

Tariffs: There's a call for you, Mr. Consumer

The steep increase in telephone tariffs has agitated consumers. There is wide spread dissatisfaction among landline telephone users, since they are the worst effected. Survey done by two leading newspapers in Bangalore has revealed that 95 per cent of them are against any increase in tariff. While this resentment is understandable, the question is how far consumers are right in raising their voice when they preferred to be silent when an opportunity was given to them to question tariff increase.

Consumers should realize that they are now in a regulatory regime and any opposition to increase in tariff should be brought before the regulators in time and in a proper form. There is no point in airing their grievances after decisions are taken. The regulatory system has given consumers an opportunity to put forth their views before the regulator. For instance, the Electricity Regulatory Commission can not raise power tariffs without conducting a public hearing and inviting objections from the public. Recently, the Karnataka Electricity Regulatory Commission (KERC) received more than 7,000 objections from the public. The results can be seen. Instead of agreeing to a 30 per cent increase as demanded by the power utilities, the regulator has allowed just 2 per cent.

In the present case, the Telecom Regulatory Authority of India (TRAI), did come out with a proposal to increase the tariff and invited the public in general, and consumer groups in particular, to offer their comments. Though not on a large scale like that of KERC, some public consultations were also held. Unfortunately, the response from civil society was poor. There were hardly any consumer representatives in the consultation. But the industry was able to put forth its views effectively. And the results are visible.

It is true that the regulator is supposed to balance the interests of the industry and the consumers in mind. But that depends partly on the quality of intervention from consumers. It is not that a whole mass of consumers should intervene. A few consumer groups armed with relevant data and capacity to argue can effectively stall tariff increase to a large extent. But that did not happen.

The future of consumer protection depends not on using the Consumer Protection Act alone but involving effectively in the regulatory process and using it for the welfare of the consumer. The consumer right activist Ralph Nader has put it, "consumers should search for experts, hire their services and argue for their cause before every authority. Consumer organizations need to play a bigger role in protecting consumer rights."

It is essential that consumers study the regulatory process and participate in it for tangible results. They should study documents, the industry as a whole, network with expert groups, hire services of retired employees of telecoms, form coalitions, prepare briefing papers and argue before the regulator. Otherwise, the consumers' voice will be a cry in the wilderness.
