



29<sup>th</sup> August 2009

Queensland Competition Authority  
GPO Box 2257  
Brisbane QLD 4001

[electricity@qca.org.au](mailto:electricity@qca.org.au)

Dear Sir/Madam,

**RE: Submission Draft Decision Proposed amendments to the Electricity Industry Code regarding customer claims for GSL payments**

I make this submission on behalf of the Financial Counsellors' Association of Queensland (FCAQ).

FCAQ is the peak body for the Financial Counselling sector in Queensland. The association has 55 members located from Cairns to the Gold Coast and west to Darling Downs.

Our membership's client base (depending on funding agreements) ranges from wage/salary earners, gamblers, and Centrelink recipients; self funded retirees, small business owners and primary producers. Financial Counsellors provide support to individuals or families experiencing financial difficulties. Support is tailored to each client and includes advocacy, budgeting, education, and empowerment. Referrals are made where necessary and appropriate to other services to further improve the situation of the client.

This submission is allowed to be put in the public domain.

*Consumer awareness of GSL payments*

Although the proposal to require distributors to make GSL payments automatically is an improvement on what happens currently, FCAQ is disappointed that no advertising or awareness of GSLs is proposed to be done among consumers. We resubmit our suggestions of ways consumers could be informed:

1. We ask that the government and regulatory bodies use their best endeavours to ensure that all *small* customers are made aware of their right to claim a GSL.
2. Suggested options to ensure that customers are aware of their rights:
  - a. Include an insert with a consumer's next energy account
  - b. Place advertisements in major regional daily newspapers

- c. Inform lead agencies in the community sector and government agencies of GSLs, to enable their staff to pass that information on to their clients
- d. Ensure retailers supply the GSLs with a new contract or have them included as an attachment to a contract
- e. Ensure retailers provide a link to GSLs on their websites

At the very least government, agencies and organisations in the community sector should be made aware of GSLs, to ensure caseworkers are able to assist their clients in financial hardship. We strongly urge the QCA to rethink the proposed policy of no information being provided to consumers or caseworkers.

Relying on a distributor/retailer to make payments has not had a good recent history, as was demonstrated when the pensioner rebates were not passed on by a retailer. This was a rebate that had to be passed on, one wonders what will happen if a GSL has to be made – history suggests that it may not happen.

If the consumer has to rely on a GSL to be paid by a distributor, then we ask that a penalty be introduced into the Code of at least double the GSL that was supposed to be paid as an incentive to ensure a payment is made.

#### *One month time limit for processing claims*

We support ‘best endeavours are made’, we urge that where this has not been the case that a penalty is placed in the Code to ensure ‘best endeavour’ is not used for poor process.

#### *All types of GSL payments to be made automatically*

We support the proposal for GSLs to be paid automatically.

#### *Cost benefit analysis of proposals*

We note that the QCA considers that there are ‘significant benefits to consumers’ of increasing the existing level of community awareness of GSLs. We do not agree informing consumers about their rights should be totally discounted because of cost. As mentioned earlier, at the very minimum, organisations and government agencies working with people on low incomes or in financial hardship should be made aware of GSLs.

We agree that distributors will get a stronger signal to ensure compliance of minimum service standards. Making consumers aware of GSLs will also put pressure on a distributor to meet service standards.

In closing FCAQ’s membership see the effects of poor, sub standard service delivery by various organisations on a daily basis.

Therefore, we strongly urge the QCA to ensure that vulnerable consumers are able to receive information regarding their rights in relation to poor service standards in the energy market, especially in rural and regional areas where access to the internet can be limited.

Yours sincerely,

David Lawson  
Executive Member FCAQ



helping consumers manage their financial challenges

phone 07 3321 3192 to find a listing of services from which FCAQ members operate