

ACCC Chair Rod Sims outlines telecommunications sector priorities in COVID-19 crisis

Source: [Australian Competition and Consumer Commission](#)

Date: 6 April 2020

Abstract:

During a videolink keynote address at the CommsDay Summit 2020, ACCC Chair Rod Sims discussed the critical role of the communications sector during the current crisis and the delivery of better services while maintaining longer term competition and efficiency in the market.

Mr Sims noted that in the current situation, everyone has become acutely aware of the importance of broadband services and connections in staying productive and engaged at work and at home, and in keeping connected with other during social distancing. He commented that there are encouraging signs the sector is responding well to the crisis, NBN data traffic is up 70 per cent during the business hours, yet data from the ACCC's regular Measuring Broadband Australia test units shows NBN speeds have not been impacted and are equivalent to those seen in February. Telecommunications retailers are also increasing plan allowances or reducing excess charges to help their customers adjust and should be applauded for this.

Mr Sims then outlined the challenges faced by the sector as a result of COVID-19 and how the ACCC planned to respond. He noted that the ACCC has established a dedicated COVID-19 Taskforce which is monitoring and gathering daily intelligence about emerging issues, and working to ensure consumers and businesses understand their rights and obligations when dealing with cancelled events, travel or services.

In the telecommunications and broadband context, subscription services are now materially different from what consumers signed up for with the cancellation of most live sport. Consumers must be given a choice whether they want to keep paying for these services. While some providers have waived monthly fees, the ACCC has received complaints, including the criticism that companies allow consumers to sign up online but only allow cancellation by contacting a call centre. Given that company call centres are facing challenges during this time, Mr Sims commented that it is inappropriate for consumers facing financial difficulty to be unable to cancel services.

Mr Sims discussed the ACCC's activities in issuing authorisations for competitors in various industries, including the telecommunications industry, to co-ordinate in order to co-ordinate and share resources and information to better service the public during the pandemic.

The ACCC welcomed changes to Telstra's NBN migration plan in order to promote continuity of existing broadband networks as well as Optus' decision to suspend mandatory disconnection actions for its cable services for the next three months. However, there remain risks for consumers that the ACCC will be looking to address, including:

- Helping consumers without a working service get connected, such as those consumers who have moved into premises not yet connected to the NBN.
- Offering consumers flexibility so they can move to plans or services they will need over this period, and then shift back when their needs reduce.
- Retailers being open with their customers if they do need to put in place any service restrictions.

The ACCC expects service providers to take reasonable steps to check the capability of NBN connections when consumers seek to upgrade their services. Where consumers select higher-priced

plans but cannot obtain the benefit of the promised speed boost (due to network congestion or other issues), they should be compensated in a timely manner.

For more information about COVID-19, see the [LexisNexis Information Hub COVID-19](#)