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CONCERN WITH PHONE COMPANIES TARGETING REMOTE COMMUNITIES

The Minister for Justice, Syd Stirling, has expressed concern about an increase in the number of people living in remote communities signing mobile phone contracts and having the bill paid by direct debit from their bank account.

“A high number of people are being left without adequate money for food and clothing when direct debits are taken automatically once a deposit hits their bank account,” said Mr Stirling.

The Minister congratulated some community stores for promoting pre-paid mobile phones.

“However their efforts are being undermined by vigorous marketing practices by mobile phone companies who encourage people to enter into contractual arrangements they can’t afford.

“Some of these customers don’t know what they are getting themselves into – and nor do their family or friends who follow suit.

“The result is ‘money in’ – ‘direct debit out’, and the most vulnerable Territorians are again the most disadvantaged.”

Minister Stirling said consumers need to seek financial counselling assistance to pay telephone debts which exceed their income.

“Consumer Affairs have reported people owing in excess of \$3000 for their telephone account, with no money to pay off the debt, or for essential items such as food and clothing.”

Consumer Affairs will be contacting community stores and Councils over this issue and ask that they promote within their community responsible practices when dealing with mobile phone companies and contracts.

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