

COMMUNICATIONS
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HOUSE OF REPRESENTATIVES STANDING
COMMITTEE ON SOCIAL POLICY AND LEGAL
AFFAIRS

INQUIRY INTO THE
DO NOT KNOCK REGISTER BILL 2012.

COMMUNICATIONS ALLIANCE SUBMISSION
AUGUST 2012

INTRODUCTION

Communications Alliance welcomes the opportunity to make a submission to the House of Representatives Standing Committee on Social Policy and Legal Affairs, in relation to the Committee's inquiry into the proposed Do Not Knock Register Bill 2012.

Communications Alliance is the primary telecommunications industry body in Australia. Its membership is drawn from a wide cross-section of the communications industry, carriers, carriage and internet service providers, content providers, search engines, equipment vendors, IT companies, consultants and business groups. Its vision is to provide a unified voice for the telecommunications industry and to lead it into the next generation of converging networks, technologies and services. The prime mission of Communications Alliance is to promote the growth of the Australian communications industry and the protection of consumer interests by fostering the highest standards of business ethics and behaviour through industry self-governance. For more details about Communications Alliance, see <http://www.commsalliance.com.au>.

Many of the Members of Communications Alliance are carriage service providers (CSPs), who use a variety of channels to market and sell their products and services to businesses and residential customers.

These channels include – at least in the case of some CSPs - field sales activities of the type that would be captured by the *Do Not Knock Register Bill 2012*.

Do Not Knock Register Bill 2012

Communications Alliance does not support the proposed legislation on the grounds that:

- it is unnecessary in the light of existing consumer protections in this area;
- the scheme as proposed would be difficult to administer and would impose significant additional compliance and process costs on industry, with potential detrimental flow-on to consumers; and;
- to the extent that some consumers might need additional assistance in respect of unsolicited marketing calls, better, less disruptive alternatives are available.

Clearly, the objective of the Bill is to scrutinise door-to-door sales companies more closely and to impose further legal obligations and regulations on these companies.

There are, however, already significant consumer protections in place under the Australian Consumer Law (ACL), including restrictions on calling hours, prohibitions on making a visit to a premises where a Do Not Knock sticker is displayed, requirements on salespeople to disclose their identity, and penalty provisions in the event that the ACL rules are breached.

The scheme proposed by the Bill would in many respects duplicate the ACL protections – thus requiring field sales operators to comply with dual regimes.

The Do Not Knock sticker initiative appears to be gaining traction and high public awareness via wide availability of the stickers through advocacy groups, community groups, Members of Parliament, energy providers, local councils and others. The Do Not Knock Stickers are respected by Communications Alliance members and are an excellent example of a direct and simple approach to allowing consumers to opt out of receiving unsolicited visits.

Some Communications Alliance members also enable their customers to set preferences as to how they wish to be contacted – including opting out of unsolicited visits.

There is no evidence to suggest that more specific legislation is necessary at this stage, nor likely to be beneficial.

If the Parliament believed that further measures might be necessary, Communications Alliance believes that the level of community awareness and thus the general effectiveness of measures including the ACL protections and the Do Not Knock sticker initiative should first be reviewed as part of any policy development that might lead to additional legislative action.

The telco sector continues to undergo considerable change and with the advent of the rollout of the National Broadband Network (NBN) it is agreed that selling practices including those involving door to door sales need constant diligence to ensure that consumers' interests are protected.

However, any legislative solution will have additional compliance and administration costs including through:

- the need to appoint and employ a Registrar and administrative staff within the Australian Public Service, and to establish systems and processes to create and endeavour to maintain the register;
- the need for companies using field sales to revisit their own processes and potentially create new systems such as list washing capabilities and additional IT interfaces, to seek to comply with the new regime.

There is always a risk that newly imposed compliance costs will end up being passed onto customers. We believe, therefore, that any recommendation by the Committee should focus on simple, cost-effective solutions.

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