

ACCC's effort to improve broadband affordability and consumer compensation commended

The Australian Communication Consumer Action Network (ACCAN) welcomed today's announced measures from the ACCC to improve the affordability of entry-level nbn plan, and to ensure that consumers are better compensated for missed nbn appointments.

"The issue of affordable broadband has never been more real for the millions of Australians who have turned to online services this year for access to healthcare, education, work, and government services," said ACCAN CEO, Teresa Corbin.

"We're pleased that following the ACCC's recommendation, NBN Co have agreed to reduce the price of their entry-level access bundle. However, it is disappointing that the ACCC has not recognised that 12/1 Mbps nbn plans are not an adequate entry-level option for most consumers.

"Someone who needs to work from home and use video calls, or a student who needs to talk to their teacher online, won't be able to do so on a 12/1 nbn plan because of the limited upload speeds."

As the peak body for communications consumers, ACCAN is concerned that families who need these higher speeds but can't afford them will continue to be left behind by the new pricing structure.

"We already know the many benefits that the nbn can bring in terms of healthcare, education, and work. We can't leave low-income families to struggle on an inadequate internet service in 2020."

The ACCC's approval of increases in NBN Co's rebates for missed appointments was also welcomed by ACCAN as a good starting point, as was the shift to daily rebates from a one-off payment for late connections and fault rectifications. However, ACCAN noted there is more to be done, as the level of rebates is too low to compensate for loss of service, nor does it escalate as delays continue. Importantly, as telco retailers will be getting the rebates from NBN Co, there is no obligation for retailers to pass these through to their customers, other than rebates for missed appointments.

"What's needed are levels of rebates that incentivise nbn to deliver and improve and at the same time adequately compensate customers. It is also essential that these are seamlessly passed through to customers by their telcos – after all, customers are most negatively affected by delays as they left without a working service," said Ms Corbin.

"It is essential that the ACMA prioritise working on a retailer obligation to make sure that consumers get the benefit of the reforms announced so far."