

MEDIA RELEASE



The Hon **David Hawker** MP
Federal Member for Wannon



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HAWKER WELCOMES TELSTRA'S ADMINISTRATION FEE BACK DOWN

Federal Member for Wannon, David Hawker, today welcomed Telstra's announcement it will axe the \$2.20 administration fee on local customers who pay their bills over the counter or by mail.

"This announcement is good news for local consumers and, in particular, good news for low income earners," Mr Hawker said.

"The fee disadvantaged the poor but it also discriminated against those people who do not have a computer or do not have an internet connection.

"Many of these people are elderly people which made it a very unfair charge. For many they had no choice but to pay their bill either over the counter or by mail."

Mr Hawker said Telstra's new CEO has pledged to improve the company's customer service and this is therefore a welcome decision.

"I know all local Telstra customers will appreciate any move which delivers improved services plus a more effective and efficient telecommunication sector," he said.

Mr Hawker said instead of companies penalising customers who do not pay their bills electronically, there needed to be a greater focus on incentives for those that do.

"Consumers take a very cynical view of businesses that impose additional administrative charges on the cost of their products," he said.

"If a company wishes to save money by changing customer behaviour then they should be offering financial incentives to its customer base.

"A carrot is a much more customer friendly way to operate rather than a stick."

Mr Hawker called on other companies which imposed administration charges on their bill payments to review their practices.

"Many companies spend huge amounts on marketing themselves as customer friendly brands. Some of these organisations might find they are more appealing if they treated their customers with more respect," Mr Hawker said.

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