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## **Media Release**

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## Cost of connectivity: new report flags strong support for concessional internet

Australia's peak communications consumer body, the Australian Communications Consumer Action Network – ACCAN, is calling on the major parties to commit to a concessional internet product delivered by NBN Co to provide a cost-of-living boost to low-income Australians this Federal election.

This follows a new ACCAN report undertaken by Essential Research which shows significant popular support for a concessional internet product, and strong demand for cheaper broadband services for people doing it tough in a cost-of-living crisis.

The **Cost of Connectivity: Consumer Attitudes to Concessional Broadband** report – <u>now</u> <u>available on the ACCAN website</u> – demonstrates that action is required to provide Australians with affordable internet access to ensure no Australian is left offline.

Under such a scheme, eligible households would pay around \$30 per month for unlimited broadband at 50Mbps. This is possible through a subsidised NBN product - offered at a \$20 wholesale rate.

Australia would not be alone in providing low-income citizens with affordable broadband. The United States, Canada, the UK and Singapore already have comparable policies in place.

ACCAN CEO, Carol Bennett, said that connectivity has never been more important - and it is vital that no Australian is left offline due to financial hardship or other vulnerabilities.

"Our campaign — No Australian Left Offline — is about making sure that every household, no matter their income, can afford the broadband they need to keep up with school, work and healthcare," Ms Bennett said.

"This is already happening around the globe. Canada's Connecting Families Initiative offers quality broadband for \$20. New York has legislated an affordable broadband act and other states such as California and Massachusetts are progressing equivalent reforms. Australia would not be a test case - we would be following international success stories," Ms Bennett said.

"Our call follows mounting international evidence showing that affordable broadband isn't just good policy — it's good economics."

A <u>recent US study</u> into the Affordable Connectivity Plan, a concessional internet scheme which was in place across the US until 2024, found that for every \$1 spent, the benefits far exceeded the cost. Researchers estimated that, in the US context, consumers saw:

- \$28.9 billion in annual healthcare savings through better access to telehealth
- \$3.7 billion in earnings increases for students
- And up to \$4.3 billion in annual wage gains from greater workforce participation.

"The benefits of affordable broadband are clear — better health, better education, better engagement in work and employment, and stronger communities. We're asking the government to seize this opportunity. Let's put in place a concessional broadband product that helps those who need it most" Ms Bennett said.

ACCAN says the proposed concessional plan could be a lifeline for households struggling to stay connected in the face of rising living costs.

"Too many Australians are forced to choose between staying connected and paying for essentials like food or rent. That's not good enough. Let's make Australia a leader in digital inclusion and ensure no Australian is left offline."

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The Australian Communications Consumer Action Network (ACCAN) is Australia's peak communication consumer organisation. The operation of ACCAN is made possible by funding provided by the Commonwealth of Australia under section 593 of the Telecommunications Act 1997. This funding is recovered from charges on telecommunications carriers.

ACCAN is committed to reconciliation that acknowledges Australia's past and values the unique culture and heritage of Aboriginal and Torres Strait Islander peoples. <u>Read our RAP</u>