

Mobile phone contracts

What do I need to know?

What is a mobile phone contract?

A mobile phone contract is a contract where you purchase a mobile phone and mobile services from a telecommunications provider. Sometimes the contract will be bundled with internet services.

You can enter into:

- a pre-paid phone contract where you buy the phone and then purchase phone credits to use or
- a post-paid phone contract where you pay for what services you have used at the end of each month.

Will I own the phone at the end of the contract?

You should read your contract very closely. Under some contracts you are buying the phone as part of the contract. Under some contracts you are leasing the phone and will not own it at the end of the contract.

Does a telecommunications company have to assess whether I can afford to make the repayments required under the contract?

From 1 August 2019, the Telecommunications Consumer Protection Code requires telecommunications companies to assess whether you can repay the loan.

I am not sure what type of product I need. Will the company help me?

From 1 August 2019, under the Telecommunications Consumer Protection Code, a company is required to engage in responsible selling and must sell you a product that meets your needs that you tell them about.

What happens if I want to get out of my contract early?

Most contracts have a termination clause that will need you to pay a fee for terminating the contract early.

Is there a cooling-off period?

There is no cooling-off period for a mobile phone contract if you approach the company. There is a 10 business day cooling-off period if the company phones or approaches you without you asking them to contact you.

What happens if I can't pay my bill?

You should call your telecommunications company and ask them for financial hardship. Some telecommunications companies have specific hardship policies that provide assistance to you and will help you negotiate a sustainable payment plan. These details can be accessed at ACCAN's website (<http://accan.org.au/hardship-home/get-help>).

What happens if I have a complaint about my bill or service?

If you have a problem with your service provider, the first thing you should do is talk to them.

If you can't resolve the problem, you can get help by calling:

- a financial counsellor on 1800 007 007
- the Australian Communications Consumer Action Network on 02 9288 4000
- Legal Aid Queensland on 1300 65 11 88.

You can also make a complaint to the Telecommunications Industry Ombudsman by visiting www.tio.com.au or calling 1800 062 058.

For more information about our services call 1300 65 11 88 or visit legalaid.qld.gov.au or phone our Indigenous Hotline on 1300 650 143.

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