

Minister for Fair Trading  
Minister for Youth  
Minister for Volunteering

**Linda Burney MP**



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**MEDIA RELEASE**

**MOBILE PREMIUM SERVICES COMPLAINT SYSTEM A JOKE**

NSW mobile phone users don't understand their phone service and don't trust the Federal Government's industry-led complaints handling systems, a new survey has revealed.

NSW Fair Trading Minister, Linda Burney, today announced results of the recent survey that highlight the lack of knowledge and trust consumers have in their phone service.

"Last financial year, Fair Trading received more than 1,000 complaints from consumers regarding mobile phone and mobile service providers – the system clearly doesn't work," Ms Burney said.

"Consumers have access to a wide range of information through mobile premium services, including sports scores, music clips, financial data and news.

"Today phone users of all ages are downloading ringtones, playing games and using chat services.

"In most cases, mobile premium services are billed at higher rates than regular mobile phone calls and SMSs which can result in some consumers, particularly young people, running up unexpectedly high bills.

"Last month the Office of Fair Trading commissioned independent research to understand community expectations about the complaint handling role of the service providers and to gauge community knowledge of the agency responsible."

The results showed:

- More than 75 percent of the 1000 survey respondents were not confident that service providers would take responsibility for resolving problems; and
- Almost 50 percent didn't think there was any external dispute resolution body to assist them with their problem.

"Of those that identified such a body, only 25 percent correctly chose the Telecommunications Industry Ombudsman as the service to which complaints could be escalated," Ms Burney said.

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“This lack of confidence and awareness isn’t surprising given the complex, disjointed and industry-led systems put in place by the Commonwealth Government.

“Currently, consumers with complaints relating to their mobile phone have to navigate their way through a minefield of self-regulated voluntary industry codes of practice – codes that rogue traders seem free to ignore.

“It is evident that the Commonwealth Government refuses to accept that consumers have a right to be protected by effective, well-designed and targeted regulation that is enforceable, transparent and provides ready access to dispute resolution and redress mechanisms.”

Ms Burney, also Minister for Youth, advised that because young people are now very active consumers and need to education about financial literacy, this would be a theme for Fair Trading Week from 19-23 November.

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