

12 December 2022

Department of Social Services  
Greenway ACT 2900

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Dear Department of Social Services

### **Submission on the Financial Counselling Industry Funding Model**

Thank you for the opportunity to comment on the Department of Social Services' (DSS') discussion paper regarding the Financial Counselling Industry Funding Model.

We offer the following observations on the proposed model, based on our experience as an External Dispute Resolution (EDR) scheme in the telecommunications sector.

The Telecommunications Industry Ombudsman (TIO) scheme has jurisdiction to handle complaints about telecommunications providers involving:

- disputed charges
- default listings
- suspension or disconnection of services resulting from unpaid charges, and
- financial hardship arrangements.

Consumers accessing the TIO to make these complaints may use financial counsellors to represent them during the complaint process. If a consumer contacts us and expresses the desire for financial guidance, we may refer them to seek help through Financial Counselling Australia or the National Debt Helpline.

It is appropriate that industries that drive the demand for financial counselling services contribute to funding for these services. Due to current financial and cost of living pressures, we anticipate demand for financial services will increase, including in the telecommunications sector.

The proposed model appears sound. However, we question the decision to seek contributions from industries on a voluntary basis. This approach may not achieve sufficient or equitable funding given the resistance and the lack of commitment to consistent financial hardship support in some industries.

In terms of an appropriate board composition model, we support option two. This structure is utilised for industry based EDR schemes that also receive industry funding (including the TIO scheme). Board composition with mandatory equal representation can ensure an effective balance between competing interests.

We look forward to seeing the final form of the Financial Counselling Industry Funding Model.

Yours sincerely



Cynthia Gebert  
Telecommunications Industry Ombudsman