Hot issues

Broadband speed claims – what’s happening overseas?

Similar to the ACCC’s consultation on broadband speed claims, regulators in other countries are trying to ensure that ISPs deliver on their broadband speed claims.

In the UK, the regulator is considering forcing broadband and mobile operators to pay automatic compensation to customers when services fail or when they are suffering slow speeds.

Consumers in Australia may be entitled to compensation when services fail or are slower than advertised, but the onus is on the consumer to make a complaint and claim.

In the US, ISPs are encouraged to provide information to consumers about the services, with the suggested format being similar to a nutrition label on food. See the image below for an example of how this might work. Please note we do not have a text version of this image, but more information on this initiative is available here.

This information should provide consumers with useful information about how their service will typically perform. For example, it should include information on typical download and upload speeds, typical latency and typical packet loss.

When choosing a broadband service, Australian consumers are told the maximum speeds they might receive from their service – this is usually stated as something like “you will receive speeds up to 25Mbps.” Broadband speeds are also discussed in vague terms such as ‘fast,’ with limited information available about how the service will perform (such as average speeds, or peak hour speeds).

Do you think these initiatives being used overseas would be useful in Australia to make broadband speed claims more clear to consumers? Have your say on broadband speed claims by participating in the ACCC’s consultation on the issue.