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# Guidance and information

## Summit on computer complaints

An influx of more than 300 computer sales related complaints to the Commission over the past year has prompted an industry summit to be held in Melbourne in late March.

The upsurge of consumer dissatisfaction about computer sales and service is also reflected in a report by the NSW Fair Trading Advisory Council that identified a 264 per cent increase in the levels of complaints in NSW about the computer retail sector in 1997-98. The complaints had two broad categories: non-delivery of pre-paid or partly paid equipment and poor computer product performance and service delivery.

A report by Brian Sweeney of Brian Sweeney and Associates found that 90 per cent of consumers surveyed believed that there should be greater industry regulation.

The summit is being organised by the Society of Consumer Affairs Professionals in Business and sponsored by the Commission and the Victorian Office of Fair Trading and Business Affairs.

The summit will identify the industry's problems from the points of view of consumers, regulators and the various business sectors; examine case studies of good practice by the industry; and discuss ways to help consumers navigate computer purchases and follow-up. Speakers will include Dr Paul Gardner, European Director, Service Channels, Compaq Computer Corporation, UK; Mr Phil Marchioni, Chair of the NSW computer inquiry; and Mr Peter Upton, Executive Director, Australian Information Industry Association.

## ACIF code on phone advertising

On 26 February 1999 the Australian Communications Industry Forum launched a new industry code on prices, terms and conditions for advertising in the telephony industry. The Commission has worked closely with industry on the development of the code and strongly supports its widespread adoption. The code is based on the same standards for advertising as required under the Trade Practices Act.

In the Commission's view, industry codes can provide additional detail on how the standards apply to particular industries, which can lead to real improvements in compliance. The Commission expects the ACIF code will have this effect in the telecommunications industry.

The Commission welcomed the code as it still receives many consumer complaints about misleading advertising and unfair contract terms, particularly where mobile phones are concerned.

The code has special provisions dealing with mobile phone advertisements. Consumers must be told the entire cost of a mobile package, not just the handset's 'headline price'. And this information must appear in the main body of the advertisement, not be tucked away in the fine print.

Advertisers must give better explanations in comparison advertisements. Often the Commission has found that advertisements make bold claims such as 'cheapest rates to the US' without any support or explanation. In a recent matter, a company admitted that the comparison being made was not against another company's rates, but to other rates the company itself offered.

The Commission will work closely with the Telecommunications Industry Ombudsman and ACIF to ensure that the standards in the code and the Trade Practices Act are fully enforced.