

Unused phone credit a boon for telcos

Pre-paid windfall 'unfair'

PRE-PAID mobile phone customers are spending up to \$1 billion a year on calls they never make, an industry player claims.

Millions of mobile owners who pay up-front for their service allow call credits to expire, giving phone companies a windfall for doing nothing.

Pre-paid phones make up more than half the national mobile market.

Consumer groups called on regulators to consider forcing phone companies to extend the window of time customers have to use credit. Many Australian mobile providers void pre-paid phone credit after 30 or 60 days. Customers who do not make calls or send texts to the value they have paid for forfeit their outlay.

Consumers' Telecommunications Network policy adviser Sarah Wilson said short expiry dates were unfair.

"Phone companies are squirrelling away money because customers have paid for services, but not used them," she said. "It's a nice little earner

FIONA HUDSON

for them. You pay for the service and if you don't use it, you lose it.

"It seems very unfair. They should extend the window to use it or give you a refund."

Consumer group Choice said pre-paid mobile phone conditions were confusing and less than transparent.

"Thirty days is a ridiculously short deadline to have to use credits by,"

'It's accepted that about 10 per cent of credit is forfeited'

SAVVYTEL'S MARK WHITAKER

spokesman Christopher Zinn said. "Pre-paid customers are already paying more per call minute than plan users — then they get hit again."

Modelling by consultants Pricewaterhouse Coopers for small-fry telco Savvytel showed Australian pre-paid customers were throwing away \$1.2 billion a year.

Savvytel chief executive Mark Whitaker said Australia was one of few countries to impose such short deadlines on pre-paid users.

"Customers of some networks are losing anywhere from a few cents to \$10 every 30 or 60 days," he said.

"We don't set expiry dates on our customers, but across the industry it is accepted that about 10 per cent of credit is forfeited," he said.

None of the major service providers contacted by the *Sunday Herald Sun* would comment on how much credit its customers let lapse.

A Telecommunications Industry Ombudsman spokesman said it had no power to investigate.

Telstra, which has about 3.7 million pre-paid services, said it was up to customers to choose the plan that best suited their needs.

"Different recharge options offer varying windows of time to use credit and we encourage our customers to consider this before making their decisions," spokesman Peter Taylor said.

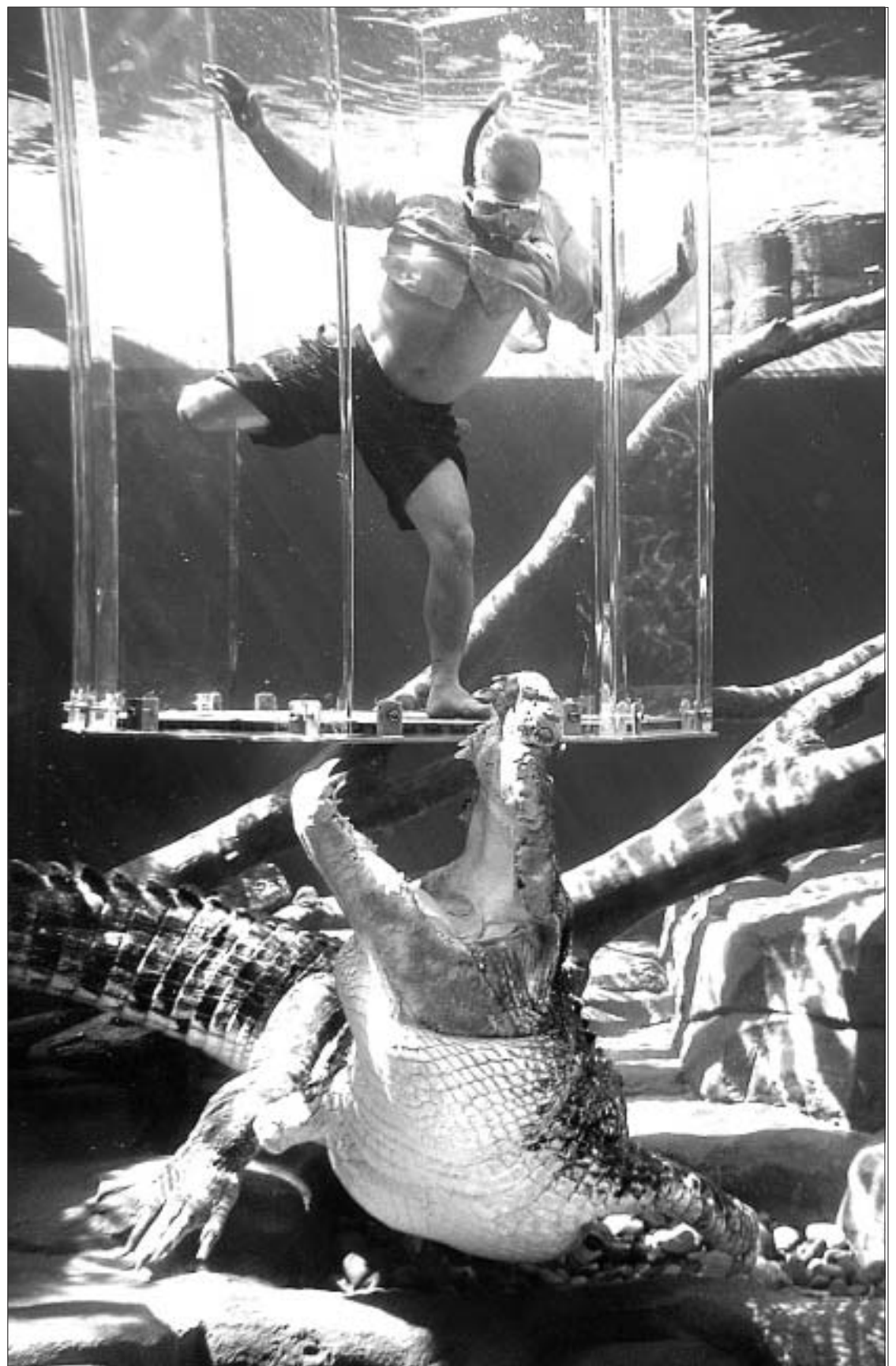
HUMBLE FLANNIES ARE HOT TO TROT

ONCE derided as an unofficial bogan guernsey, the humble flannelette shirt has become the hottest addition to the winter wardrobe of fashionistas.

Women are even teaming the "flannie" with skinny jeans, scarves and stilettos to create a true-blue Aussie look with a glam-rock twist.

In an evolution of country couture, which also brought Ugg boots into vogue, flannies have migrated to city streets in a big way.

And for a practical style that once cost less than \$10 from department stores, designers are cashing in, charging up to \$160 for a shirt.



What big teeth you have ...

Thrillseeker Jim Charles hovers over Choppa, a 5.5m saltwater crocodile, in the Cage of Death at Darwin's Crocosaurus Cove. The new attraction, made of panes of acrylic 4cm thick, allows tourists to spend 15 minutes in the monster reptile's lair.

Picture: CLIVE HYDE

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