

# **Submission on the Review of the Telecommunications Dispute Resolution Scheme**

**23 May 2024**

**C H ● R U S**

## Submission

1. Chorus welcomes the Commerce Commission's (**Commission**) review of the Telecommunications Dispute Resolution Scheme (**TDRS**) and its continued focus on improving retail service quality (**RSQ**) for the benefit of end-users.
2. It is important that consumers have access to free, efficient, and responsive dispute resolution procedures. The Commission's continued work to improve RSQ will help to reduce the volume of complaints that go through TDR over time, which should be a key objective for industry. To this end, we support the Commission's ongoing review of the TDRS.
3. We are also pleased to see the Ministry of Business, Innovation, and Employment (**MBIE**) has proposed mandating membership of an industry dispute resolution scheme (i.e. the TDRS) for all retail service providers.<sup>1</sup> The Commission has previously highlighted non-membership as an issue and has taken steps to address this through raising consumer awareness of non-membership. If MBIE does not progress legislation to mandate membership, the Commission should consider what more it can do to achieve further membership uptake.
4. We agree with the Commission's focus for the 2024 TDRS review, which will largely focus on whether the changes made since the Commission's 2021 review have led to improved outcomes for consumers, and if further changes are required. However, given that the scheme has been operating in its updated form for less than a year, there may not be sufficient evidence available to allow for a robust review at this time.
5. A key change to the updated TDRS framework is the improved integration of wholesale members, whilst appropriately recognising the different roles of retail service providers and wholesalers in the provision of telecommunications services.<sup>2</sup> These improvements include:
  - a. **Increased efficiency in complaint handling:** Where wholesalers are named as a party to a complaint, TDRS will involve us directly without first having to wait for the relevant retail service provider to request that we be involved. This allows wholesalers to investigate earlier on in the process and respond appropriately, resulting in improved information flow between wholesalers and retail service providers, and more timely resolutions.
  - b. **Updated scope for wholesale-only complaints:** Consumers may bring certain types of complaints to TDRS that involve wholesalers, but which may not also involve a retail service provider (including those in relation

<sup>1</sup> The Ministry of Business, Innovation and Employment, *Discussion document: Enhancing telecommunications regulatory and funding frameworks*, May 2024, [mbie.govt.nz](https://mbie.govt.nz).

<sup>2</sup> Notably: our inability to retail telecommunications to end-users and consequent limited interaction with end-users meaning our role is primarily to support retailers to serve their customers; the contractual obligations (SLAs) we owe to retailers and the rebates we are liable to provide to the retailer in the event we are unable to meet those obligations in particular circumstances (for example, in relation to installation times); and the anticipated decrease in interactions we have with end-users as a result of the UFB fibre build having now been completed.

to the Copper Withdrawal Code).<sup>3</sup> Although such complaints are few and far between (■■■■■ of all complaints), this change provides greater consumer access to TDRS.

- c. **Updated scope for wholesale-only liability:** To support the updated scope described in (b) above, the TDRS may decide, in its final determination, that a wholesaler is partially or fully liable for one or more of the matters raised in the complaint. Previously, wholesalers could only be found partially responsible.
6. These changes have contributed to better consumer outcomes; complaints processes involving wholesalers are now more efficient, less complex, and allow for greater access to TDRS.

---

<sup>3</sup> See: NZ Telecommunications Forum, *Customer Care Code* (15 June 2023), at Section H; and TDRS, *Terms of Reference* (1 July 2023), at [1.3].