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**Tuesday, 26th November 2019**

**Telcos must pass on NBN improvements to consumers: ACCAN**

Telcos must play their part if consumers are to benefit from changes to NBN Co’s wholesale pricing and data capacity, according to the Australian Communications Consumer Action Network (ACCAN).

Changes announced today by NBN Co will give telcos more flexibility in what they can offer their customers, starting with a reduction in the wholesale price of a modified 25Mbps service from December 2019. Importantly, these changes to 25Mbps services will affect both fixed line and fixed wireless plans, which mean that households in both metropolitan and regional areas should be able to benefit from cheaper broadband and better options. However, this is entirely dependent on telcos passing the changes on to their customers.

“While there is still more to be done, NBN Co’s latest changes to their pricing and inclusions are a step in the right direction and demonstrates that the organisation recognises the important role that broadband plays in our everyday lives,” said ACCAN Director of Policy, Una Lawrence.

“We will be monitoring the market to ensure these improvements are passed onto consumers once they come into play over the next 12 months, so NBN users get the full benefit.”

ACCAN welcomes changes to the 12/1 Entry Level Bundle that will allow for greater flexibility when consumers exceed its low data capacity.

“The increase in take-up of NBN’s cheapest broadband plan shows that people want to be connected to the NBN, but for some cost may be a serious barrier. This reflects ACCAN’s own work that has long highlighted the barrier of broadband affordability for low-income households. However, we know the 12/1 service won’t meet the needs of many low income households, especially families, and urge NBN Co to develop a more suitable concessional higher speed service as a priority.”

ACCAN has also welcomed the announced introduction of an AVC overhead allowance which should ease confusion amongst consumers who do not receive the branded speed of their NBN broadband plan.

“With this new overhead allowance, telcos would get a little extra data for each customer so that you will be more likely to get the full speed of your plan.” explained Ms Lawrence. “It’s very confusing for consumers buying an NBN service sold as performing at a particular speed only to find that their service can’t deliver at that level. Hopefully this change will improve that situation.”

As the consumer voice for phone and internet consumers, ACCAN will continue to work with NBN Co as part of their Wholesale Pricing Review 2019 Close-out Paper to ensure that the promise of the NBN is made possible for all Australians.