As a provider of Internet Telephony or Voice over IP (VoIP) services, you need to supply certain information to your customers. Some of this information is regulated by enforceable legislation and codes, while other information is recommended as good business practice.

Communications Alliance highly recommends that you comply with these requirements and actively promote your compliance via your website and other avenues.

An overview of the regulatory regime

The communications industry in Australia has an effective system of protection for its customers. Protective measures exist on a number of levels and all service providers should be aware of their obligations. These measures are the responsibility of the following bodies:

Communications Alliance Ltd

The Communications Alliance was formed in 2006 to provide a unified voice for the Australian communications industry and to lead it into the next generation of converging networks, technologies and services. The Communications Alliance has its genesis in the merger of ACIF and SPAN.

Australian Competition and Consumer Commission (ACCC)

The ACCC promotes competition and fair trade in the market place to benefit consumers, business and the community. It also regulates national infrastructure services. Its primary responsibility is to ensure that individuals and businesses comply with the Commonwealth competition, fair trading and consumer protection laws.

Australian Communications and Media Authority (ACMA)

The ACMA licenses telecommunications carriers, ensures compliance with carrier licence conditions and service provider rules, and monitors service performance and quality. The ACMA also administers legislative provisions relating to powers and immunities of carriers in the construction of telecommunications facilities, and protection of consumers through safeguards and service guarantees.

Telecommunications Industry Ombudsman

The Telecommunications Industry Ombudsman (TIO) is a free and independent alternative dispute resolution scheme for small business and residential consumers in Australia who have a complaint about their telephone or Internet service.

We encourage you to visit the Communications Alliance website www.commsalliance.com.au.au or call us on 02-9959 9111 to understand your obligations under ACIF* Codes or just to discuss the information you should provide to your customers.

* ACIF is a division of Communications Alliance Ltd

What you should tell your customers about their Internet Telephony/VoIP service

COMMUNICATIONS ALLIANCE LTD

The purpose of this fact sheet is to help you understand what information you should give your customers and why.

Why you NEED to read this

All companies providing Internet Telephony or VoIP services must adhere to rules and regulations relevant to the telecommunications industry. In addition to legislation such as the Trade Practices Act and State Fair Trading Acts, there are various codes developed by ACIF* and enforced by the Australian Communications and Media Authority (ACMA).

Among the ACIF* Codes are rules concerning Consumer Contracts as well as Prices, Terms and Conditions information (including advertising and brochures).

When companies breach registered ACIF* Codes, customers can complain to the Telecommunications Industry Ombudsman for assistance to resolve the complaint. For more substantial issues, ACMA can take them to the Federal Court which can impose severe penalties.

However it is in the best interests of our industry to minimise the amount of enforced regulation. So Communications Alliance is keen to encourage service providers to make sure that their customers get all the information they deserve.

An overview of what information needs to be disclosed

Many consumers expect that a VoIP service will match a standard telephone service. So they have a right to fully understand the service they are being offered and appreciate how it compares with the telephone services they have traditionally used.

Examples of what you should explain:

1 About the service

You need to tell them about any matter that affects the service or its quality

- What type of service are you offering?
- Is your network based locally or overseas, and what effect will this have on end-users?
- Who has ownership of the network infrastructure?
- Do you own or lease the network infrastructure, and what effect will this have on end-users?
- How does the phone and line numbering system work?
- Do you require the customer to purchase other products or services from you or a partner?
- Do you offer priority assistance for life threatening medical conditions?

2 Customer and Technical requirements

You need to tell them about any special requirements to support the service

- What hardware and software is required for each service option?
- How does the telephone (or software) work?
- What is the service's minimum connection requirement?
- What type of broadband, cable or wireless connection is needed? (such as minimum specification of personal computer required to install and configure the software; minimum ADSL service speeds suitable for the service)
- Are there compatibility issues that need to be addressed, for instance with modems or firewalls?
- What warranties/guarantees and service standards such as availability and reliability apply?
- How long does it take to connect the service?
- What options are available for customers to control access to and limit use of the service? (for example, call barring and access control features)
- Are there any restrictions on reconfiguring the hardware?

3 Limitations of VoIP

You need to specifically highlight any limitations to the service

- Is it a substitute for a fixed line service and can the fixed line be cancelled?
- What access is there to emergency services (000); will emergency services be able to locate the caller's street address?
- What will happen if power is lost, will the service be able to be used to dial 000 emergency services?
- What is the voice quality and what type of problems may be experienced?
- What provisions are offered for people with disabilities?
- What technical support is provided and how?
- Are there rules restricting use of the service?

4 The costs related to the service

You need to tell them every aspect of the charging arrangements

- How is the service billed?
- What are the billing cycle options?
- What are the payment methods/options?
- How are all of the charges calculated?
- What is the effect of ISP throttling the service when data limits are reached?
- What is the cost of the hardware and software?
- What is the cost of calls?
- What sort of contract is being offered?
- If no contract, what are the terms & conditions?
- Do you contact customers to advise of changes to terms & conditions?
- Are there any special conditions or fees that apply if a customer wants to cancel the service?

5 Consumer protection

You need to tell them about their rights to complain

- What regulatory protection is provided?
- Is the location of the head office identified on the business website or customer contract?
- How can consumers make complaints to you?
- What external options are available if customers are not satisfied with the handling of their complaint?