

Submission to Australian Communications and Media Authority's Consultation on Compliance Priorities 2024-25

Date of submission: 22 March 2024

About Financial Counselling Victoria and the financial counselling sector

Financial Counselling Victoria (FCVic) is the peak body and professional association for financial counsellors in Victoria. We provide resources and support to financial counsellors and their agencies who assist vulnerable Victorians experiencing financial difficulty. We work with governments, banks utilities, debt collection and other stakeholders to improve approaches to financial difficulty for vulnerable Victorians.

Financial counselling is a free, confidential, and independent service. It provides vital help for people experiencing, or at risk of, financial hardship. Financial counsellors are uniquely qualified professionals, specially trained to deal with complex financial matters. They assist more than 23,000 Victorians each year – including people impacted by catastrophic natural disasters, newly arrived migrants and refugees, and more than 3,800 family violence victim-survivors.

About this submission

We welcome the opportunity to provide a submission to Australian Communications and Media Authority's (ACMA) consultation on compliance priorities for 2024-25. Our submission focuses on areas that are relevant to our work in Victoria and ACMA's remit and is informed by what our members have told us about the needs of vulnerable Victorian clients.

Further questions about this submission can be sent to achan@fcvic.org.au.

Our recommendations

Firstly, we recommend that the following current priority compliance areas 2023-24 be extended into 2024-25, with some refinement, to address ongoing need.

- Protecting telco customers experiencing financial hardship
- Supporting telco customers experiencing domestic and family violence
- Minimising gambling harm
- Combating SMS scams

We provide further information below on how these priority areas should be continued.

Improving providers' financial hardship practices

In a continuation of the 2023-24 priority compliance areas "*Protecting telco customers experiencing financial hardship*" and "*Supporting telco customers experiencing domestic and family violence*", we recommend that "*Improving providers' financial hardship practices*" remain a focus of ACMA's compliance priorities.

We note that the focus area should be retitled to focus on provider practices, rather than individual experiences of hardship. This will realign ACMA's focus into systemic changes and improvements in hardship practices that will benefit all consumers, rather than focusing on individual cases where lessons learned are not then applied to other cases.

Underpinned by ACMA's monitoring of provider compliance through the new *Telecommunications (Financial Hardship) Industry Standard 2024*, we believe that this focus will help to lift the standard of hardship practices across all providers, to ensure a consistency of service for all consumers.

We also recommend that the following extenuating circumstances are included and considered in providers' hardship practices.

Experiences of domestic and family violence, with special note on financial abuse and coercive control

For example – Tina has recently left a violent relationship. Three months later, she receives overdue notices from a telco provider, and realises that her ex-partner used her details and forged her signature to sign up for an expensive phone plan that she didn't even know she was on. The provider agrees to a payment plan for the debt, but refuses to waive the debt. In these circumstances, we believe that the debt should be waived.

Experiences of natural disasters and other effects of the climate crisis

For example – John has been forced out of his home after flood damage. He is currently living with his sister 200kms away while working with his insurance company to repair his home. His telco provider is still charging him for his landline and home internet package as there's still 10 months remaining on his plan, though he has submitted evidence of financial hardship. In these circumstances, we believe that John's telco plan should be terminated without charge given the evidence provided.

Protecting against gambling harm

We recommend extending the 2023-24 priority compliance area of "Minimising gambling harm" into 2024-25 with a greater focus on promoting and enhancing the use of BetStop to better protect against gambling harm, and addressing gambling advertising.

Promoting and enhancing the use of BetStop

Given that according to ACMA's own research, more than 1 in 10 Australians have reported participating in online gambling, we believe that 17,423 registrations (as of end January 2024) on BetStop is insufficient and does not represent the number of Australians who may benefit from registering with BetStop. Further targeted promotion of the service to those most at risk of gambling harm is required to encourage greater signups.

Further, we are concerned that there are loopholes in the BetStop system that can make it tempting for those at risk of gambling harm to end their self-exclusion early. We recommend that the following actions be considered by ACMA as a priority to close these loopholes:

- Individuals are required to list at least one support person on their BetStop account to ensure that someone is notified if the individual decides to end their

self-exclusion early – we know that having a strong support system can help to minimise risk of re-engaging in gambling

- Individuals wanting to end their self-exclusion early must provide more substantial evidence than just a personal statutory declaration to confirm that they have seen a counsellor or a general practitioner to discuss their decision to cancel their self-exclusion – such as letters of support, medical certificates, etc.

We also recommend that ACMA consider integrations and information-sharing with other self-exclusion schemes across different states and territories to create a coordinated national response to gambling harm – e.g. where someone registers with BetStop, they are also asked for their consent for their details to be placed on other self-exclusion schemes.

Gambling advertising

The broader public is increasingly recognising the negative impact of gambling advertising on children and young people on TV, print, radio and the internet, and the direct consequences of such advertising resulting in the normalisation of gambling.

Research by the Australian Gambling Research Centre at the Australian Institute of Family Studies (<https://aifs.gov.au/research/research-snapshots/gambling-participation-experience-harm-and-community-views>) highlighted that exposure to wagering advertising had the greatest impact on young people (aged 18–34 years) and people at-risk of gambling harm; with one in five young women (19%) and one in seven young men (15%) starting betting for the first time after seeing or hearing an ad on TV. Among individuals who were at risk of gambling harm, 41% reported trying a new form of betting, and 40% bet on impulse, as a result of seeing or hearing betting advertisements.

The report also found that 53% of respondents supported an outright ban on wagering advertising across all platforms before 10:30pm, and 47% supported a ban across all social media platforms. These calls to increase regulation and controls around gambling advertising must be heeded.

ACMA can support this move in different ways:

1. Using their powers under the Broadcasting Services Act to influence codes of practice for different broadcasters, and online content service provider rules
2. Supporting an official government response to the final report of the House of Representatives' Inquiry into online gambling and its impacts on those experiencing gambling harm, which was published nine months ago and has not yet been actioned

Protecting against scams

Financial counsellors have reported seeing clients who are experiencing financial hardship because of falling victim to scams – for instance, with tax debt after being scammed into submitting incorrect tax returns or BAS statements. The significant financial repercussions of these scams for these vulnerable clients means that more compliance work from ACMA is required in this area.

In addition to the focus on SMS scams in 2023-24, we recommend that financial scams across all telco platforms be considered, including robo-calls and email/internet carriers.

Acceptance of third party authorisations

Financial counsellors are accredited professionals who are trained to assist clients in financial hardship. This can include negotiating on behalf of clients with providers on accounts in arrears. However, inconsistencies in frontline worker training across different providers can occasionally mean that the professional role of financial counsellors is not recognised and third party authorisations not accepted. This then results in poor experiences for an already-vulnerable client.

We recommend that as part of Part 5 of the *Telecommunications (Financial Hardship) Industry Standard 2024*, provider processes and training for personnel should include comprehensive information on the role of financial counsellors, as well as tailored professional training on the importance of trauma-informed practice for customer care. ACMA should monitor compliance on these items to ensure that the most vulnerable consumers are supported and have access to professional representation.

Thank you for the opportunity to provide this submission to ACMA's Consultation on behalf of Victorian financial counsellors who each year, assist over 23,000 vulnerable people experiencing financial hardship.