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Voices Editor
TODAY

Telcos should not change billing terms mid-contract

We refer to the letter, “Exempt existing StarHub users from minimum charge” (April 25).

The Consumers Association of Singapore’s (CASE) view is that even though telco pricing is unregulated, telcos should not change their pricing policy in the midst of a consumer’s contract period.

Such changes are unfair, as consumers contract with the telco based on the pricing or billing terms at the time of contract.

Any mid-term change in pricing or billing method generates uncertainty, which will undermine consumers’ confidence in the business concerned.

As a matter of good business practice, telcos should strive to change contractual terms and conditions only when consumers renew their contract.

While companies have the flexibility to change terms and conditions, customers should be given ample notice and choices when key terms are changed, otherwise they would be locked into service contracts that are different from what they signed up for. If the telco chooses not to honour the original, agreed billing method (in this case, by implementing a one-minute minimum charge), consumers should be allowed to terminate their contract without any penalty charges.

We encourage this as a good business practice. But it is still a contractual matter between businesses and their customers, something that CASE is not in a position to intervene.

Consumers who are uncomfortable with the telco’s business practice should exercise their rights not to deal with such a telco in future and to find a better deal with other telcos.

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