

Business Management Headlines

Title: **Telecommunications ombudsman says debt complaints on rise**

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CANBERRA, Oct 9 AAP - The telecommunications ombudsman today stepped up warnings to debt collectors after another surge in complaints about dodgy debt collection agencies. New figures from the Telecommunications Industry Ombudsman show complaints about debt recovery practices have quadrupled in the past 18 months.

In the three months to September, there were almost 2,400 credit-related complaints from residential and small business customers, up from 329 in the June quarter last year.

"More than 1,600 of these complaints were related to the debt recovery practices of providers, their agents and more recently, debt recovery companies to whom telephone debts have been sold," ombudsman John Pinnock said.

Debt recovery complaints have risen 18 per cent in the last six months alone.

TIO investigations found some specialist debt collectors, who buy debt from phone companies, were not following industry guidelines for dealing with customer complaints.

Some customers had been pursued for debts they had already paid or that had been waived, and others had been unable to get itemised accounts showing the date of calls and total amounts owed.

"Service providers have an obligation to consumers to ensure that debts referred or sold to specialist debt recovery companies are valid," Mr Pinnock said.

"And debt collection companies ... have an obligation to ensure they act in accordance with agreed industry standards when they act for telephone and Internet service providers."

Debt collection concerns prompted the industry watchdog to revise its standards earlier this year, making phone companies provide customers with more information about how to limit spending.

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