



6 March 2023

Economics Legislation Committee
Senate Standing Committees on Economics
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Economics Legislation Committee

Submission on the Inquiry into the Treasury Laws Amendment (Consumer Data Right) Bill 2022

Thank you for the opportunity to comment on the Committee's Inquiry into the *Treasury Laws Amendment (Consumer Data Right) Bill 2022 (the Bill)*. We broadly support the amendments proposed in the Bill, and we offer feedback on the action initiation process based on our experience as the external dispute resolution scheme (EDR scheme) for the telecommunications sector.

We welcome the extension of the Minister's power to recognise EDR schemes for disputes involving CDR actions, CDR action participants, and CDR consumers for CDR actions.¹ These amendments align with our view that consumers should always have clear pathways for dispute resolution, regardless of whether the consumer makes a change to their account themselves or requests a change through an Accredited Action Initiator (AAI). However, we would like further clarification about how AAIs are intended to operate within the context of EDR schemes.

In our April 2020 submission to the *Inquiry into Future Directions for the Consumer Data Right*,² we encouraged careful consideration of how a third-party company, acting on behalf of a consumer, would fit into the complaint handling jurisdiction of an industry-based EDR scheme.

We explored this idea further in our October 2022 submission on Treasury's exposure draft for this Bill. In our submission, we flagged that the introduction of a third party to the complaint (an AAI) may complicate dispute resolution pathways for consumers. This is because the consumer may have minimal visibility over the actions of the AAI, and the AAI may follow a different set of regulations or be subject to a different EDR scheme than the other parties.

For example, in future if a consumer authorises an AAI to close their telecommunications account, and the account is subsequently not closed:

- (1) the consumer is unlikely to know whether to raise a complaint about the AAI (for failing to action their request), the Action Service Provider (for failing to action the AAI's request), or both; and
- (2) multiple EDR schemes may need to work together to help resolve the complaint.³

The involvement of an AAI in a dispute could lead to delays and repetition for the consumer, whereas currently a dispute between a consumer and service provider would be resolved expediently by a single EDR scheme. While we are happy to coordinate with other EDR bodies to ensure consumers

¹ Schedule 1, Items 168-170 of the Bill.

² <https://treasury.gov.au/sites/default/files/2020-07/telecommunications-industry-ombudsman.pdf>

³ For the telecommunications sector, the Action Service Provider may be a member of the TIO scheme, but the AAI is unlikely to meet the current requirements for joining our scheme and may instead be required to join a different EDR scheme.

receive timely assistance with their complaints, additional discussions may be required to help formalise these pathways.

Yours sincerely

Cynthia Gebert

Telecommunications Industry Ombudsman