

27 September 2021

Commerce Commission
PO Box 2351
Wellington 6140

Online submission

SUBMISSION on “Draft report to the New Zealand Telecommunications Forum Inc (TCF) on recommendations for improvements to the TDRS”

1. Introduction

Thank you for the opportunity to make a submission on the “Draft report to the New Zealand Telecommunications Forum Inc (TCF) on recommendations for improvements to the TDRS”. This submission is from Consumer NZ, an independent, non-profit organisation dedicated to advocating on behalf of New Zealand consumers. Consumer NZ has a reputation for being fair, impartial and providing comprehensive consumer information and advice.

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2. Comments

Consumer NZ considers there are significant problems with the Telecommunications Dispute Resolution Scheme (TDRS). We therefore support changes being made to the TDRS to create a more effective dispute resolution scheme.

Our comments on specific recommendations are set out below.

Recommendations 1, 2 and 3

We support recommendations 1, 2 and 3 requiring a full review of the Customer Complaints Code, Terms of Reference and Scheme Agent Agreement. We also support amending the scope of the TDRS’ jurisdiction under the Customer Complaints Code to ensure that complaints regarding Retail Service Quality (RSQ) matters are within the TDRS’ jurisdiction.

Recommendations 4, 5, 6 and 7

We share the Commission’s concerns about low awareness of the scheme. We agree with the recommendations aimed at improving awareness of the scheme. However, we suggest awareness of the TDRS is measured at set periods to ensure the recommendations have been effective.

Recommendations 8, 9 and 10

We support recommendations 8 and 9. We also support the publication of determinations under recommendation 10 but we do not support these being anonymised. In our view, the TDRS should name providers that are not complying with the rules. This would increase consumer confidence in the scheme and provide a greater deterrent to non-compliance. We also consider the TDRS should be required to publish an annual report that follows a similar format to the Disputes Tribunal annual report or Banking Ombudsman annual report.

Recommendations 11 and 12

We support recommendations 11 and 12 aimed at improving identification, categorisation and reporting of systemic issues.

Recommendation 13 to 19

We support recommendations 13 to 19 aimed at improving the complaints handling process. In particular, we strongly support reducing the deadlock period for the TDRS from six weeks. There is no such deadlock period in the Consumer Guarantees Act or for taking a dispute to the Disputes Tribunal. The new time period of 10 working days is an improvement but, in some cases, this may still be problematic for consumers. For example, if a consumer is without an internet connection, having to wait 10 working days before deadlock is reached may be unreasonable. We recommended there is a shorter deadlock timeframe for more urgent situations.

We also support a revision of the TDRS internal complaints handling processes so that consumers do not need to submit their complaint more than once. In addition, we support the TDRS reminding the scheme member of its obligation to cease credit recovery action and desist from disconnecting consumers when deadlock has occurred.

Recommendation 21

We support recommendation 21 requiring the TDRS Council's composition be rebalanced to include greater consumer representation.

Recommendation 23

As previously mentioned, we consider the scheme should be mandatory. Utilities Disputes is mandatory for electricity providers so we see no reason why the TDRS should remain voluntary. Also, rules in Australia and the UK require all telco providers to be a member of their dispute resolution schemes.

Making the scheme mandatory would mean all providers are subject to the same rules and would create greater confidence in the scheme. It may also help with awareness of the scheme.

We have received complaints from customers of providers who are not members of the scheme. For example, we've had Voyager customers contact us about issues with the provider but the TDR has been unable to assist them.

We recommend the commission reconsider the voluntary nature of the scheme.

Recommendation 24

We support recommendation 24 requiring amendments be made to the customer complaints code to ensure:

- complaints relating to the various codes are within the jurisdiction of the TDRS,
- consumers are able to appoint a lawyer to act on their behalf in relation to a TDRS complaint,

- complaints about RSQ matters are within scope,
- consumers have a longer period to access the scheme, and
- compensation limits keep pace with the limits of the Disputes Tribunal.

Thank you for the opportunity to make a submission. If you require any further information, please do not hesitate to contact me.

Yours sincerely



Jon Duffy
Chief executive