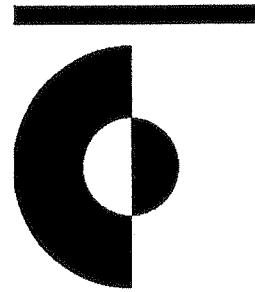


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Telecommunications
Industry
Ombudsman

Deirdre O'Donnell
Ombudsman

14 August 2008

The Honourable Ms Belinda Neal MP
Chair, Standing Committee on Communications
House of Representatives, Parliament of Australia
PO Box 6021, Parliament House
Canberra ACT 2600

Dear Ms Neal,

Inquiry into International Mobile Roaming

Thank you for your letter dated 17 June 2008.

I appreciate the opportunity to provide information from the TIO's perspective that may be useful to the Committee's inquiry into international mobile roaming charges.

As you are aware, the TIO is an alternative dispute resolution scheme established to resolve complaints between end-users of telecommunications services and their carriage service providers.

In the 2007/2008 financial year, the TIO received on average 5,000 calls per week and over 140,000 complaints about a wide range of issues relating to internet, mobile and landline services in Australia.

I appreciate that the terms of reference for the Committee's inquiry are focused on international mobile roaming charges. The level of charges and how these charges are determined by mobile operators for international roaming services are, however, issues that the TIO cannot investigate, as the setting of tariffs is outside the TIO's jurisdiction. However, the TIO can and does investigate complaints about disputed international mobile roaming charges and whether consumers are liable for these charges.

Typically, the types of complaints that the TIO encounters are as follows:

"providing independent, just, informal and speedy resolution of complaints"

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*calls from mobile phones may incur charges

- the consumer claims that they were not provided any or sufficient information about the international roaming charges or about how these charges would be calculated, when they activated the international roaming service
- the consumer claims that they were provided incorrect information about the international roaming charges
- the consumer claims that they were not aware that the international roaming charges would differ from country to country
- the consumer claims that they were unaware that these charges would not be included in the consumer's 'capped' value
- the carriage service provider activates the international roaming service automatically at the commencement of the consumer's service without expressly informing the consumer about this or about associated charges
- the carriage service provider requires the consumer to pay an upfront amount prior to activating their international roaming service but the consumer incurs charges in excess of this upfront amount, or
- the consumer claims that their mobile handset was lost or stolen or in some way compromised, which resulted in excessive international roaming charges.

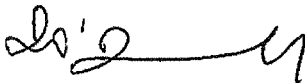
The above list is not exhaustive but represents the most common categories of complaints.

In the past two financial years, the TIO has received an increased number of complaints about international mobile roaming charges. In 2006/2007, the TIO recorded 228 complaint issues (1.7% of total mobile billing complaints) relating to international mobile roaming charges. In 2007/2008, that number was 428 complaint issues (2.4% of total mobile billing complaints). This increase may be explained by the overall growth in the mobile services market segment, as reflected in the overall increase of 3.8% in billing disputes relating to mobile services in 2007/2008. That is the extent of the comment we can offer about this increase on the basis of the information available to us.

Whilst the proportion of complaints about international mobile roaming charges compared to total complaints about mobile services is small, the TIO notes that these complaints can involve substantial amounts. For example, a small number of complaints to the TIO involved \$15,000 to \$20,000 worth of international mobile roaming charges. These cases present significant consumer detriment particularly where the consumers may not have been provided adequate or sufficient information about the international roaming charges, before activating this service.

Please do not hesitate to contact me if you require any further information. The TIO looks forward to the results and recommendations of this inquiry.

Yours sincerely



Deirdre O'Donnell
Ombudsman