

**FACTSHEET**

**MOBILE PHONES**

**Before you buy a mobile phone think about why you need one. This will help you to choose a handset and a call plan that best suits you. Shop around and find out what services the network providers are offering.**

**Which Phone**

Generally the more features in a handset the more it will cost. If you intend to spend a lot of time on the phone you should consider a battery with a high mAh (milli Amp hours).

The higher the mAh the longer the battery will last. You should also consider what you need the phone for i.e. a smart phone with a larger screen if you intend to do a lot of reading on the phone.

**Coverage**

You will need to find out if the network provider offers a service in the areas where you will be using the phone.

To do this you can look at coverage maps. These maps show you the geographic areas covered by specific network providers. However, coverage maps don’t show flat spots or shadows where the phone will not receive a good signal and not all network providers will supply a service to all areas.

To find out precisely if the areas you’re interested in are covered you should contact the network provider directly.

**Call Plan**

A call plan is a schedule of fees provided by network providers that list the cost of calls. Call costs are generally quoted in 30-second increments.

This means that you are charged the specified call cost for each block of 30 seconds on all calls that you make.

You will need to decide how much data you think you may use. The data usage may reflect on the type of plan you will need to consider.



Take the time to select a plan that suits you best as penalties may apply for changing plans in the middle of a contract. There are two types of call plans, pre-paid and contract linked.

**Call plan linked to contracts:**

* Flag charges (an additional fee per call).
* A free feature such as 20 mins of free calls per month.
* An initial connection fee.
* Monthly access fees (a fee paid every month to remain on the network).
* Data limits.

**Pre-paid call plans:**

* + - No flag charges.
    - No free features.
    - No connection fees.
    - Call costs are usually higher.
    - No monthly access fees.
    - Pays for the data as you use it.

**Important:** To decide on a call plan you need to work out how many calls you will be making, how long each call will last and when you will be making the calls – peak or off-peak. You will also need to decide on how much data you will be using.

**Contracts**

The network connection agreement is a contract, and once you sign it you are legally bound to its terms and conditions.

The contract will require you to pay monthly access fees, call costs, data costs and the connection fee for the contract term (usually two years).

Most contracts can be cancelled before the contract term ends but you will usually need to pay out the monthly fees for any months remaining. Some contracts require you to continue paying your monthly charges to the end of the contract even if your handset is stolen.



Most mobile phone complaints come from people who weren’t fully aware of the terms and conditions of the contract they signed.

Keep the following tips in mind:

* read the contract carefully and ask questions if you don’t understand;
* read the fine print – the largest writing isn’t always the most important;
* understand all the terms and conditions; for example, minimum monthly payments, call costs, penalties for early termination, and your rights if your mobile is lost or stolen;
* be aware the minimum monthly payment will have to be paid regardless of whether you make a single call;
* check the term of the contract. If it is a long term contract, ensure it will suit your future needs;
* consider taking the contract home to study overnight; don’t be rushed; and
* keep a copy of your mobile phone contract for reference.

**The Prepaid Option**

Network providers offer connection to their network without the need to sign a contract, they do this through prepaid phones. Prepaid phones provide the same basic services of regular mobile phones, so you can make calls, send text and picture messages, and access the Internet, depending on the phone's features, as long as you have credit. You need a mobile phone and a ‘prepaid starter kit’ to get going – the starter kit contains your new mobile number, the activation key and enquiry password/temporary account PIN.

When you have used up your credit, you are able to recharge the card by buying more credit. This can be done online or at retail outlets such as petrol stations, newsagencies, convenience stores, supermarkets and the Post Office. When you buy your credit from a retail outlet you will be given a voucher, follow the prompts on the voucher to charge your phone. Also be aware that there may be a specified time frame mentioned on the voucher, if you don’t recharge before the time is up then you may lose your credit.

**Package Deals**

It’s cheaper to get a new handset as part of a package deal than to pay for the handset and network connection separately. If you purchase a handset as part of a deal with a retailer you may actually be entering two different contracts - one with the network provider for the network connection and the other with the retailer for the handset.



**Stolen Phones**

If your mobile phone is stolen it is unlikely that it will be recovered. To reduce the cost of such a loss you should notify the network provider and the police immediately. You may also want to consider taking out insurance. Insurance is available from some network providers if you sign a contract with them. Make sure you read the conditions and any exemptions first.

**When Things Go Wrong**

The first thing you need to do is identify the individual or organisation that you are contracted to.

If you’ve bought a handset and service connection with a network provider then you will need to contact the network provider if you have problems with either the handset or the service connection.

On the other hand, if you have bought a package from a retailer, problems with the handset may need to be directed to the retailer while problems with the service connection should be directed to the network provider.

In any case the first step is to contact the retailer or network provider to try and sort out the problem. Be calm and assertive and take along any documentation such as contracts or receipts.

If you have no luck, ask to speak to a supervisor or manager. If you are still unable to resolve the problem, contact the Telecommunication Industry Ombudsman for problems with a network service provider or Consumer Affairs for problems with a retailer concerning the handset.

**Quick Tip:** If you buy a handset that has a PIN lock feature, it will help prevent unauthorised users making calls if the phone is stolen or lost.

If you have an issue relating to your contract or service provider please contact the Telecommunications Industry Ombudsman on 1800 062 058 or www.tio.com.au