

20 September 2021



Director
Consumer Policy and Currency Unit
Market Conduct Division
Treasury
Via email: UCTprotections@treasury.gov.au

RE: Treasury Laws Amendment (Measures for a later sitting) Bill 2021: Unfair contract terms reforms

The Australian Communications Consumer Action Network (ACCAN) is the peak body that represents all consumers on communications issues including telecommunications, broadband, and emerging new services. ACCAN provides a strong unified voice to industry and government as consumers work towards availability, accessibility, and affordability of communications services for all Australians.

ACCAN writes to support the submission of CHOICE on the above-mentioned draft legislation. As the peak body representing communication consumers, including small businesses, ACCAN is eager for the strengthened protections against unfair contract terms outlined in this draft legislation to come into effect as soon as possible.

Research has shown that consumers can find it difficult to understand the details of communications contracts and what they're signing up for at the point of sale.¹ Indeed, evidence suggests that consumers often don't adequately understand the contents of contracts or may not appreciate the possible consequences until challenges arise related to the terms of the contract. The protections outlined in this draft legislation are therefore essential, especially in relation to communications consumers (including small businesses) who may not recognise unfair contract terms given the complexity or technical details that often feature in communications contracts.

This draft legislation is even more important to communications consumers given the lack of a licensing requirement for companies seeking to become a retail phone and internet service provider. There is no comprehensive register or consolidated list of retail service providers (RSPs) in the telecommunications sector which creates difficulties in ensuring all RSPs are aware of and are following their regulatory obligations. Strengthened protections against unfair contract terms would provide a strong deterrence to RSPs seeking to impose unfair terms on communications consumers.

In closing, ACCAN commends the submission and recommendations of CHOICE regarding this draft legislation. Please do not hesitate to contact us should you require any further information.

Yours sincerely,

Teresa Corbin
ACCAN CEO

¹ Harrison, Paul, Hill, Laura, and Gray, Charles, 2016, Confident, but Confounded: Consumer Comprehension of Telecommunications Agreements, Australian Communications Consumer Action Network, Sydney. <https://accan.org.au/our-work/research/1307-confident-but-confounded>

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