Total Accumulated surplus		7,674,184	6,712,365

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the year ended 30 June 2011

	2011 \$	2010 \$
Accumulated surplus		
Balance at beginning of the year	6,712,365	6,364,468
Movements in equity from:		
Accumulated surplus	961,819	347,897
Balance at the end of the year	7,674,184	6,712,365
Accumulated surplus		
Balance at beginning of the year	6,712,365	6,364,468
Surplus for the year	961,819	347,897
Balance at the end of the year	7,674,184	6,712,365

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the year ended 30 June 2011

	Note	2011 \$	2010 \$
Cash flow from operating activities			
Receipts from members		25,801,496	30,450,321
Payments to suppliers and employees		30,230,232)	(29,525,182)
Rental receipts		-	257,291
Interest received		382,761	247,239
Interest paid		(119,529)	(144,637)
Net cash provided by operating activities	19(b)	(4,165,504)	1,285,032
Cash flow from investing activities			
Payment for plant and equipment		(1,134,818)	(340,886)
Net cash used in investing activities		(1,134,818)	(340,886)
Cash flow from financing activities			
Repayment of borrowings		1,016,890	-
Repayment of leases		(381,118)	(211,908)
Net cash used in financing activities		635,772	(211,908)
Reconciliation of cash			
Cash at beginning of the financial year		10,520,128	9,787,890
Net increase/decrease in cash held		(4,664,550)	732,238
Cash at end of financial year	19(a)	5,855,578	10,520,128

The accompanying notes form part of these financial statements.

Notes to Financial Statements

For the year ended 30 June 2011

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporation Act 2001*.

The financial report is for the entity Telecommunications Industry Ombudsman Limited ("the TIO") as an individual entity. Telecommunications Industry Ombudsman Limited is a company limited by guarantee, incorporated and domiciled in Australia.

The following is a summary of the material accounting policies adopted by the company in the preparation and presentation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) Basis of preparation of the financial report

Compliance with IFRS

The financial statements of company also comply with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Historical Cost Convention

The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets as described in the accounting policies.

(b) Income tax

The company is exempt from income tax under Item 2.1 of section 50-10 of the Income Tax Assessment Act 1997. The TIO has been notified of its continuing tax exempt status up to 30 June 2014 by the Australian Tax Office.

(c) Revenue

Volume and operating fees are charged to members for complaint resolution services. Members are invoiced monthly based on actual charges for each month.

In prior periods, members were invoiced quarterly in advance based on estimated costs. Estimated costs and actual costs were reconciled at period end, resulting in either a receivable or payable due to members.

Interest revenue is recognised when it becomes receivable on a proportional basis taking in to account the interest rates applicable to the financial assets.

All revenue is stated net of the amount of goods and services tax (GST).

(d) Trade receivables

Amounts due from all members are recognised as amounts receivable. Collectability is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment of trade receivables is established when there is objective evidence that the TIO will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired.

(e) Plant and equipment

Each class of plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation.

Plant and equipment

Plant and equipment is measured on the cost basis.

Depreciation

The depreciable amount of all fixed assets are depreciated over their estimated useful lives commencing from the time the asset is held ready for use.

Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Notes to Financial Statements continued

For the year ended 30 June 2011

(e) Plant and equipment continued

The depreciation rates used for each class of asset are:

Class of fixed asset	Depreciation rates	Depreciation basis
Leasehold improvements	14%	Straight line
Plant and equipment	33%	Straight line
Furniture, fixtures and fittings	14%	Straight line
Software	40%	Straight line

(f) Leases

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

Finance Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the company are classified as finance leases. Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. The interest expense is calculated using the interest rate implicit in the lease and is included in finance costs in the statement of comprehensive income. Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the company will obtain ownership of the asset, or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Operating leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as an expense on a straight-line basis over the term of the lease.

Lease incentives received under operating leases are recognised as a liability. This lease liability is reduced on a straight-line basis over the lease term.

(g) Employee benefits

Liabilities arising in respect of wages and salaries, annual leave, sick leave and any other employee benefits expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled. All other employee benefit liabilities are measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to the reporting date.

Contributions made by the company to an employee superannuation fund are recognised in the balance sheet as a liability, after deducting any contributions already paid and in the income statement as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payment is available.

(h) Finance costs

Finance costs are recognised as expenses in the period in which they are incurred, and include finance lease charges.

(i) Impairment

Assets with an indefinite useful life are not amortised but are tested annually for impairment in accordance with AASB 136. Assets subject to annual depreciation or amortisation are reviewed for impairment whenever events or circumstances arise that indicate that the carrying amount of the asset may be impaired. An impairment loss is recognised where the carrying amount of the asset exceeds its recoverable amount. The recoverable amount of an asset is defined as the higher of its fair value less costs to sell and value in use.

(j) Financial instruments

Cash and cash equivalents

Cash on hand and at bank are valued at face value. Interest revenue is recognised as it accrues.

Notes to Financial Statements continued

For the year ended 30 June 2011

Trade and other receivables

Receivables are carried at nominal amounts due, less any provision for impairment.

A provision for impairment is recognised when collection of the full nominal amount is no longer probable.

Collectability of overdue accounts is assessed on an ongoing basis.

Prepayments

Prepayments are carried at cost representing their expected future benefit.

Trade and other payables

Liabilities are recognised for amounts to be paid in future for goods and services received.

Interest bearing loans and borrowings

Loans are carried at their principal amounts, which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period it becomes due and recognised as part of payables.

Finance leases are accounted for at their principal amounts, with the lease payments discounted to present value using the interest rate implicit in the lease.

(k) Trade and other creditors

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(l) Amounts due to members

In prior periods, amounts due to members represented funds owing as a result of estimated costs billed at the start of the quarter differing to complaints received during the quarter. Each quarter actual and estimated charges were reconciled with the resulting adjustments representing amounts owed to members.

There are no amounts due to members in the current year due to a change to billing members monthly in- arrears from July 2010.

(m) Cash and cash equivalents

Cash and cash equivalents include cash on hand and at banks, short-term deposits with an original maturity of three months or less held at call with financial institutions, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

(n) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(o) Unearned lease incentive

All incentives for entering into an operating lease shall be recognised as an integral part of the net consideration agreed for the use of the leased asset, irrespective of the incentive's nature or form or the timing of payments.

The TIO has recognised the aggregate benefit of incentives as a reduction of rental expenses over the lease term, on a straight-line basis, representative of the pattern of the benefit from the use of the leased asset.

The lease incentive has been recognised as unearned revenue and amortised over the term of the lease, being 10 years.

(p) Rounding of amounts

The company has applied the relief available to it under ASIC Class Order 98/100 and accordingly, amounts in the financial report have been rounded off to the nearest \$1.

NOTE 2: NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

A number of accounting standards and interpretations have been issued at the reporting date but are not yet effective. The directors have not yet assessed the impact of these standards or interpretations.

Notes to Financial Statements continued

For the year ended 30 June 2011

NOTE 3: CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are based on past performance and management's expectation for the future.

Estimates and judgements are continually evaluated and are based on historic experience and other factors including expectations of future events that may have financial impact on the entity and that are believed to be reasonable under the circumstances.

	2011 \$	2010 \$
Complaint handling fees	28,158,804	27,785,004
Interest income	417,540	247,239
Rental income	-	257,291
Other revenue	371,061	345,182
	28,947,405	28,634,716

NOTE 5: OPERATING PROFIT

Surplus from continuing activities has been determined after:

Expenses:

Finance costs	119,529	144,637
Depreciation		
- plant and equipment	139,372	20,721
- furniture and fittings	241,692	236,488
- leasehold improvements	236,051	236,051
	617,115	493,260
Bad and doubtful debts	243,224	806,440
Remuneration of auditors for:		
Rental expense on operating leases:		
- lease payments – rent, communications, IT and other	1,589,685	2,187,295
Employee benefits:		
- short term benefits	21,157,071	20,235,606
Net loss on disposal of non-current assets		
- Loss on disposal of non current assets	-	1,061
Remuneration of auditors for		
- Auditor's remuneration – audit fees	33,000	29,500

NOTE 6: KEY MANAGEMENT PERSONNEL COMPENSATION

Compensation received by key management personnel of the company

- short term employee benefits	1,374,462	1,285,987
	1,374,462	1,285,987

Notes to Financial Statements continued

For the year ended 30 June 2011

NOTE 6: KEY MANAGEMENT PERSONNEL COMPENSATION CONTINUED

The names of directors who have held office during the year are listed below

All directors were in office for the full year unless otherwise noted:

Name	Appointment / resignation details
J F Rohan	
J M Harvey	
S J Dalby	
A R Thomas	
M J Elsegood	
G R Smith (alternate)	
E Sexton	
B Currie (alternate)	
R Bhatia	
J Scarlett	
J G Horan	(departed 26 July 2011)
P Sporton	

The following persons also had authority and responsibility for the planning, directing and controlling the activities of the TIO, directly or indirectly during the year;

Name	Appointment / resignation details	Position
S Cohen		Ombudsman
D Carmody	(appointed 13 September 2010)	Deputy Ombudsman
P Carruthers		Company Secretary
J Zammit		Chief Financial Officer
V Hickey	(departed 21 December 2010)	Chairman of Council
A Dyer	(appointed 22 December 2010)	Chairman of Council
J Giles	(departed 30 March 2011)	Member of Council
L Parkinson	(departed 10 February 2011)	Member of Council
P Harrison	(appointed 1 July 2010)	Member of Council
J Matthews	(appointed 13 April 2011)	Member of Council
J Wilkes	(appointed 29 April 2011)	Member of Council
W Warburton		Member of Council
L Kreet		Member of Council
T Corbin		Member of Council
C Dodds		Member of Council
T C Hill		Member of Council
S Sdregas		Member of Council
R Wheeler		Member of Council

Notes to Financial Statements continued

For the year ended 30 June 2011

	2011 \$	2010 \$
NOTE 7: CASH AND CASH EQUIVALENTS		
Cash on hand	1,100	1,100
Cash at bank	138,349	436,395
Cash on deposit	5,716,129	10,082,633
	5,855,578	10,520,128

NOTE 8: RECEIVABLES**CURRENT**

Trade debtors	6,414,840	1,373,524
Provision for doubtful debts	(834,166)	(860,530)
	5,580,674	512,994
Other receivables	2,270	-
	5,582,944	512,994

As at 30 June 2011 the accounts receivable balance reflects a higher balance than that of previous years due to changes to the billing of members. Previously members were invoiced quarterly in advance (last billing for the financial year would have been April) and as a result much of the debt would have been paid before year end based on 30 day payment terms. Members are now invoiced monthly in-arrears resulting in a significantly larger receivable balance as it reflects amounts owed from May invoices and complaints for June not yet billed.

At 30 June 2011 current trade receivables had a nominal value of \$6,414,840 (2010 \$1,373,524). A provision for non recoverability of \$834,116 (2010 \$860,530) was considered appropriate.

The ageing of these receivables is as follows:

1 to 3 months	5,396,392	252,511
Greater than 3 months	1,018,448	1,121,013
	6,414,840	1,373,524

NOTE 9: OTHER ASSETS**CURRENT**

Prepayments	141,901	229,179
Accrued income	34,779	-
	176,680	229,179

Notes to Financial Statements continued

For the year ended 30 June 2011

	2011 \$	2010 \$
NOTE 10: PLANT AND EQUIPMENT		
Leasehold improvements		
At cost	1,652,341	1,652,341
Accumulated depreciation	(727,827)	(491,776)
	924,514	1,160,565
Plant and equipment		
Plant and equipment at cost	592,530	194,500
Accumulated depreciation	(301,656)	(162,284)
	290,874	32,216
Furniture and fittings at cost	1,715,857	1,708,786
Accumulated depreciation	(1,056,929)	(815,237)
	658,928	893,549
Capital works in progress (RADaR)	1,016,890	287,173
Total plant and equipment	2,891,206	2,373,503
(a) Reconciliations		
Reconciliation of the carrying amounts of plant and equipment at the beginning and end of the current financial year		
<i>Leasehold improvements</i>		
Opening carrying amount	1,160,565	1,396,616
Depreciation expense	(236,051)	(236,051)
Closing carrying amount	924,514	1,160,565
<i>Plant and equipment</i>		
Opening carrying amount	32,216	39,257
Additions	110,857	14,741
Disposals	-	(1,061)
Transfers in	287,173	-
Depreciation expense	(139,372)	(20,721)
Closing carrying amount	290,874	32,216
<i>Furniture and fittings</i>		
Opening carrying amount	893,549	1,091,065
Additions	7,071	38,972
Depreciation expense	(241,692)	(236,488)
Closing carrying amount	658,928	893,549

Notes to Financial Statements continued

For the year ended 30 June 2011

	2011 \$	2010 \$
NOTE 10: PLANT AND EQUIPMENT (CONTINUED)		
<i>Capital works in progress (RADaR)</i>		
Opening carrying amount	287,173	-
Additions	1,016,890	287,173
Transfers out	(287,173)	-
Closing carrying amount	1,016,890	287,173
<i>Total plant and equipment</i>		
Carrying amount at 1 July 2010	2,373,503	2,526,938
Additions	1,134,818	340,886
Disposals	-	(1,061)
Depreciation expense	(617,115)	(493,260)
Carrying amount at 30 June 2011	2,891,206	2,373,503

NOTE 11: PAYABLES

CURRENT

Unsecured liabilities

Amounts payable to:

- amounts due to members	-	759,331
Trade creditors	419,728	506,726
Sundry creditors and accruals	1,701,048	1,755,374
	2,120,776	2,262,100
	2,120,776	3,021,431

Amounts Due to Members

At 30 June 2011 amounts due to members is a \$nil balance as a result of a change during the year to billing members from quarterly in advance to monthly in-arrears. At 30 June 2010 amounts due to members represented funds owing as a result of estimated costs billed at the start of the quarter differing to complaints received during the quarter. At 30 June 2010 this balance was \$759,331.

Notes to Financial Statements continued

For the year ended 30 June 2011

	2011 \$	2010 \$
NOTE 12: BORROWINGS		
CURRENT		
<i>Secured liabilities</i>		
Finance lease liability	265,101	237,018
Finance lease liability - Project RADaR	260,566	-
	525,667	
NON CURRENT		
<i>Secured liabilities</i>		
Finance lease liability	666,799	931,900
Finance lease liability - Project RADaR	623,666	-
	1,290,465	931,900

Finance Lease - Project RADaR (TIO's project to implement a new complaint management system)

During the year ended 30 June 2011 \$377,544 (\$47,193 per month) was originally expensed and included within the operating cost recovery fees charged to members in relation to RADaR project funding. This was based upon the total expected cost of the project being expensed and recovered evenly over 36 months, coinciding with the associated lease funding arrangements.

For statutory reporting purposes however, accounting standards required different treatment, particularly in respect of depreciation of the RADaR asset which can only commence when RADaR becomes operational, expected in 2012 quarter 4. The effect of the differing treatment is to increase the total surplus reported for the year ended 30 June 2011 by \$349,510.

(a) Business Card Facility

The company has a business card facility of \$131,000, reduced from \$300,000 at 30 June 2010, which may be utilised at any time and is subject to an annual review. All credit use is subject to approval by appropriate delegates in accordance with the TIO's policies.

(b) Overdraft Facility

The company has an overdraft facility of \$150,000 which may be utilised at any time and terminated by the bank without notice. This facility is unused at balance date. The overdraft facility is secured by a charge over the assets of the company.

NOTE 13: PROVISIONS

CURRENT			
Employee benefits	(a)	1,577,671	1,436,704
NON CURRENT			
Employee benefits	(a)	524,331	363,075
(a) Aggregate employee benefits liability		2,102,002	1,799,779
(b) Number of employees at year end		267	230

Notes to Financial Statements continued

For the year ended 30 June 2011

	2011 \$	2010 \$
NOTE 14: OTHER LIABILITIES		
CURRENT		
Unearned lease incentives	139,997	139,997
NON CURRENT		
Unearned lease incentives	653,317	793,314

NOTE 15: ACCUMULATED SURPLUS

Accumulated surplus at beginning of year	6,712,365	6,364,468
Surplus for the year	961,819	347,897
Accumulated surplus at the end of the year	7,674,184	6,712,365

During the year ended 30 June 2011 \$377,544 (\$47,193 per month) was originally expensed and included within the operating cost recovery fee charged to members in relation to RADaR project funding. This was based upon the total expected cost of the project being expensed and recovered evenly over 36 months, coinciding with the associated lease funding arrangements.

For statutory reporting purposes however, accounting standards required different treatment, particularly in respect of depreciation of the RADaR asset which can only commence when RADaR becomes operational, expected in 2012 quarter 4. The effect of this differing treatment is to increase the total surplus reported for the year ended 30 June 2011 by \$349,510.

NOTE 16: CAPITAL AND LEASING COMMITMENTS**(a) Finance leasing commitments**

Payable

- not later than one year	677,721	356,547
- later than one year and not later than five years	1,427,122	1,083,381
Minimum lease payments	2,104,843	1,439,928
Less future finance charges	(288,711)	(271,010)
Total finance lease liability	1,816,132	1,168,918
Represented by:		
Current liability	265,101	237,018
Non-current liability	666,799	931,900
	931,900	1,168,918

The finance lease relates to the finance of the leasehold improvements and capital works in progress (Project RADaR).

(b) Hire purchase commitments

Payable

Represented by:

Current liability	260,566	-
Non current liability	623,666	-
	884,232	-

Notes to Financial Statements continued

For the year ended 30 June 2011

	2011 \$	2010 \$
(c) Operating lease commitments		
Payable		
- not later than one year	2,031,666	1,775,375
- later than one year and not later than five years	7,475,054	6,294,711
- later than five years	1,326,163	4,211,813
	10,832,883	12,281,899

NOTE 17: CONTINGENT LIABILITIES

The TIO has the following contingent liabilities:

During the 2006-2007 financial year, the TIO signed a bank guarantee in favour of Investa Nominees Pty Ltd (the TIO's landlord) for an amount equal to 6 months rent, outgoings, car park licence fees and GST. The amount of the guarantee is \$172,870. In the event where the TIO is unable to meet its financial obligations under its lease for level 3, 595 Collins Street, Investa Nominees Pty Ltd may call on the bank guarantee held by the Commonwealth Bank of Australia.

During the 2007-2008 financial year, the TIO signed a further bank guarantee in favour of Investa Nominees Pty Ltd (the TIO's landlord) for an amount equal to 6 months rent, outgoings and GST. The amount of the guarantee is \$387,877. In the event where the TIO is unable to meet its financial obligations under its lease for level 4, 595 Collins Street, Investa Nominees Pty Ltd may call on the bank guarantee held by the Commonwealth Bank of Australia.

NOTE 18: RELATED PARTY TRANSACTIONS

- (a) One current director, L Sexton, and one alternate director, B Currie, are employees of Vodafone Hutchison Australia Ltd. The TIO invoiced Vodafone Hutchison Australia Ltd and the related company Vodafone Australia Ltd for \$4,101,220 (2010: \$2,435,735) and \$2,394,062 (2010: \$1,598,900) respectively, during the year for complaint handling fees.
- (b) Two current directors, J Scarlett and P Sporton, are employees of Telstra Corporation. The TIO invoiced Telstra Corporation Ltd and related entities for \$9,781,868 (2010: \$15,377,749) during the year for complaint handling fees. Telstra Corporation invoiced the TIO for \$145,684 (2010: \$144,259) for the provision of telecommunication services during the year.
- (c) Two current directors, A R Thomas and M J Elsegood, and one alternate director, G R Smith, are employees of SingTel Optus Pty Ltd. The TIO invoiced SingTel Optus Pty Ltd and related entities for \$2,119,983 (2010: \$2,967,159) during the year for complaint handling fees. SingTel Optus Pty Ltd and related entities invoiced the TIO for \$359,939 (2010: \$432,685) for the provision of telecommunication services during the year.
- (d) One current director, S Dalby, is an employee of iiNet Ltd. The TIO invoiced iiNet Ltd for \$1,342,499 (2010: \$230,261) during the year for complaint handling fees.
- (e) One current director, R Bhatia and one alternate director, J Horan (in 2010 11) are employees of Primus Telecommunications Pty Ltd. The TIO invoiced Primus Telecommunications Pty Ltd for \$240,621 (2010: \$284,666) during the year for complaint handling fees.
- (f) All of the above transactions with directors and director related entities were based on normal commercial terms and conditions.

Notes to Financial Statements continued

For the year ended 30 June 2011

	2011 \$	2010 \$
NOTE 19: CASH FLOW INFORMATION		
(a) Reconciliation of cash		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position is as follows:		
Cash on hand	1,100	1,100
Cash at bank and on hand	138,349	436,395
At call deposits with financial institutions	5,716,129	10,082,633
	5,855,578	10,520,128
(b) Reconciliation of cash flow from operations with profit after income tax		
Profit from ordinary activities	961,819	347,897
Adjustments and non cash items		
Depreciation	617,115	493,260
Net loss on disposal of plant and equipment	-	1,061
Interest expense	11,442	-
Changes in assets and liabilities		
(Increase) / decrease in receivables	(5,067,680)	(411,446)
(Increase) / decrease in other assets	50,229	(201,602)
(Increase) / decrease in inventories	(139,997)	-
Increase / (decrease) in payables	(86,998)	97,122
Increase / (decrease) in amounts due to members	(759,331)	381,320
Increase / (decrease) in provisions	302,223	577,420
Increase/ (decrease) in sundry creditors	(54,326)	-
	(5,127,323)	937,135
Cash flows from operating activities	(4,165,504)	1,285,032
(c) Credit standby arrangements with banks		
Credit facility	131,000	300,000
Amount utilised	-	-
Unused credit facility	131,000	300,000
(d) Loan facilities		
Loan facilities	150,000	150,000
Amount utilised	-	-
Unused loan facilities	150,000	150,000

Notes to Financial Statements continued

For the year ended 30 June 2011

NOTE 20: FINANCIAL RISK MANAGEMENT

The company is exposed to a variety of financial risks comprising:

- (a) Interest rate risk
- (b) Credit risk
- (c) Liquidity risk
- (d) Fair values

The board of directors have overall responsibility for identifying and managing operational and financial risks.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates.

The company's exposure to interest rate risk in relation to future cashflows and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

2011 Financial instruments	Interest bearing \$	Non interest bearing \$	Total carrying amount \$	Weighted average effective interest rate	
<i>Financial assets</i>					
Cash	139,449	-	139,449	3.2%	Floating
Cash on deposit	5,716,129	-	5,716,129	4.9%	Floating
Trade and other receivables	-	3,300,775	3,300,775	0.0%	
	5,855,578	3,300,775	9,156,353		
2011 Financial instruments	Floating interest rate \$	Non interest bearing \$	Total carrying amount \$	Weighted average effective interest rate	
<i>Financial liabilities</i>					
Trade creditors	-	419,728	419,728	0.0%	
Leases	1,816,132	-	1,816,132	11.3%	Fixed
Other payables	-	1,613,480	1,613,480	0.0%	
	1,816,132	2,033,208	3,849,340		
2010 Financial instruments	Interest bearing \$	Non interest bearing \$	Total carrying amount \$	Weighted average effective interest rate	
<i>Financial assets</i>					
Cash	437,495	-	437,495	2.3%	Floating
Cash on deposit	10,082,633	-	10,082,633	3.3%	Floating
Trade and other receivables	-	512,994	512,994	0.0%	
	10,520,128	512,994	11,033,122		
2010 Financial instruments	Interest bearing \$	Non interest bearing \$	Total carrying amount \$	Weighted average effective interest rate	
<i>Financial liabilities</i>					
Trade creditors	-	506,726	506,726	0.0%	
Leases	1,168,918	-	1,168,918	11.3%	Fixed
Amounts payable to members	-	759,331	759,331	0.0%	
Other payables	-	1,755,374	1,755,374	0.0%	
	1,168,918	3,021,431	4,190,349		

Notes to Financial Statements continued

For the year ended 30 June 2011

NOTE 20: FINANCIAL RISK MANAGEMENT CONTINUED

Sensitivity

The TIO's borrowing and finance lease are at fixed rates of interest and therefore not exposed to movements in interest rates. The main risk arises from cash and cash equivalents, and the interest income they derive.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to the financial statements.

(b) Credit risk

Credit risk is the risk that one debtor will not repay all or a portion of an amount outstanding in a timely manner and therefore will cause a loss to the TIO.

Debtors are actively monitored and follow up actions are taken as required.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date of recognised financial assets is the carrying amount of those assets, net of any provisions for impairment of those assets, as disclosed in statement of financial position and notes to financial statements.

The company does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the company.

The company's debtors are concentrated in one industry.

(c) Liquidity risk

Liquidity risk is the risk that the company may not have, or may not be able to raise, funds when needed and therefore encounter difficulty in meeting obligations associated with financial liabilities.

The TIO maintains a cash reserve and actively monitors its cash flow position to ensure its ability to meet its debts as and when they fall due. In addition, the TIO's Articles of Association provide that it can impose a special levy on TIO member companies.

(d) Fair values

The net fair value of financial assets and financial liabilities approximates their carrying values as disclosed in statement of financial position and notes to financial statements.

NOTE 21: COMPANY DETAILS

The registered office of the company is:

Telecommunications Industry Ombudsman Limited
Level 3
595 Collins Street
Melbourne VIC 3000

Directors' declaration

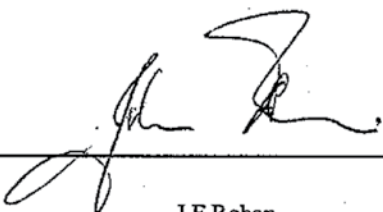
TELECOMMUNICATIONS INDUSTRY OMBUDSMAN LIMITED
ABN 46 057 634 787

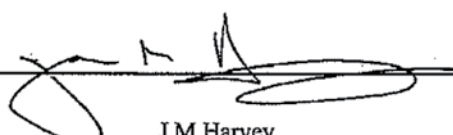
DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 2 - 24, are in accordance with the *Corporations Act 2001*:
 - (a) comply with Accounting Standards in Australia and the *Corporations Regulations 2001*; and
 - (b) as stated in Note 1, the financial statements also comply with *International Financial Reporting Standards*; and
 - (c) give a true and fair view of the financial position as at 30 June 2011 and performance for the year ended on that date of the company.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director: 
J F Rohan

Director: 
J M Harvey

Dated this 28 day of September 2011

Independent Auditor's Report

to the members of Telecommunications Industry Ombudsman Limited



TELECOMMUNICATIONS INDUSTRY OMBUDSMAN LIMITED
ABN 46 057 634 787

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF TELECOMMUNICATIONS INDUSTRY OMBUDSMAN LIMITED

We have audited the accompanying financial report of Telecommunications Industry Ombudsman Limited, which comprises the statement of financial position as at 30 June 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.



TELECOMMUNICATIONS INDUSTRY OMBUDSMAN LIMITED
ABN 46 057 634 787

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF TELECOMMUNICATIONS INDUSTRY OMBUDSMAN LIMITED

Opinion

In our opinion:

- (a) the financial report of Telecommunications Industry Ombudsman Limited is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the company's financial position as at 30 June 2011 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- (b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1.


 S SCHONBERG
 Partner


 PITCHER PARTNERS
 Melbourne

Date 4/10/11

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TELECOMMUNICATIONS INDUSTRY OMBUDSMAN
2011 ANNUAL REPORT
APPENDICES



APPENDIX 1

Systemic issues*

1 July 2010- 30 June 2011

Investigation	Outcome
Slow internet speeds	Assessed complaints and liaised with provider and monitored until wholesale migration complete.
Unbundling charges	Assessed complaint and liaised with provider, monitored and closed.
Failure to negotiate payment arrangements	Assessed complaints, gathered information from provider, monitored and closed.
Disputed charges, billing accuracy, point of sale advice, customer service	Assessed complaints and investigated current ACCC enforcement actions and referred matter to ACCC.
Final migration of ADSL customers	Investigated complaint issues and raised them with provider who made a number of undertakings which satisfied the TIO that consumer detriment was being managed effectively, monitored and closed.
Unauthorised ADSL transfers	Gathered information and provided this to the ACMA as part of an active investigation of the issue by the regulator.
Point of sale advice	Assessed and investigated issue, notified the provider, who responded, liaised with ACCC and the ACMA. The provider sold its customer base so no further action could be taken.
Point of sale advice and unauthorised direct debits	Assessed and investigated issue, notified the provider, who responded, liaised with ACCC and the ACMA. The provider sold its customer base so no further action could be taken.
Unauthorised transfers/cooling off periods	Investigated a significant increase in complaints , raised issue with provider but was unable to formalise investigation with this provider as it sold customer base.
Marketing practices	Assessed complaints and contacted provider who indicated a third party issue was driving complaints and that it had been addressed, monitored and closed.
Continuation of credit management on disputed debts	Investigated complaints and raised issue with provider as part of Credit Management project.
CSG Waiver	Assessed complaints and escalation rate and referred issues to provider who undertook to make significant amendments to process. The investigation remains open and subject to active monitoring.
Discontinuation of Unlimited plan	Identified issue in media announcement, undertook assessment of complaints and contacted provider to ensure the unilateral change was made consistent with contract and terms and conditions.
Billing obligations as a result of customer transfer	Assessed complaints and liaised with provider and internally with legal counsel to form a response to these complaints.
Members charging for tethering feature	Assess complaint issue, researched relevant point of sale and marketing information and advised provider of issue. Investigation closed after TIO satisfied that issue has been addressed by provider.
Refusal to deal with authorised representative	Investigated complaints and sought information from provider, who provided information about its policies around authorised representatives. Made recommendations and closed complaint on the basis that satisfactory processes were in place.
Charging for calls made to and from ships in the 870/872 prefix zones	Assessed complaints and sourced relevant technical information and closed after satisfaction with the scheduled resolutions outlined by the provider
SIM memory product	Liaised with provider who provided detailed information about product and agreed to rectify information on website that was out of date and potentially confusing to consumers.
Blocking of third party numbers	Researched issue and liaised with provider and agreed to close investigation after being provided with information that issue related to an intra-industry dispute.
Failure to provide reasons for declining application for service	Investigation of issues, interaction with Provider resulting in changes being made to scripting and removal of three month re-application advice.
Point of sale advice	Investigation of issues, interaction with Provider resulting in several changes to website, standard form of agreement and marketing scripts.
Wholesale migration issues	Identification of issues, provision of advice to investigation staff, assistance provided to provider in identifying complaint drivers.
Unlimited internet plans being shaped	Investigated complaints and raised issue with provider who agreed to remove unlimited plans and address consumer detriment.
Hybrid plans and use of "bucket" charging	Investigated complaints, sought further information from provider and committed to monitoring issue for a designated period.
Saver plans	Assessed complaints, raised issues with provider, investigation ongoing.
Loss of mobile numbers	Liaised with provider, wholesaler and regulator to develop a case management approach.
Marketing practices	Assessed complaints and liaised with provider to ensure the correct information was being provided to customers about the identity of the provider in marketing tools such as scripting.
Telemarketing	Assessed complaints and liaised with provider. Changes were made to scripting and transfer processes to address complaint issues.

*Systemic investigations include issues that we acted on formally or informally

Appendix 1: Systemic issues*

1 July 2010- 30 June 2011

Investigation	Outcome
Disconnection from service due to lack of information	Investigated complaints and liaised with provider, appeared as though issue is being dealt with effectively by provider, monitored and closed.
Billing of mobile plans	Identified issues for consumers about the appearance of credits on mobile invoices, notified provider who indicated an ongoing project to address this issue. Investigation closed in July 2010 after provider made relevant amendments to their invoices.
Failure to action undertakings	Investigated complaints and raised the issue with the provider who agreed to a number of undertakings, monitored and closed.
Premium messages (unauthorised subscription services)	Reopened a systemic investigation after complaint data indicated the issue was ongoing or had recurred, currently subject of formal interaction with provider.
Premium weekly service	Assessed complaints and sought technical information, liaised internally and monitored complaints awaiting further development of issue.
Presentation of international data charges	Provider changed the presentation of the charges on the invoice to reflect the way in which they were being charged.
Double charging for ADSL	In response to TIO assessment, provider explained apparent double charging with respect to presentation to miscellaneous credit and legacy email accounts. Provider indicated a program of works aimed at addressing this issue.
SMS capacity of home phone/ internet product	Investigated complaints and liaised with provider to seek further information on the product which was forwarded to investigation staff to assist in the investigation of future complaints.
Time frame for recharge on mobile service	In response to TIO complaints assessment, provider took steps to amend the format of the recharge voucher to mark the separation between the "recharge" portion and the "other offers" portion of the voucher.
Mail-merge	Provider informed TIO of mail merge issue. TIO sought further information including sample letters and undertook to monitor complaints for three months and then closed.
Failure to apply bundle discounts	Provider demonstrated a program of works aimed at streamlining the bundling process.
Auxiliary line itemisation	Investigated complaints and liaised with provider, formed a view that the issue was not systemic and closed the investigation.
Pre-paid activation number not working	Identified issue and raised it with the provider who advised the error on the website was being attended to and outlined a number of other methods for activation available to consumer. TIO satisfied with response and closed.
Failure to escalate to manager on request	Assessed complaints and raised the issue with provider who outlined a course of works already being undertaken to address the issues, will monitor for a designated period to assess the effectiveness of these undertakings.
Billing increment change	Provider informed TIO of change to billing increment, liaised with provider and internal stakeholders including legal counsel to form a view on how to manage cases of this nature moving forward.
Online usage meter accuracy	Provider responded by advising that changes had been made to clarify the need to close a data session before data would appear on meter, that notification at 80% and 100% of usage would now warn of excess usage and that data meters would reflect closer to real time usage.
Marketing practices	Assessed complaint and liaised with provider to ensure the correct impression was being provided to customers about the identity of the provider in marketing tools such as scripting.
Cap saver plan: billing, point of sale and credit management	Formal investigation of the issues, including liaising with CEO, a number of resolutions agreed and reporting of the outcomes to the ACMA.
Agreement of Terms and Conditions	Investigated complaints and raised the issue with the provider, focusing on the presentation of terms and the content of verbal recordings, response received and further assessment ongoing.
Change of terms and conditions	Assessed complaints, liaised with provider who advised it was addressing consumer detriment, monitored and closed.
Restricting access to mobile numbers	Provider advised TIO of business decision to restrict access to certain numbers, monitored complaints and agreed to close investigation after being provided with information that issue related to intra-industry dispute.
Text restrictions	Provider advised TIO of changes to unlimited plan with respect to texting, TIO investigated complaints and noted few complaints on the issue, monitored and closed.
Sim swap problems	Provider advised TIO of issue with SIM cards and outlined a plan of works to address any detriment. TIO satisfied with the undertakings and monitored complaints for a designated period before closure.
Multiple billing SMS issue	Assessed complaints, analysed information given by provider, suggested resolutions, many of which were implemented by provider but the TIO continues to monitor this issue.

*Systemic investigations include issues that we acted on formally or informally

Appendix 1: Systemic issues*

1 July 2010- 30 June 2011

Investigation	Outcome
Data roaming charges (domestic)	Assessed complaint data, raised the issue informally with the provider.
Bills not received	Provider informed TIO that there was a system error which meant that approximately 0.2% of customers were not receiving their bills each month. In addressing each complaint its staff had been instructed to take a soft approach on debt recovery, and a fix had been created which was to be deployed on 27 November 2010. The TIO monitored complaints and, noting no further complaints after a three month period, closed the investigation.
Coverage issues	Investigated complaints, sought technical information and raised the issue with the provider. Response from provider to ACCC, the ACMA and TIO considered to be reasonable at this time, ongoing monitoring of undertakings made by provider.
Charging for previously unbilled data	Provider informed TIO of previously unbilled data on a particular point of access. TIO ensured provider's response was reasonable and sought further information to ensure all consumer detriment had been addressed. Monitored and closed.
Multiple invoice charges	Investigated issue and raised it with provider who outlined a course of work designed to address the issue. TIO satisfied with provider's response, monitored and closed.
Transferring consumers with poor coverage from one network to another	Assessed complaint data, raised the issue informally with provider who is preparing a response.
Information about recharging prepaid vouchers	Liaised with provider who provided information about product, TIO closed investigation after being satisfied the issue was being sufficiently dealt with by provider.
Nature of reason for declining a service	Monitored complaints and clarified a number of issues with the providers, provided internal updates and advice to investigation staff on how to deal with complaints.

*Systemic investigations include issues that we acted on informally or formally.

APPENDIX 2

List of public submissions made by the TIO 2010-11

Submissions to the Australian Communications and Media Authority (ACMA)

1. June 2011. Numbering plan: Allocation and Charging of Numbers (Consultation Paper 3). This TIO submission to the ACMA primarily focussed on the potential impact on consumers of the proposed changes to Australia's telephone numbering plan.
2. February 2011. Inquiry Progress report: "Reconnecting the Customer." TIO submission for the ACMA's progress report on its public inquiry into customer service in the telecommunications industry.
3. February 2011. Review Telemarketing Standard. TIO submission to the ACMA's review of the Telemarketing Standard.
4. December 2010. Numbering Plan (Consultation Paper 1). TIO's comments on the first consultation paper about the structure of Australia's telephone numbering plan.
5. November 2010. Draft Fax Marketing Industry Standard. TIO's comments on the ACMA's discussion paper "Draft Telecommunications (Do Not Call Register) Fax Marketing Industry Standard."
6. September 2010. "Reconnecting the Customer." TIO's submission to the ACMA's public inquiry into customer service in the telecommunications industry.
7. August 2010. Fax Marketing Standard. TIO's comments on the ACMA discussion paper "Developing an industry standard for the fax marketing industry."
8. July 2010. TIO data for the ACMA Communications Report 2009-2010. TIO complaint data as requested by the ACMA, consisting of complaint issues, possible code issues, confirmed code breaches, with explanations of all data.

Submissions to Communications Alliance

9. July 2010. Review of the MPS Code. TIO's submission to the Communications Alliance with regard to the Review of the Mobile Premium Services Code.
10. July 2010. Review of the TCP Code. TIO's submission to the Communications Alliance with regard to the Review of the Telecommunications Consumer Protections Code.
11. July 2010. Review of the Customer Requested Barring Guideline. TIO's submission to Communications Alliance re the Review of the Customer Requested Barring Guideline (ACIF G612:2003).

Submissions to the Department of Broadband, Communications and the Digital Economy (DBCDE)

12. June 2011. Convergence Review Framing Paper. In this submission to DBCDE the TIO makes suggestions and comments in response to the proposed principles in the Framing Paper insofar as they relate to telecommunications. The TIO reiterates its view that it is critical for the Convergence Review to have as a key principle the appropriate regulatory, industry and policy settings for the protection of consumers in a converged world.
13. April 2011. Discussion paper on TIO Scheme. Submission to the DBCDE on its discussion paper examining opportunities to reform the TIO scheme.
14. March 2011. Draft Requirements and Circumstances (USO) Determination. Submission to the DBCDE with regard to the draft Telecommunications Universal Service Obligation (Standard Telephone Service: Requirements and Circumstances) Determination (No.1) 2011.
15. January 2011. Draft Terms of Reference: Convergence Review. Submission to the DBCDE with regard to terms of reference for its Convergence Review.
16. November 2010. USO Policy and NBN network. Submission to the DBCDE with regard to Universal Service Policy for the transition to the NBN.

Other submissions

17. May 2011. Exposure Drafts of Australian Privacy Amendment Legislation (Part 2: Credit Reporting). TIO submission on draft credit reporting legislation to Senate Finance and Public Administration Committee.
18. February 2011. Study into Protecting Consumers, Business and the Community Online. TIO response to cybercrime study by the Federal Attorney General's department.
19. October 2010. Draft Regulations under the ACL. Submission to Treasury (Australian Consumer Law) regarding draft Regulations under new Australian Consumer Law.
20. October 2010. Draft Guides for the ACL. Submission to Consumer Affairs (Australian Consumer Law) regarding draft Guides for the new Australian Consumer Law.

APPENDIX 3

Calendar of outreach activities

Subject	Date	Categories	Location
National Small Business Summit	7/07/2010	Consumer	Brisbane, QLD
Business Educators Association of Queensland Conference	15/07/2010	Youth	Brisbane, QLD
National ADR Research forum	16/07/2010	Industry	Brisbane, QLD
Financial Counsellors Association of NSW annual conference	3/08/2010	Consumer	Bondi, NSW
Financial Counsellors Association of Queensland training day	6/08/2010	Consumer	Brisbane, QLD
SOCAP Symposium workshop	24/08/2010	Consumer	Melbourne, VIC
Ombudsman's visit to Western Australia	27/08/2010	Consumer	Perth, WA
ATUG Regional Roadshow	6/09/2010	Industry	Warrnambool, Horsham, Bendigo, Shepparton, VIC
Financial and Consumer Rights Council Inc (Victorian financial counsellors)	6/09/2010	Financial Counsellors; Consumer	Geelong, VIC
Meeting with South Australian Commissioner for Consumer Affairs	21/09/2010	Consumer	Adelaide, SA
Community Consultation	21/09/2010	Financial counsellors	Adelaide, SA
Think Smart Seminar Department of Fair Trading New South Wales	30/09/2010	Consumer	Sydney, NSW
Knock Out Rugby league challenge	2/10/2010	Indigenous	Woy Woy, NSW
Bring Your Bill Clinic	13/10/2010	CALD	Preston, VIC
Meeting with Lifeline Community Care	18/10/2010	Consumer	Cairns, QLD
Meeting with the office of the Hon. Warren Entsch MP	18/10/2010	MPs	Cairns, QLD
Meeting with the office of Jason O'Brien MP	18/10/2010	MPs	Cairns, QLD
Indigenous Consumer Assistance Network	18/10/2010	Indigenous	Cairns, QLD
Meeting with the office of Mr Andrew Fraser MP (state)	19/10/2010	MPs	Coffs Harbour, NSW
Meeting with the office of Luke Hartsyker MP	19/10/2010	MPs	Coffs Harbour, NSW
Utilities forum for community workers to coincide with Anti-poverty Week. Attended with EWON	20/10/2010	Consumer	Coffs Harbour, NSW
National Association of Community Legal Centres conference 2010	24/10/2010	Consumer	Melbourne, VIC
Chief Customer Officer Forum	27/10/2010	Consumer	Melbourne, VIC
National Investigations Symposium	3/11/2010	TIO Internal	Sydney, NSW
ACCAN Research Linkage Forum 2010	10/11/2010	Consumer;Industry	Sydney, NSW
Interview between Ombudsman and ABC Capricornia	17/11/2010	Outreach	
Interview with ABC Western Queensland (Longreach)with ABC Western Queensland (Longreach)	17/11/2010	Outreach;Media	
Interview with ABC Mount Isa	17/11/2010	Outreach	
ATUG Regional Roadshow	22/11/2010	Rural and regional	Mount Isa, QLD
ATUG Regional Roadshow	23/11/2010	Rural and regional	Longreach, QLD
ATUG Regional Roadshow	24/11/2010	Rural and regional	Emerald, QLD
ATUG Regional Roadshow	25/11/2010	Rural and regional	Roma, QLD

APPENDIX 3

Calendar of outreach activities *continued*

Subject	Date	Categories	Location
Indigenous workshop ASIC	30/11/2010	Indigenous	Melbourne, VIC
ComView conference (Victorian secondary teachers conference)	7/12/2010	Youth	Melbourne, VIC
Having a Say conference "You are the voice"	9/02/2011	People with Disabilities; People with Disability	Geelong, VIC
Mardi Gras Fair Day 2011	20/02/2011	Consumer	Sydney, NSW
Australian Mobile Telecommunications Association forum	17/03/2011	Industry	Sydney, NSW
Monthly meeting with financial counsellors	18/03/2011	Financial counsellors	Sydney NSW
Disability Professionals Victoria	22/03/2011	People with Disabilities	Melbourne, VIC
Financial Counsellors Association of Queensland annual conference	23/03/2011	Financial Counsellors; Consumer	Brisbane, QLD
Meeting with the electorate offices of Wayne Swan, Teresa Gambaro, and Grace Grace	23/03/2011	MPs	Brisbane, QLD
Latrobe Valley Community Service Providers	29/03/2011	Consumer	Morwell, VIC
Bring Your Bill	29/03/2011	Financial Counsellors	Melbourne, VIC
ATUG conference and 30th birthday celebrations	31/03/2011	Small Business	Sydney, NSW
AMES community guides briefing	19/04/2011	CALD	Melbourne, VIC
Royal Easter Show	19/04/2011	Outreach	Sydney, NSW
Bring Your Bill	4/05/2011	CALD	Melbourne, VIC
Agfest Field Day	5/05/2011	Rural and regional	Launceston, TAS
Deaf Australia conference	13/05/2011	People with Disabilities	Hobart, TAS
Indigenous Workers Day	17/05/2011	Indigenous	Sydney, NSW
AFFCRA/External Dispute Resolution conference	17/05/2011	ANZOA;Financial Counsellors	Sydney, NSW
Meeting with the Hills Holroyd and Parramatta Migrant Resource Centre	19/05/2011	CALD	Sydney, NSW
Meeting with Nepean Migrant Access	19/05/2011	CALD	Sydney, NSW
Meeting with Cabramatta Migrant Resource Centre	19/05/2011	CALD	Sydney, NSW
Meeting with the electorate office of David Bradbury MP	19/05/2011	Members of Parliament	Sydney, NSW
Presentation to Financial Counsellors	24/05/2011	Financial Counsellors	Melbourne, VIC
Consumers 2011: Australian consumer policy, law and practice	7/06/2011	Consumer conference	Sydney, NSW
Bring Your Bill	8/06/2011	CALD	Melbourne, VIC
Bring Your Bills Day	28/06/2011	CALD	Melbourne, VIC

APPENDIX 4

Issues by category

Issues for new complaints – 2008-09, 2009-10, 2010-11

For every new complaint or case the TIO registers, we may record one or more issues to identify the types of issues that are presented in the new complaint.

Category	Issues for new complaints	FY 2008-09	FY 2009-10	FY 2010-11
BILLING AND PAYMENTS	Charges from a past billing period appearing on a recent bill received by the consumer	394	430	343
	Charges imposed for a telecommunications service that the consumer claims to have never requested or used	1,150	1,185	1,239
	Consumer billed on a different plan or at different rates to what they requested or agreed to at the point of sale	5,531	4,932	5,130
	Credits/adjustments that are incorrectly applied, or not applied at all	8,990	8,353	7,385
	Debts that have accrued on pre-paid telecommunications services, including charges for mobile premium services	67	46	69
	Direct debit arrangements, including direct debits not being activated, being taken without authorisation, being taken at the wrong time, not being cancelled upon request, or being taken prior to a bill being received by the consumer	3,735	3,006	3,818
	Disputed administrative charges associated with a mobile premium service, including charges imposed for double opt-in messages, error messages, expenditure/reminder notices, marketing messages, opt-out requests and charges for the provision of information about mobile premium services	36	8	8
	Disputed internet usage charges, including where the internet has been accessed via a mobile service	7,115	8,701	7,215
	Disputed usage charges relating to a mobile premium service, including charges imposed for MPS products that were never requested by the consumer, carriage fees for MPS, MPS products charged at the incorrect price, charges imposed for MPS after a customer has opted-out, and MPS products that were not supplied after a request for them was submitted	15,210	4,117	2,021
	MPS barring charges, including charges imposed for the barring itself, MPS charges incurred during a delay in activating barring, and charges incurred because a customer was not advised that MPS barring was available <i>New issue keyword introduced 1 July 2010</i>	N/A	N/A	155
	Other types of disputed usage charges, such as those imposed for SMS/MMS, timed and untimed calls, operator assisted calls and dial-up internet calls	4,863	5,025	4,355
	Payments that have been incorrectly applied to a consumer's account, or not applied at all	2,455	3,000	2,690
	Premium or international charges resulting from an internet dialer, including where the consumer claims the website did not disclose such costs, or where the consumer denies all knowledge of having ever visited the website	31	29	36
	Recurring charges on a consumer's account, such as monthly access fees or equipment charges	12,848	12,225	11,716
	Roaming charges, including both international roaming and roaming within Australia on another provider's network	873	1,770	2,584
	The consolidation of all of a customer's services onto a single bill account, or the deconsolidation of such an arrangement so that the customer receives a different bill and account number for each service	1,621	1,837	1,687
	The format/readability of a provider's bills and the itemisation of billed charges	3,003	2,620	2,586
	The imposition or calculation of administrative charges billed to a consumer's account, such as late payment fees, connection fees, re-connection fees and termination fees	13,167	16,338	13,499
	The non-receipt of bills, at all or in a timely manner	6,581	6,286	6,874
	The specific form of a credit/refund provided to a consumer for disputed mobile premium service charges <i>New issue keyword introduced 1 July 2009</i>	N/A	10	1
Unusually high bills where the cause is not clear, where multiple aspects of the bill are in dispute, where the bill is from a provider other than the preferred provider, or where the consumer's call cap has been exceeded	11,481	14,546	19,137	
TOTAL	99,151	94,464	92,548	

Appendix 4 Issues by category

Issues for new complaints – 2008-09, 2009-10, 2010-11 *continued*

Category	Issues for new complaints	FY 2008-09	FY 2009-10	FY 2010-11
COMPLAINT HANDLING	A provider charging a fee to itemise a bill that the consumer is disputing, or imposing a fee for the handling of the consumer's complaint	44	60	33
	Failure of a content supplier or a carriage service provider to assist a consumer with their mobile premium service complaint <i>New issue keyword introduced 1 July 2009</i>	N/A	1,247	397
	Failure of a content supplier or carriage service provider to deal with a consumer's mobile premium service complaint in a timely manner, or to keep the consumer updated on the progress of their complaint <i>New issue keyword introduced 1 July 2009</i>	N/A	28	10
	Failure of a content supplier to release evidence/information relevant to a consumer's mobile premium service complaint <i>New issue keyword introduced 1 July 2009</i>	N/A	7	6
	Failure of a provider to acknowledge a consumer's written complaint (including complaints about mobile premium service content suppliers)	2,721	3,144	3,214
	Failure of a provider to make or retain a record of a consumer's complaint (including complaints about mobile premium service content suppliers)	1,774	2,161	1,279
	Failure or refusal of a provider to advise the consumer about the TIO when it has been unable to satisfactorily resolve the complaint (including complaints about mobile premium service content suppliers)#	6,296	4,507	36,530
	Failure to action undertakings made to resolve a consumer's complaint (including complaints about mobile premium service content suppliers)	24,722	32,881	42,259
	Failure to advise a consumer about the outcome to their complaint (including complaints about mobile premium service content suppliers)	6,111	6,351	5,838
	Failure to escalate a complaint upon request or where the consumer is dissatisfied (including complaints about mobile premium service content suppliers)	6,702	4,740	5,183
	TOTAL		48,370	55,126
CONNECTION (FORMERLY PROVISIONING)	A supplier giving incorrect or inconsistent advice about the availability of a new telecommunications service at the customer's location	408	412	456
	Delay in connecting a telecommunications service that is CSG eligible, whether or not a connection at the property has existed before	5,503	2,801	2,916
	Delay in connecting a telecommunications service that is not CSG eligible, whether or not a connection at the property has existed before	3,594	3,235	4,519
	Delay in connection of a landline service resulting from the failure of a previous occupier to disconnect the line to the premises	238	134	117
	Delay in connection of a telecommunications service where the consumer is seeking compensation for loss resulting from the delay	227	276	620
	Delay in the connection of a landline service where the provider has said that the CSG Standard does not apply because of a natural disaster or bad weather	1	1	3
	Interim/alternative services provided to a consumer during a landline connection delay, including the failure/refusal of a provider to offer an interim/alternative service, delays in the connection of the interim/alternative service and the quality of an interim/alternative service	219	75	58
	Missed appointments in relation to the connection of a CSG eligible telecommunications service	721	337	400
	Missed appointments in relation to the connection of a non-CSG eligible telecommunications service	103	138	203
	Pre-provisioning of a telephone service, including the adequacy of advice about the process of obtaining a connection after pre-provisioning is complete.	127	102	170
	Temporary landline cabling, including associated infrastructure upgrade delays* <i>New issue keywords introduced 1 January 2010</i>	N/A	142	155
	The allocation of telephone numbers to consumers, including the loss and retrieval of telephone numbers from quarantine	767	817	778
	Delay in connecting an incoming calls only service, including the refusal of a provider to supply the service and the quality of the service itself	35	14	18
	Delay in connecting enhanced call features such as call waiting, call forwarding and calling number display	68	42	39
	TOTAL		12,011	8,526

Appendix 4 Issues by category

Issues for new complaints – 2008-09, 2009-10, 2010-11 *continued*

Category	Issues for new complaints	FY 2008-09	FY 2009-10	FY 2010-11	
CONTRACTS	A consumer being held to the terms of a contract despite having requested the cancellation of the contract within the cooling off period <i>New issue keyword introduced 1 July 2010</i>	N/A	N/A	1,061	
	A consumer being refused a mobile service because they want MPS barring, or where a consumer's access to other aspects of their mobile service is limited by the application of MPS barring <i>New issue keyword introduced 1 July 2010</i>	N/A	N/A	1	
	A contract that only allows the provider (and not the consumer) to renew or not renew the contract <i>New issue keyword introduced 1 July 2010</i>	N/A	N/A	307	
	A contract under which multiple services were offered as a bundled package	345	307	641	
	A fixed term being imposed on a consumer's agreement to receive mobile premium services	9	38	19	
	A provider attempting to enforce terms of a contract where the consumer believes that this is unfair in the circumstances	3,814	4,957	5,327	
	A provider cancelling a contract at will (includes cancelling a contract for making a complaint to the TIO) <i>New issue keyword introduced 1 July 2010</i>	N/A	N/A	193	
	A provider's failure to advise a consumer at the point of sale about the name of the provider, the network used to provide the service or the supplier of any of the equipment under the contract	138	145	170	
	A variation being made to the terms of a consumer's contract, whether or not notice to the affected consumer is supplied (includes complaints about the variation of mobile premium service subscription charges)	2,828	2,444	2,233	
	Contract termination fees that appear to be a penalty rather than a genuine estimation of the provider's likely losses <i>New issue keyword introduced 1 July 2010</i>	N/A	N/A	335	
	Difficulties encountered when attempting to change the account holder for an existing service/contract	619	699	732	
	Mobile premium service advertising being targeted at children under the age of 15, or mobile premium services being advertised without appropriate warnings where the advertisement could be seen by children under the age of 18 <i>New issue keyword introduced 1 July 2009</i>	N/A	38	7	
	Complaint about a mobile premium service being accessed by a minor, including complaints where the minor has accessed content of an inappropriate nature because of incorrect classification and/or insufficient supplier controls <i>Issue keyword removed 30 June 2009</i>	70	N/A	N/A	
	Telecommunications equipment that is locked to a provider's network, including the calculation of unlocking fees and delays in unlocking <i>New issue keyword introduced 1 July 2010</i>	N/A	N/A	824	
	The adequacy of information provided to a consumer about their level of risk where they have contracted a service for somebody else, such as a child or spouse	117	112	114	
	The adequacy/accuracy of advice provided at the point of sale about a product or terms associated with a contract	17,934	21,088	22,937	
	The conduct of sales representatives when they attempt to elicit agreement from a consumer, including behaviour that is harassing or coercive	1,184	841	852	
	The consumer denies having ever entered into the contract	3,016	3,569	3,155	
	The legitimacy of a contract where the consumer's decision making ability was impaired at the time the contract was entered into, for example by mental illness, intoxication or inexperience	659	837	700	
	The length of time taken to action a contract termination request, or the length of notice required under the contract before a termination request can be actioned	3,057	3,013	3,353	
	The quality of advice given at the point of sale about the coverage/availability of the service at the consumer's chosen location	2,494	3,084	4,758	
	The quality of advice provided at the point of sale about cooling off periods	703	669	264	
	The quality of information a consumer has been given about how they can cancel a mobile premium service subscription, delays in the processing of MPS cancellation requests and the refusal of a provider to action a consumer's MPS cancellation request <i>New issue keyword introduced 1 July 2009</i>	N/A	185	74	
	The quality of information provided to the consumer about contract termination fees, either at the point of sale, during the course of the contract or when contract termination is requested/imposed	2,304	2,137	2,184	
	The quality of point of sale advice relating to mobile premium services and the quality of mobile premium services advertising, such as the failure of a supplier to offer double opt-in, the failure of a supplier to advise of service limitations, the provision of misleading/deceptive advice and lack of information provided about MPS barring	649	281	203	
	The refusal or failure of a provider to give a consumer a copy of their contract, or about the legibility/clarity of the contract document itself	1,015	1,096	966	
	TOTAL		40,955	45,540	51,410

Appendix 4 Issues by category

Issues for new complaints – 2008-09, 2009-10, 2010-11 *continued*

Category	Issues for new complaints	FY 2008-09	FY 2009-10	FY 2010-11	
CREDIT MANAGEMENT	A mobile premium service provider's failure to issue End of Month Reminder notices or \$30 Expenditure Updates in accordance with their obligations under the MPS Code <i>New issue keyword introduced 1 July 2009</i>	N/A	72	51	
	A provider approving an application for service where the consumer is not in a financial position to afford the contract, or where the provider does not limit the consumer's access to the service in line with the findings of a credit assessment	156	143	164	
	A provider declining an application for service for credit reasons where it has not provided an adequate explanation for its decision, or where it only approves a service with restrictions	243	372	532	
	A provider failing to cease collections activity when a consumer has declared bankruptcy or the debt is very old (may or may not be outside of the Statute of Limitations threshold of 6 years)	72	63	122	
	A provider failing to suspend credit management activity whilst a payment arrangement is in place or while a payment arrangement is being negotiated with the consumer	162	308	457	
	A provider recording a credit default in relation to a debt that is in dispute	2,178	2,895	3,688	
	A telecommunications service being suspended or disconnected without prior or reasonable notification being given to the consumer	4,492	5,224	5,834	
	Collections agents continuing to pursue payment of a debt despite being advised it is in dispute	3,988	5,315	5,430	
	Collections agents using harsh, harassing or otherwise offensive methods to recover payment of a telecommunications debt	338	346	494	
	Consumer is unable to monitor their expenditure because the provider does not provide a mechanism to do this, or the mechanism provided is faulty or not up to date	697	1,080	1,245	
	Failure of a provider to make or retain a record of a consumer's payment arrangement	483	756	774	
	Failure of a provider to monitor consumer expenditure or take reasonable action to limit a consumer's exposure to debt, resulting in financial over-commitment	3,208	6,278	10,469	
	Failure of a provider to notify a consumer that they could or would be credit default listed	2,106	2,836	3,217	
	Failure of a provider to suspend credit management in relation to genuinely disputed charges whilst the provider or the TIO is investigating the consumer's complaint (including credit management on disputed mobile premium service charges)	1,097	2,027	1,516	
	Failure of a provider to update a credit default listing once payment of the debt has been made	455	352	579	
	Refusal of a provider to negotiate with a consumer about a payment arrangement, or refusing to renegotiate an existing payment arrangement when a consumer's financial circumstances change	2,522	3,118	3,469	
	The quality of advice a provider gives to a consumer about the availability of credit control tools and how they work	1,085	1,166	1,063	
	The suspension or disconnection of telecommunications services where the outstanding balance consists of genuinely disputed charges (includes complaints about disputed mobile premium service charges)	3,354	3,784	4,035	
	TOTAL		26,636	36,135	43,139
	CUSTOMER SERVICE	A provider refusing to deal with an advocate nominated by the consumer or their authorised representative	293	291	279
A provider's representative being rude or discourteous towards a consumer		5,689	4,813	4,506	
Customer service issues relating to mobile premium service barring, including information given to a consumer about barring, methods for requesting barring and how to get MPS barring removed <i>New issue keyword introduced 1 July 2010</i>		N/A	N/A	124	
The adequacy of assistance that a consumer receives from a provider's customer service staff <i>New issue keyword introduced 1 July 2010</i>		N/A	N/A	35,810	
The failure of a provider or mobile premium service content supplier to action a request made by a consumer		22,584	17,344	13,688	
The failure of a provider to assist a consumer with their mobile premium service problem or query (now captured under the 'failure to provide adequate assistance' complaint issue category above) <i>Issue keyword removed 30 June 2009</i>		4,996	N/A	N/A	
The length of time a consumer has had to wait on hold to speak to their telecommunications provider, or where a consumer is unable to contact their provider at all (includes mobile premium service complaints relating to content suppliers)		12,717	5,871	10,260	
The quality of advice a provider has given to its consumer		29,928	44,301	50,928	
TOTAL			76,207	72,620	115,595

Appendix 4 Issues by category

Issues for new complaints – 2008-09, 2009-10, 2010-11 *continued*

Category	Issues for new complaints	FY 2008-09	FY 2009-10	FY 2010-11
DIRECTORIES	A consumer's telephone number not being made available via directory assistance	9	8	1
	A consumer's listing being omitted from the printed White Pages directory and/or the online White Pages directory	118	137	103
	A Yellow Pages listing	211	409	389
	An error made in the consumer's listing in the printed White Pages directory and/or the online White Pages directory	331	375	309
	Difficulties in accessing directory assistance services, including excessive wait times	13	14	5
	Directory assistance providing a consumer with the incorrect number	25	31	16
	Disputed White Pages directory listing charges, for example, being billed for an enhanced listing that was not requested	393	460	566
	TOTAL	1,100	1,434	1,389
DISABILITY	A provider's decision to reject a consumer's application for Priority Assistance status	9	7	14
	Delay in the connection of a service where the consumer or a member of their household suffers from a life threatening medical condition	69	41	51
	Delay in the repair of a faulty service where the consumer or a member of their household suffers from a life threatening medical condition	64	89	101
	Disability equipment related issues, including delays in delivery, errors in delivery, billing for the equipment, delays in connecting equipment and delays in repairing faulty equipment	38	18	24
	Failure of a provider to advise its customer that Priority Assistance is or is not available, as well as how a consumer might go about applying for Priority Assistance status	17	25	15
	Failure of a provider to ensure that sufficiently detailed and accurate information about disability equipment is readily available to its customers, either at the point of sale or on an ongoing basis <i>New issue keywords introduced 1 July 2009</i>	N/A	12	15
	TOTAL	197	192	220
FAULTS	A fault with an enhanced or add-on service, such as email or voicemail	1,767	2,059	2,759
	A technician failing to attend an appointment in relation to a fault on a CSG eligible telecommunications service	448	385	448
	A technician failing to attend an appointment in relation to a fault on a Non-CSG eligible telecommunications service	134	179	222
	Delay in rectifying call drop outs on a non-CSG eligible service	3,778	4,075	10,113
	Delay in the repair of a fault on a CSG eligible service where the provider has said that the CSG Standard does not apply because of a natural disaster or bad weather	19	9	22
	Faults affecting equipment purchased through the provider that is used to access a telecommunications service, including repair delays, disputes over appropriate remedies and equipment warranties and insurance issues	10,540	12,921	17,091
	Interim/alternative services provided to a consumer during a landline fault rectification delay, including the failure/refusal of a provider to offer an interim/alternative service, delays in the connection of the interim/alternative service and the quality of an interim/alternative service	334	295	258
	Poor coverage on mobile services and satellite/wireless internet services	3,276	5,397	30,623
	Telecommunications services which have been disconnected in error	2,472	1,899	2,108
	Temporary cabling installed to rectify a fault on a standard telephone service, delays in replacing faulty infrastructure once a temporary cable has been put in place, or faults within temporary cabling* <i>New issue keyword introduced 1 January 2010</i>	N/A	212	290
	Delay in rectifying a fault on a CSG eligible service, whether the fault cuts off the service completely or leaves it partially usable	6,638	5,049	5,230
	Delay in rectifying a fault on a service that is not CSG eligible and leaves the service completely unusable	5,959	5,723	5,710
	Delay in rectifying a network outage on a non-CSG eligible service, or the frequency of outages occurring on that service.	527	518	799
	Delay in rectifying a fault on a CSG eligible service where the fault is recurring or intermittent in nature	1,644	1,505	1,511
	Delay in repairing a service (both CSG eligible and non-CSG eligible services) where the consumer is seeking compensation for losses resulting from the delay	785	1,019	1,685
	Delay in rectifying faults with enhanced call features such as call waiting, call forwarding and calling number display	375	325	253
	Slow speed of data transfer on internet and mobile services	2,714	3,369	4,965
TOTAL	41,410	44,939	84,087	

Appendix 4 Issues by category

Issues for new complaints – 2008-09, 2009-10, 2010-11 *continued*

Category	Issues for new complaints	FY 2008-09	FY 2009-10	FY 2010-11
LAND ACCESS	A provider claims that the consumer is liable for damage they have caused to a provider's cable or telecommunications facility	123	232	181
	A provider not giving notice prior to entering an owner's/occupier's land to install or carry out maintenance on cabling or a low impact telecommunications facility	55	46	41
	Access method/height restrictions related to installation of a subscriber connection, such as a cable installed too low across a driveway	117	87	50
	Objections made by owners/occupiers of land to a provider's proposal to install or carry out maintenance on low impact telecommunications facilities on that land (includes premature objections by the owner/occupier, and failure of the provider to give the owner/occupier the opportunity to formally object)	54	26	21
	Owner/occupier of land claims damage was caused to their property during the installation of cabling or low impact telecommunications facilities by a provider	364	284	187
	TOTAL	713	675	480
PAYPHONES	A payphone that is faulty, has been vandalised or has charged a customer incorrectly	33	27	23
	TOTAL	33	27	23
PHONECARDS	A consumer has not been provided with a copy of the terms and conditions applicable to the phonecard they have purchased	25	9	6
	A phonecard cannot be used by consumer because it has expired or is otherwise invalid	82	53	29
	A phonecard provider failing/refusing to advise a consumer about the existence of the TIO when it has been unable to satisfactorily resolve the complaint	22	6	11
	A phonecard provider's failure to action a consumer's request, at all or in a timely manner <i>New issue keyword introduced 1 July 2010</i>	N/A	N/A	13
	A provider's failure to provide a promised/advertised credit or adjustment to a consumer's phonecard account	85	35	15
	A representative of a phone card provider being rude or discourteous towards a consumer	42	15	2
	Failure of a phonecard provider to acknowledge a consumer's written complaint	12	15	3
	Failure of a phonecard provider to action the undertakings it has made to resolve a consumer's complaint	92	37	19
	Failure of a provider to advise a consumer about the outcome to their phonecard related complaint	33	4	5
	Failure of a provider to escalate a consumer's phonecard related complaint upon request or when the consumer expresses dissatisfaction with the outcome to their complaint	47	25	10
	Failure of a provider to make and retain a record of a consumer's phonecard related complaint	11	10	1
	Phonecard advertising material does not disclose that there is a flagfall fee applying to each call made	22	9	2
	Rates or other terms advertised by a phonecard provider at point of sale being inaccurate, incomplete or out of date	138	59	21
	The amount of credit used up on consumer's phonecard based on the consumer's claimed use of the service	348	141	69
	The length of time a consumer has had to wait on hold before they can speak to their phonecard provider, or the inability of the consumer to get in contact with the phonecard provider at all	100	56	24
	The quality of advice provided to a consumer by a phonecard provider <i>New issue keyword introduced 1 July 2010</i>	N/A	N/A	22
	The quality of calls or connections made via a phonecard	58	29	26
	TOTAL	1,117	503	278

Appendix 4 Issues by category

Issues for new complaints – 2008-09, 2009-10, 2010-11 *continued*

Category	Issues for new complaints	FY 2008-09	FY 2009-10	FY 2010-11
PRIVACY	A provider not following correct procedure for dealing with life threatening communications	39	26	38
	A provider not following correct procedure for dealing with unwelcome communications	762	792	676
	A telecommunications provider has continued telemarketing the consumer or sending MPS marketing messages after being asked to stop	433	441	355
	Access to information being denied, or information held by the provider being inaccurate	1,529	2,057	1,893
	Complaint about information being collected, stored or disposed in a manner that is contrary to Australian privacy law	198	220	214
	Failure of a telecommunications provider to give adequate advice or assistance to a consumer in relation to spam prevention	19	23	24
	Failure of an MPS content supplier to warn a consumer about the danger of disclosing personal information via chat services <i>New issue keyword introduced 1 July 2009</i>	N/A	3	1
	Spam being received from a telecommunications service provider	19	28	32
	The disclosure of a consumer's silent telephone number	241	216	228
	The disclosure of personal information relating to a consumer's account, other than the disclosure of a silent telephone number	618	465	787
TOTAL	3,858	4,271	4,248	
TRANSFER	A salesperson's failure to properly disclose which provider they represent when attempting to elicit a transfer of service	64	72	49
	A service being transferred by a provider where the request for transfer was made by somebody other than the account holder, such as a spouse or child	420	324	273
	A service being transferred or a consumer being presented with a bill after having cancelled a transfer request within the cooling off period.	447	396	233
	Insufficient advice or unkept promises regarding any termination fees payable under an existing contract when a consumer authorises/requests a transfer	47	78	60
	The adequacy/accuracy of advice provided at the point of sale about the service transfer or the terms associated with the transfer contract	457	484	351
	The conduct of sales representatives when they attempt to elicit agreement to transfer a service, including behaviour that is harassing or coercive	107	93	64
	Delay in reversing an unauthorised transfer, the refusal of a provider to initiate a transfer reversal or a completed reversal that changes the nature of the service	432	304	254
	Delay in transferring a consumer's telecommunications service from one provider to another	2,996	2,060	2,826
	The quality of advice provided to a consumer about cooling off periods at the time they agree to a service transfer	42	55	24
	The transfer of a consumer's service where the consumer has not given informed consent to the transfer	1,637	1,000	921
	The transfer of a service where the transfer has been a result of an administrative error occurring during the authorised transfer of another service	201	126	127
TOTAL	6,850	4,992	5,182	
Total Issues for New Complaints	358,608	369,444	503,800	

Footnotes:

- * The TIO began to record data relating to complaints about temporary cabling and network improvements from 1 January 2010 onwards
- # The significant growth in relation to this complaint issue in 2010-11 is because of a change in internal TIO procedures, where every consumer who approached the TIO for assistance was asked if their provider had referred them to the TIO when they expressed dissatisfaction about the outcome of their complaint

APPENDIX 4 CONTINUED

Issues by category

Issues for investigations – 2008-09, 2009-10, 2010-11

We record issues to identify the types of cases that require further TIO involvement. These issues reflect the initial issues recorded when the case is first recorded and are updated when conciliation or investigation by the TIO commences.

Category	Issues for investigations	FY 2008-09	FY 2009-10	FY 2010-11
BILLING AND PAYMENTS	Charges from a past billing period appearing on a recent bill received by the consumer	73	81	55
	Charges imposed for a telecommunications service that the consumer claims to have never requested or used	189	208	195
	Consumer billed on a different plan or at different rates to what they requested or agreed to at the point of sale	1,050	1,033	799
	Credits/adjustments that are incorrectly applied, or not applied at all	1,187	1,373	856
	Debts that have accrued on pre-paid telecommunications services, including charges for mobile premium services	4	10	9
	Direct debit arrangements, including direct debits not being activated, being taken without authorisation, being taken at the wrong time, not being cancelled upon request, or being taken prior to a bill being received by the consumer	536	717	600
	Disputed administrative charges associated with a mobile premium service, including charges imposed for double opt-in messages, error messages, expenditure/reminder notices, marketing messages, opt-out requests and charges for the provision of information about mobile premium services	3	0	2
	Disputed internet usage charges, including where the internet has been accessed via a mobile service	1,050	1,207	714
	Disputed usage charges relating to a mobile premium service, including charges imposed for MPS products that were never requested by the consumer, carriage fees for MPS, MPS products charged at the incorrect price, charges imposed for MPS after a customer has opted-out, and MPS products that were not supplied after a request for them was submitted	935	365	149
	MPS barring charges, including charges imposed for the barring itself, MPS charges incurred during a delay in activating barring, and charges incurred because a customer was not advised that MPS barring was available <i>New issue keyword introduced 1 July 2010</i>	N/A	N/A	12
	Other types of disputed usage charges, such as those imposed for SMS/MMS, timed and untimed calls, operator assisted calls and dial-up internet calls	798	854	540
	Payments that have been incorrectly applied to a consumer's account, or not applied at all	321	490	325
	Premium or international charges resulting from an internet dialer, including where the consumer claims the website did not disclose such costs, or where the consumer denies all knowledge of having ever visited the website	4	3	2
	Recurring charges on a consumer's account, such as monthly access fees or equipment charges	2,020	2,327	1,624
	Roaming charges, including both international roaming and roaming within Australia on another provider's network	168	197	231
	The consolidation of all of a customer's services onto a single bill account, or the deconsolidation of such an arrangement so that the customer receives a different bill and account number for each service	358	438	347
	The format/readability of a provider's bills and the itemisation of billed charges	563	600	345
	The imposition or calculation of administrative charges billed to a consumer's account, such as late payment fees, connection fees, re-connection fees and termination fees	1,558	2,325	1,451
	The non-receipt of bills, at all or in a timely manner	1,008	1,380	1,055
	Unusually high bills where the cause is not clear, where multiple aspects of the bill are in dispute, where the bill is from a provider other than the preferred provider, or where the consumer's call cap has been exceeded	1,998	2,700	2,644
TOTAL		13,823	16,308	11,955

Appendix 4 Issues by category

Issues for investigations – 2008-09, 2009-10, 2010-11 *continued*

Category	Issues for investigations	FY 2008-09	FY 2009-10	FY 2010-11
COMPLAINT HANDLING	A provider charging a fee to itemise a bill that the consumer is disputing, or imposing a fee for the handling of the consumer's complaint	19	32	7
	Failure of a content supplier or a carriage service provider to assist a consumer with their mobile premium service complaint <i>New issue keyword introduced 1 July 2009</i>	N/A	124	25
	Failure of a content supplier or carriage service provider to deal with a consumer's mobile premium service complaint in a timely manner, or to keep the consumer updated on the progress of their complaint <i>New issue keyword introduced 1 July 2009</i>	N/A	9	0
	Failure of a content supplier to release evidence/information relevant to a consumer's mobile premium service complaint <i>New issue keyword introduced 1 July 2009</i>	N/A	1	0
	Failure of a provider to acknowledge a consumer's written complaint (including complaints about mobile premium service content suppliers)	635	844	487
	Failure of a provider to make or retain a record of a consumer's complaint (including complaints about mobile premium service content suppliers)	423	474	188
	Failure or refusal of a provider to advise the consumer about the TIO when it has been unable to satisfactorily resolve the complaint (including complaints about mobile premium service content suppliers)#	1,003	648	3,506
	Failure to action undertakings made to resolve a consumer's complaint (including complaints about mobile premium service content suppliers)	5,009	6,744	6,443
	Failure to advise a consumer about the outcome to their complaint (including complaints about mobile premium service content suppliers)	1,582	1,429	1,296
	Failure to escalate a complaint upon request or where the consumer is dissatisfied (including complaints about mobile premium service content suppliers)	1,026	854	682
	TOTAL	9,697	11,159	12,634
CONNECTION (FORMERLY PROVISIONING)	A supplier giving incorrect or inconsistent advice about the availability of a new telecommunications service at the customer's location	56	79	60
	Delay in connecting a telecommunications service that is CSG eligible, whether or not a connection at the property has existed before	1,479	784	628
	Delay in connecting a telecommunications service that is not CSG eligible, whether or not a connection at the property has existed before	335	409	475
	Delay in connection of a landline service resulting from the failure of a previous occupier to disconnect the line to the premises	47	21	18
	Delay in connection of a telecommunications service where the consumer is seeking compensation for loss resulting from the delay	109	86	149
	Delay in the connection of a landline service where the provider has said that the CSG Standard does not apply because of a natural disaster or bad weather	1	2	1
	Interim/alternative services provided to a consumer during a landline connection delay, including the failure/refusal of a provider to offer an interim/alternative service, delays in the connection of the interim/alternative service and the quality of an interim/alternative service	117	68	15
	Missed appointments in relation to the connection of a CSG eligible telecommunications service	241	97	88
	Missed appointments in relation to the connection of a non-CSG eligible telecommunications service	10	17	28
	Pre-provisioning of a telephone service, including the adequacy of advice about the process of obtaining a connection after pre-provisioning is complete.	74	40	44
	Temporary landline cabling, including associated infrastructure upgrade delays* <i>New issue keywords introduced 1 January 2010</i>	N/A	17	42
	The allocation of telephone numbers to consumers, including the loss and retrieval of telephone numbers from quarantine	202	164	135
	Delay in connecting an incoming calls only service, including the refusal of a provider to supply the service and the quality of the service itself	6	4	4
	Delay in connecting enhanced call features such as call waiting, call forwarding and calling number display	8	14	10
	TOTAL	2,685	1,802	1,697

Appendix 4 Issues by category

Issues for investigations – 2008-09, 2009-10, 2010-11 *continued*

Category	Issues for investigations	FY 2008-09	FY 2009-10	FY 2010-11
CONTRACTS	A consumer being held to the terms of a contract despite having requested the cancellation of the contract within the cooling off period <i>New issue keyword introduced 1 July 2010</i>	N/A	N/A	81
	A contract that only allows the provider (and not the consumer) to renew or not renew the contract <i>New issue keyword introduced 1 July 2010</i>	N/A	N/A	31
	A contract under which multiple services were offered as a bundled package	57	81	113
	A fixed term being imposed on a consumer's agreement to receive mobile premium services	1	1	0
	A provider attempting to enforce terms of a contract where the consumer believes that this is unfair in the circumstances	417	619	457
	A provider cancelling a contract at will (includes cancelling a contract for making a complaint to the TIO) <i>New issue keyword introduced 1 July 2010</i>	N/A	N/A	18
	A provider's failure to advise a consumer at the point of sale about the name of the provider, the network used to provide the service or the supplier of any of the equipment under the contract	14	32	21
	A variation being made to the terms of a consumer's contract, whether or not notice to the affected consumer is supplied (includes complaints about the variation of mobile premium service subscription charges)	357	428	240
	Contract termination fees that appear to be a penalty rather than a genuine estimation of the provider's likely losses <i>New issue keyword introduced 1 July 2010</i>	N/A	N/A	27
	Difficulties encountered when attempting to change the account holder for an existing service/contract	116	137	105
	Mobile premium service advertising being targeted at children under the age of 15, or mobile premium services being advertised without appropriate warnings where the advertisement could be seen by children under the age of 18 <i>New issue keyword introduced 1 July 2009</i>	N/A	6	1
	Complaint about a mobile premium service being accessed by a minor, including complaints where the minor has accessed content of an inappropriate nature because of incorrect classification and/or insufficient supplier controls <i>Issue keyword removed 30 June 2009</i>	6	N/A	N/A
	Telecommunications equipment that is locked to a provider's network, including the calculation of unlocking fees and delays in unlocking <i>New issue keyword introduced 1 July 2010</i>	N/A	N/A	52
	The adequacy of information provided to a consumer about their level of risk where they have contracted a service for somebody else, such as a child or spouse	33	39	25
	The adequacy/accuracy of advice provided at the point of sale about a product or terms associated with a contract	2,927	3,396	2,680
	The conduct of sales representatives when they attempt to elicit agreement from a consumer, including behaviour that is harassing or coercive	164	169	108
	The consumer denies having ever entered into the contract	414	581	438
	The legitimacy of a contract where the consumer's decision making ability was impaired at the time the contract was entered into, for example by mental illness, intoxication or inexperience	151	146	103
	The length of time taken to action a contract termination request, or the length of notice required under the contract before a termination request can be actioned	408	444	361
	The quality of advice given at the point of sale about the coverage/availability of the service at the consumer's chosen location	339	422	459
	The quality of advice provided at the point of sale about cooling off periods	96	100	26
	The quality of information a consumer has been given about how they can cancel a mobile premium service subscription, delays in the processing of MPS cancellation requests and the refusal of a provider to action a consumer's MPS cancellation request <i>New issue keyword introduced 1 July 2009</i>	N/A	17	9
	The quality of information provided to the consumer about contract termination fees, either at the point of sale, during the course of the contract or when contract termination is requested/imposed	301	292	188
	The quality of point of sale advice relating to mobile premium services and the quality of mobile premium services advertising, such as the failure of a supplier to offer double opt-in, the failure of a supplier to advise of service limitations, the provision of misleading/deceptive advice and lack of information provided about MPS barring	30	26	6
	The refusal or failure of a provider to give a consumer a copy of their contract, or about the legibility/clarity of the contract document itself	232	211	167
	TOTAL	6,063	7,147	5,716

Appendix 4 Issues by category

Issues for investigations – 2008-09, 2009-10, 2010-11 *continued*

Category	Issues for investigations	FY 2008-09	FY 2009-10	FY 2010-11	
CREDIT MANAGEMENT	A mobile premium service provider's failure to issue End of Month Reminder notices or \$30 Expenditure Updates in accordance with their obligations under the MPS Code <i>New issue keyword introduced 1 July 2009</i>	N/A	19	8	
	A provider approving an application for service where the consumer is not in a financial position to afford the contract, or where the provider does not limit the consumer's access to the service in line with the findings of a credit assessment	64	57	20	
	A provider declining an application for service for credit reasons where it has not provided an adequate explanation for its decision, or where it only approves a service with restrictions	47	77	85	
	A provider failing to cease collections activity when a consumer has declared bankruptcy or the debt is very old (may or may not be outside of the Statute of Limitations threshold of 6 years)	9	16	20	
	A provider failing to suspend credit management activity whilst a payment arrangement is in place or while a payment arrangement is being negotiated with the consumer	24	67	94	
	A provider recording a credit default in relation to a debt that is in dispute	648	692	737	
	A telecommunications service being suspended or disconnected without prior or reasonable notification being given to the consumer	812	990	901	
	Collections agents continuing to pursue payment of a debt despite being advised it is in dispute	711	1,027	860	
	Collections agents using harsh, harassing or otherwise offensive methods to recover payment of a telecommunications debt	44	68	71	
	Consumer is unable to monitor their expenditure because the provider does not provide a mechanism to do this, or the mechanism provided is faulty or not up to date	84	144	133	
	Failure of a provider to make or retain a record of a consumer's payment arrangement	75	126	93	
	Failure of a provider to monitor consumer expenditure or take reasonable action to limit a consumer's exposure to debt, resulting in financial over-commitment	836	1,116	1,280	
	Failure of a provider to notify a consumer that they could or would be credit default listed	569	695	649	
	Failure of a provider to suspend credit management in relation to genuinely disputed charges whilst the provider or the TIO is investigating the consumer's complaint (including credit management on disputed mobile premium service charges)	501	509	379	
	Failure of a provider to update a credit default listing once payment of the debt has been made	104	72	82	
	Refusal of a provider to negotiate with a consumer about a payment arrangement, or refusing to renegotiate an existing payment arrangement when a consumer's financial circumstances change	472	571	523	
	The quality of advice a provider gives to a consumer about the availability of credit control tools and how they work	252	250	134	
	The suspension or disconnection of telecommunications services where the outstanding balance consists of genuinely disputed charges (includes complaints about disputed mobile premium service charges)	832	845	725	
	TOTAL		6,084	7,341	6,794
	CUSTOMER SERVICE	A provider refusing to deal with an advocate nominated by the consumer or their authorised representative	31	52	31
A provider's representative being rude or discourteous towards a consumer		793	757	504	
Customer service issues relating to mobile premium service barring, including information given to a consumer about barring, methods for requesting barring and how to get MPS barring removed <i>New issue keyword introduced 1 July 2010</i>		N/A	N/A	7	
The adequacy of assistance that a consumer receives from a provider's customer service staff <i>New issue keyword introduced 1 July 2010</i>		N/A	N/A	3,158	
The failure of a provider or mobile premium service content supplier to action a request made by a consumer		2,852	2,801	1,522	
The failure of a provider to assist a consumer with their mobile premium service problem or query (now captured under the 'failure to provide adequate assistance' complaint issue category above) <i>Issue keyword removed 30 June 2009</i>		286	N/A	N/A	
The length of time a consumer has had to wait on hold to speak to their telecommunications provider, or where a consumer is unable to contact their provider at all (includes mobile premium service complaints relating to content suppliers)		1,527	918	965	
The quality of advice a provider has given to its consumer		3,513	5,969	5,089	
TOTAL			9,002	10,497	11,276

Appendix 4 Issues by category

Issues for investigations – 2008-09, 2009-10, 2010-11 *continued*

Category	Issues for investigations	FY 2008-09	FY 2009-10	FY 2010-11
DIRECTORIES	A consumer's telephone number not being made available via directory assistance	1	2	2
	A consumer's listing being omitted from the printed White Pages directory and/or the online White Pages directory	22	24	25
	A Yellow Pages listing	2	4	0
	An error made in the consumer's listing in the printed White Pages directory and/or the online White Pages directory	67	95	46
	Difficulties in accessing directory assistance services, including excessive wait times	1	1	0
	Directory assistance providing a consumer with the incorrect number	3	2	0
	Disputed White Pages directory listing charges, for example, being billed for an enhanced listing that was not requested	77	137	95
	TOTAL	173	265	168
DISABILITY	A provider's decision to reject a consumer's application for Priority Assistance status	8	0	4
	Delay in the connection of a service where the consumer or a member of their household suffers from a life threatening medical condition	30	13	13
	Delay in the repair of a faulty service where the consumer or a member of their household suffers from a life threatening medical condition	26	20	26
	Disability equipment related issues, including delays in delivery, errors in delivery, billing for the equipment, delays in connecting equipment and delays in repairing faulty equipment	7	3	1
	Failure of a provider to advise its customer that Priority Assistance is or is not available, as well as how a consumer might go about applying for Priority Assistance status	14	9	5
	Failure of a provider to ensure that sufficiently detailed and accurate information about disability equipment is readily available to its customers, either at the point of sale or on an ongoing basis <i>New issue keywords introduced 1 July 2009</i>	N/A	4	1
	TOTAL	85	49	50
FAULTS	A fault with an enhanced or add-on service, such as email or voicemail	223	326	282
	A technician failing to attend an appointment in relation to a fault on a CSG eligible telecommunications service	116	83	66
	A technician failing to attend an appointment in relation to a fault on a Non-CSG eligible telecommunications service	14	21	35
	Delay in rectifying call drop outs on a non-CSG eligible service	534	816	1,052
	Delay in the repair of a fault on a CSG eligible service where the provider has said that the CSG Standard does not apply because of a natural disaster or bad weather	10	4	4
	Faults affecting equipment purchased through the provider that is used to access a telecommunications service, including repair delays, disputes over appropriate remedies and equipment warranties and insurance issues	1,119	1,291	1,298
	Interim/alternative services provided to a consumer during a landline fault rectification delay, including the failure/refusal of a provider to offer an interim/alternative service, delays in the connection of the interim/alternative service and the quality of an interim/alternative service	132	126	76
	Poor coverage on mobile services and satellite/wireless internet services	344	591	2,184
	Telecommunications services which have been disconnected in error	327	329	280
	Temporary cabling installed to rectify a fault on a standard telephone service, delays in replacing faulty infrastructure once a temporary cable has been put in place, or faults within temporary cabling* <i>New issue keywords introduced 1 January 2010</i>	N/A	51	77
	Delay in rectifying a fault on a CSG eligible service, whether the fault cuts off the service completely or leaves it partially usable	1,248	1,007	855
	Delay in rectifying a fault on a service that is not CSG eligible and leaves the service completely unusable	497	728	609
	Delay in rectifying a network outage on a non-CSG eligible service, or the frequency of outages occurring on that service.	43	64	65
	Delay in rectifying a fault on a CSG eligible service where the fault is recurring or intermittent in nature	430	485	430
	Delay in repairing a service (both CSG eligible and non-CSG eligible services) where the consumer is seeking compensation for losses resulting from the delay	248	303	389
	Delay in rectifying faults with enhanced call features such as call waiting, call forwarding and calling number display	72	69	55
	Slow speed of data transfer on internet and mobile services	355	661	692
	TOTAL	5,712	6,955	8,449

Appendix 4 Issues by category

Issues for investigations – 2008-09, 2009-10, 2010-11 *continued*

Category	Issues for investigations	FY 2008-09	FY 2009-10	FY 2010-11
LAND ACCESS	A provider claims that the consumer is liable for damage they have caused to a provider's cable or telecommunications facility	28	46	45
	A provider not giving notice prior to entering an owner's/occupier's land to install or carry out maintenance on cabling or a low impact telecommunications facility	15	21	12
	Access method/height restrictions related to installation of a subscriber connection, such as a cable installed too low across a driveway	50	26	14
	Objections made by owners/occupiers of land to a provider's proposal to install or carry out maintenance on low impact telecommunications facilities on that land (includes premature objections by the owner/occupier, and failure of the provider to give the owner/occupier the opportunity to formally object)	13	5	2
	Owner/occupier of land claims damage was caused to their property during the installation of cabling or low impact telecommunications facilities by a provider	143	103	53
	TOTAL	249	201	126
PAYPHONES	A payphone that is faulty, has been vandalised or has charged a customer incorrectly	2	3	2
	TOTAL	2	3	2
PHONECARDS	A consumer has not been provided with a copy of the terms and conditions applicable to the phonecard they have purchased	4	0	2
	A phonecard cannot be used by consumer because it has expired or is otherwise invalid	6	10	6
	A phonecard provider failing/refusing to advise a consumer about the existence of the TIO when it has been unable to satisfactorily resolve the complaint	4	1	2
	A provider's failure to provide a promised/advertised credit or adjustment to a consumer's phonecard account	13	4	3
	A representative of a phone card provider being rude or discourteous towards a consumer	1	4	1
	Failure of a phonecard provider to acknowledge a consumer's written complaint	5	10	1
	Failure of a phonecard provider to action the undertakings it has made to resolve a consumer's complaint	13	7	2
	Failure of a provider to advise a consumer about the outcome to their phonecard related complaint	5	2	0
	Failure of a provider to escalate a consumer's phonecard related complaint upon request or when the consumer expresses dissatisfaction with the outcome to their complaint	8	3	1
	Failure of a provider to make and retain a record of a consumer's phonecard related complaint	7	4	0
	Phonecard advertising material does not disclose that there is a flagfall fee applying to each call made	0	2	0
	Rates or other terms advertised by a phonecard provider at point of sale being inaccurate, incomplete or out of date	14	8	3
	The amount of credit used up on consumer's phonecard based on the consumer's claimed use of the service	67	34	10
	The length of time a consumer has had to wait on hold before they can speak to their phonecard provider, or the inability of the consumer to get in contact with the phonecard provider at all	16	8	4
	The quality of calls or connections made via a phonecard	10	7	4
	TOTAL	173	104	39
PRIVACY	A provider not following correct procedure for dealing with life threatening communications	2	1	2
	A provider not following correct procedure for dealing with unwelcome communications	54	65	52
	A telecommunications provider has continued telemarketing the consumer or sending MPS marketing messages after being asked to stop	27	30	21
	Access to information being denied, or information held by the provider being inaccurate	239	406	283
	Complaint about information being collected, stored or disposed in a manner that is contrary to Australian privacy law	17	29	23
	Failure of a telecommunications provider to give adequate advice or assistance to a consumer in relation to spam prevention	4	2	1
	Spam being received from a telecommunications service provider	3	4	3
	The disclosure of a consumer's silent telephone number	60	50	50
	The disclosure of personal information relating to a consumer's account, other than the disclosure of a silent telephone number	117	111	102
	TOTAL	523	698	537

Appendix 4 Issues by category
 Issues for investigations – 2008-09, 2009-10, 2010-11 *continued*

Category	Issues for investigations	FY 2008-09	FY 2009-10	FY 2010-11
TRANSFER	A salesperson's failure to properly disclose which provider they represent when attempting to elicit a transfer of service	11	19	5
	A service being transferred by a provider where the request for transfer was made by somebody other than the account holder, such as a spouse or child	94	83	43
	A service being transferred or a consumer being presented with a bill after having cancelled a transfer request within the cooling off period.	57	53	29
	Insufficient advice or unkept promises regarding any termination fees payable under an existing contract when a consumer authorises/requests a transfer	8	11	10
	The adequacy/accuracy of advice provided at the point of sale about the service transfer or the terms associated with the transfer contract	89	94	39
	The conduct of sales representatives when they attempt to elicit agreement to transfer a service, including behaviour that is harassing or coercive	13	21	7
	Delay in reversing an unauthorised transfer, the refusal of a provider to initiate a transfer reversal or a completed reversal that changes the nature of the service	91	66	41
	Delay in transferring a consumer's telecommunications service from one provider to another	448	375	381
	The quality of advice provided to a consumer about cooling off periods at the time they agree to a service transfer	16	7	6
	The transfer of a consumer's service where the consumer has not given informed consent to the transfer	284	209	139
	The transfer of a service where the transfer has been a result of an administrative error occurring during the authorised transfer of another service	48	32	15
	TOTAL		1,159	970
Total issues for investigations		55,430	63,499	60,158

APPENDIX 5

Explanation of TIO data terms

Why we capture data

The TIO provides the telecommunications industry and the community with an independent perspective on the consumer experience in the context of landline, mobile, internet and mobile premium services. Through the thousands of contacts we receive each week and the many residential or small business consumers we help each year, we are able to identify complaint trends and their probable causes and to provide this valuable information to stakeholders.

We capture information about complaints for a variety of reasons including:

- monitoring of complaint trends
- identifying gaps in consumer protection as may be indicated by complaint trends
- identifying systemic problems within the industry
- measuring the impact of new technologies and changes in industry behaviour
- creating awareness and informing TIO Members about good industry practice as set out in Industry Codes
- reporting complaint trends and possible code compliance issues, to regulators and the industry
- allocating TIO resources in an efficient and effective manner
- reporting to the community on the work we do.

How we capture data

The TIO keeps a record of every telecommunications enquiry or complaint that is reported to us. Most consumer contacts are made through our free telephone number, with a smaller portion being lodged electronically via our website or by email. Each complaint is captured in our complaints management system and is categorised using a comprehensive list of 'keywords'. These keywords are divided into three tiers with the first tier categorising the general subject matter of the complaint and the second and third tiers identifying the precise nature of the complaint.

For example, a complaint about a credit or adjustment not having been applied to a bill would be recorded in our system as:

Tier 1	Tier 2	Tier 3
Billing & Payments	Credit/Adjustment	Not Applied

Capturing complaints in this way means that we have a very rich source of data we can refer to for the purposes of giving information to stakeholders and undertaking our own analysis. We supply complaints data to TIO Members, industry groups and regulators. We publish quarterly and annual data on our website for public use. We see our data and its publication as important steps in helping to identify and address issues of concern for consumers.

New complaints

The TIO records a 'new complaint' when it first receives an expression of grievance or dissatisfaction from a consumer where the telecommunications service provider has had an opportunity to consider the matter. A new complaint is initially classified at Level 1 of the TIO process, with a small number initially classified at Level 2 (and at Level 4 in limited circumstances such as Land Access Objections). Each new complaint has its own unique reference number.

Investigations (escalated cases)

Where a new complaint remains unresolved and requires conciliation or investigation by the TIO, it is escalated to a higher case level (usually, new complaints classified at Level 1 that remain unresolved are escalated to Level 2 for conciliation, and to Levels 3 and 4 for formal investigation/determination).

Cases

The TIO classifies cases at four case levels, namely Levels 1, 2, 3 and 4. Total cases recorded by the TIO each financial year include new complaints we receive and those escalated to higher case levels during the year. Each case level captures 'issues' that are relevant to that case level.

Issues

The TIO records "issues" to capture the types of issues that are presented by each new complaint. Issues are selected from a choice of keywords that are aligned to industry codes or common complaint categories that the TIO has identified. These include connection and fault repair delays, credit management disputes, contractual disputes, customer service/complaint handling and billing disputes.

Every new complaint involves at least one complaint issue. Some complaints can involve multiple complaint issues – for example, a complaint about a faulty mobile service may also involve a concern over the lack of a response from the service provider about the fault. In such circumstances, the TIO would record one complaint comprising two issues – a faults issue and a customer service issue.

The TIO also updates the issues for unresolved complaints that are escalated to a higher case level.

Appendix 5

Explanation of TIO data terms *continued*

Enquiries

The TIO records an enquiry for any new contact that is not classified as a new complaint. These include, for example, where the consumer:

- is expressing a grievance but has not given the TIO Member an opportunity to consider the matter
- does not have sufficient interest in the matter
- is only requesting for information.

Enquiries can also include matters that:

- are outside the TIO's jurisdiction
- could be raised with a more appropriate organisation
- are under consideration or have already been considered by another body
- are frivolous or vexatious.

Code data

We capture data about compliance with industry codes.

(a) Possible code issues

When we refer to a "possible code issue", this relates to a clause of an industry code that appears to be relevant to the complaint based on the consumer's version of events or the available information. We record possible code issues at Levels 1 and 2 where the claims of the consumer indicate that a code compliance problem may exist. Possible code issues are rarely reported at Levels 3 and 4 (as possible code issues are assessed, confirmed or dismissed at Levels 3 and 4).

Possible code data is captured by the TIO in two different ways:

- When recording a specific complaint issue at Level 1, a TIO Officer may be prompted by the TIO's complaint management system to answer a series of questions requiring 'yes' or 'no' answers, based on information provided by the consumer. These questions relate to obligations set out in industry codes which are incorporated into the TIO's complaint management system. Depending on the information provided by the consumer and the answers to these questions, the system may automatically record possible code issues in relation to the complaint.
- Where a complaint requires investigation at Levels 2, 3 or 4 in order to resolve the complaint, the TIO Officer will consider the obligations set out in industry codes and raise these with the TIO Member to assist in resolving the complaint. These possible code issues are then manually added to the TIO's complaint management system.

Possible code issue data is only reported upon closure of a complaint.

(b) Confirmed Code Breaches

We also capture 'confirmed breaches' against industry codes where evidence gathered during a formal investigation indicates that a breach has taken place. Confirmed code breaches are recorded only at Levels 3 and 4 of our complaint handling process.

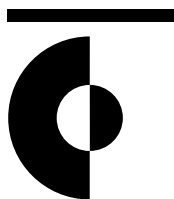
The TIO records a 'confirmed code breach' when:

- a possible code issue has been raised in writing with a TIO Member during formal investigation of a complaint at either Level 3 or Level 4
- the TIO Member has been invited to respond to the possible code issue and give supporting evidence, within a reasonable amount of time
- in light of all available evidence including the TIO Member's response to the possible code issue, the TIO Officer has come to the conclusion that a breach of the relevant code obligation has occurred.

Confirmed code breach data code is only reported upon closure of a complaint.

Quality Assurance

Each month, quarter and end of financial year, we undertake a range of quality assurance activities to ensure the accuracy of our data.



Telecommunications
Industry
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Telecommunications Industry Ombudsman Limited

ACN 057 634 787

Telephone	03 8600 8700
Facsimile	03 8600 8797
Freecall™	1800 062 058
Freefax™	1800 630 614
Translator & Interpreter Service	131 450

Website

www.tio.com.au

Postal Address

PO Box 276 COLLINS STREET WEST Victoria 8007 Australia

Street Address

Level 3, 595 Collins Street, Melbourne Victoria 3000 Australia

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- Speak and Listen users phone 1800 555 727 then
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