13 September 2013

Via Email: BroadbandPerformance@accc.gov.au

RE: Broadband Performance Monitoring and Reporting in the Australian context: consultation paper

ACCAN thanks the ACCC for the opportunity to participate in this consultation.

ACCAN welcomes the proposed introduction of a broadband performance monitoring and reporting program. The operation of any market works best for consumers when there is a high level of transparency. The availability of good quality information about broadband services and how they can be expected to perform in the real world is no exception.

Performance monitoring and reporting is a high priority issue for ACCAN's members as the transition to higher-speed broadband continues. In our view broadband has now become an essential service. It is therefore both economically justified and desirable from a public policy standpoint that the ACCC introduce broadband performance monitoring and reporting of a kind already being undertaken in other countries. The performance characteristics of one broadband offering over another are currently impossible for consumers to compare, and such information should be produced and made available in a way that consumers can trust by a neutral body such as the ACCC.

We agree that it would greatly assist to

- provide transparency to consumers about the performance of broadband services;
- allow consumers to compare broadband services based on real-world performance rather than theoretical claims;
- and hold ISPs accountable for performance claims, including headline speed claims.

Testing methodology

ACCAN agrees that a probe-based testing methodology has worked well in other countries and could be used effectively in Australia with end-user volunteer testers.

Australian Communications Consumer Action Network (ACCAN)
Australia's peak telecommunications consumer advocacy organisation
Suite 4.02, 55 Mountain St, Ultimo NSW 2007
Tel: (02) 9288 4000 | TTY: (02) 9281 5322 | Fax: (02) 9288 4019
www.accan.org.au | info@accan.org.au | twitter: @ACCAN_AU

Services to be included

ACCAN agrees with the ACCC that ADSL, HFC and NBN-based services of all types are the appropriate services to be monitored, with an emphasis on ADSL (the majority of the marketplace) until the technology mix in the marketplace changes. We agree that small business consumers should be included as end-user testers. As the ACCC correctly notes, small business often receives the same types of services as residential customers.

Regions

ACCAN would prefer simplicity in reporting and would advise against creating artificial geographical categories such as Ofcom's "Market 1, Market 2" etc. The ACCC may wish to combine the major metropolitan areas in each State and Territory with a selection of rural/regional areas with different geographical characteristics across the country.

Which ISPs to monitor

ACCAN agrees with the ACCC that there is a consumer benefit from including smaller ISPs in the program. We would support an approach of soliciting and selecting for end-user volunteers in a way that ensures to the maximum extent possible that ISPs are covered according to their market share.

The ACCC may wish to consider separately selecting a number of satellite and fixed wireless ISPs for testing as they serve a market which is generally more rural and does not enjoy the same number of providers as metropolitan areas. The benefit to be derived from ACCC monitoring in this market segment is potentially greater than in metropolitan areas where it may be easier to change providers. We recognise that the ability of the ACCC to select for ISPs may be limited by the availability of a sufficient number of volunteers.

Reporting: simple, clear and frequent preferred

ACCAN would like to see reports produced and distributed in a simple, consumer-focused manner that would maximise the likelihood that consumers will access and use the information.

ACCAN disagrees with the ACCC's preference for a less frequent reporting framework that allows for a medium to high level of detailed commentary. ACCAN doubts there is widespread consumer benefit to be derived from detailed commentary around test results in a market such as fixed-line broadband where download/upload speeds and price are the two factors that largely drive consumer decision-making. A monthly report is also to be preferred because market offers come and go rapidly.

The UK's Ofcom reports are information-rich and contain detailed commentary, however the manner of presentation appears not to take into consideration how the data could best serve the needs of consumers who wish to make an informed choice of service.

The information most relevant to consumers is buried in a seventy page document. The 'lead' in the media release of 7 August 2013[1], for example, which summarised the results of the May 2013 report, relates to average speeds across the country and how this has changed over time, along with statistics about the types of broadband connections across the nation. While this may be of interest to the industry, the data relevant to consumers - download and upload speeds for specific ISP packages – is interspersed with the industry data and difficult to find.

The US FCC also has a detailed report, although it is more concise than the Ofcom report and the consumer-relevant data is somewhat more prominent and easier to comprehend.[2]

However, ACCAN would prefer an approach more akin to the Singapore IDA which publishes interactive graphs on a monthly basis.[3] It is a good example of presentation as it features a report with key ISP offers compared for download and upload speeds (among other parameters) on a colour-coded bar chart that is quick and easy to understand.

In a trade-off between detailed reporting and commentary, and frequency, ACCAN believes consumers prioritise frequency along with clarity and simplicity in presentation.

Importance of ADSL and distance from the exchange

As the majority of Australian broadband consumers receive their service over ADSL1 or ADSL2+, it is essential that both are included in the program. For Australian consumers it will be important that the program provide information to the public on the variation of speeds depending on the distance from the exchange to the end-users' premises, as Ofcom has done in the past. If distance from the exchange was not reported on, or simply weighted to produce averages, the value of the information to consumers would be reduced.

If distances from exchanges are to be reported, then ideally this will be the wire-line distance as reported by Telstra's line trace records, not the 'as the crow flies' straight-line estimates used by Ofcom, which underestimate the actual line lengths and add significant uncertainty to interpretation of the results. If line trace records from Telstra cannot be used, then the distance reported by a GPS street navigation between the dwelling and the exchange building or RIM cabinet would be a good alternative.

On the whole, it would be useful to be able to distinguish between slow speeds due to technology limitations (distance from an exchange) and slow speeds due to other rectifiable causes (such as backhaul congestion).

Ofcom's charts displaying distance from exchange and both maximum and average download speeds achieved by end-user testers is useful and could be made more useful by displaying it across

[1] http://media.ofcom.org.uk/2013/08/07/average-uk-broadband-speed-continues-to-rise/

[2] http://www.fcc.gov/measuring-broadband-america/2013/February

[3] http://www.ida.gov.sg/applications/rbs/chart.html

different ISP packages.[4] This would in our view be the most relevant reporting measure for the majority of consumers in Australia. Averaged information will still be useful for consumers who aren't sure of their distance from the exchange.

The importance of this type of information will decrease over time as progressively more consumers are switched over to an NBN.

What should be monitored?

We agree that download and upload speeds both peak and off-peak are the central important measures.

It would be desirable for latency, packet loss and webpage browsing speed to be measured if resources permitted. We would ask the ACCC to consider whether there is a feasible way to also report on service interruptions.

Sincerely,

Jonathan Gadir
Senior Adviser – Policy and Research

[4] UK fixed broadband speeds, May 2011: Research Report, p.30
http://stakeholders.ofcom.org.uk/binaries/research/telecoms-research/bbspeeds2011/bb-speeds-may2011.pdf