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Broadband Performance
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RE: Review of the Measuring Broadband Australia program

ACCAN thanks the ACCC for the opportunity to contribute to its Review of the Measuring Broadband Australia program consultation.

ACCAN advocated strongly in favour of the original iteration of the MBA, to measure the broadband performance of fixed-line NBN services at the network and RSP level, and we continue to advocate for both the scheme's continuation and further extension to encompass NBN Fixed Wireless, NBN Sky Muster satellite services, non NBN networks, small business services and mobile broadband services. ACCAN regularly refers to and utilises the results from MBA to guide our policy work, as well as in our consumer advocacy and educational work. We envisage the wider economic benefit of the program exceeds the cost of its funding.

In ACCAN's view the Measuring Broadband Australia (MBA) program has succeeded in its stated objectives to:

- provide visibility over the performance of fixed-line NBN services at the network and RSP level;
- assist in educating consumers in improving their understanding of the technical performance capability of the products and services being offered to them;
- provide consumers with reliable and independent information to make informed purchasing decisions;
- promote a competitive fixed line broadband market; and
- encourage greater transparency and accountability in the market that reduces barriers to entry from information asymmetry and efficiently works to meet consumer demand.¹

Improving consumer outcomes

Transparent reporting by the MBA program has required RSPs to accurately represent their technical performance capabilities on the products they offer and, indirectly, increased consumer protections as performance claims are held up to both ACCC and public scrutiny.² As a consequence, the scheme has motivated providers to both invest in operational improvements and address individual or

¹ Australian Communications Consumer Action Network (ACCAN), ACCC, Review of the Measuring Broadband Australia program Consultation paper, October 2020, p2
² *Ibid*, p11 *peak body representing communications consumers*

systemic performance issues where network deficiencies have been identified.³ Given the fact that the percentage of underperforming fixed-line NBN services in the volunteer pool has steadily decreased since the MBA commenced,⁴ and there has been a decline in consumer complaints, consumers are clearly benefiting from the MBA program.

The ACCC has identified the risks of market failure should the MBA program be discontinued.⁵ ACCAN considers that the risks outlined are highly likely should the program cease to operate. Whilst other data and market led tools may be provided by individual retailers or comparison websites, the independent and transparent nature of the data provided by the ACCC ensures that the results are reliable, and importantly, consumers can trust them. This allows for more efficient decision making by the consumer, driving better market outcomes. A similar standard of independent and highly transparent reporting will not be replicable via alternative methods, creating information asymmetries which will dampen retail competition.

Facilitating performance-based competition

Through measuring and reporting on the broadband performance of fixed-line NBN services at the network and RSP level, the scheme has also helped drive competitive outcomes between RSPs within the fixed-line broadband market. The user-friendly information the MBA provides has educated consumers, rebalancing the information asymmetry between them and network providers, and allowing them to make informed purchasing decisions, thus motivating RSPs to improve their performance in a more transparently competitive marketplace.

For example, a consumer raised concerns with ACCAN about new technology that was to be installed in their home to enable access to the NBN network. Previous media coverage of poorly performing HFC networks had meant that they were worried the service they would be provided with would result in a high number of dropouts and slow speeds. ACCAN was able to refer the consumer to the ACCC's MBA report, which showed that HFC networks performance is similar to the performance of other access technologies.

Value for money

The economic benefits of broadband have been well-established,⁶ however consumers on congested and underperforming networks will not be able to reap the full benefits of accessing high speed broadband. ACCAN considers that as the MBA program makes the market for broadband more efficient, the economic benefit of the NBN will continue to be more widely realised.

³ Ibid, pp13-14

⁴ Ibid, p16

⁵ Ibid, p31

⁶ 2 Greenstein, S & McDevitt, R 2012, *Measuring the Broadband Bonus in Thirty OECD Countries*, *OECD Digital Economy Papers*, <https://www.oecd-ilibrary.org/docserver/5k9bcwkg3hwfen.pdf?expires=1600668580&id=id&accname=guest&checksum=24A5CFEAA8E1E9D5FDE22E3E547E388E>

In terms of small and medium sized businesses, ACCAN recently conducted a survey which found that slow internet speeds create inefficiencies, result in poor customer care and increase operating costs.⁷ Improvements in competitive performance motivated by the MBA will benefit business in Australia, including those now working from home due to COVID-19 lockdown.

NBN Fixed Wireless & Sky Muster satellite services

As the peak advocacy organisation representing telecommunications consumers in Australia, ACCAN's position is that all consumers, regardless of where they live, should benefit from the broadband service improvement that the MBA has delivered. As the scheme has so far only covered fixed-line NBN services, which are not available in all parts of the country, there is potential for the MBA to be expanded for the benefit of consumers in rural and remote regions.

For many consumers living in rural and remote areas, NBN Sky Muster satellite services or NBN Fixed Wireless services are the only available broadband option. The variability and frustrations of satellite services in rural areas due to limited data allocation is well-reported. During the COVID-19 pandemic, when many businesses and students have been forced online, the existing and ongoing need for more reliable home broadband services in rural and remote areas has been highlighted. While nbn has responded well by temporarily increasing data allowances on SkyMuster services, once this extra data is withdrawn on 21st April 2021 the need for more information about network and RSP performance will be heightened. This is due to predicted enduring higher usage patterns and greater dependency on services triggered by the switch to the online environment generated by the lockdown.

Fast, reliable broadband services will also increasingly be needed in rural areas to facilitate the adoption of industrial Internet of Things 'smart farming' technology. Machine to machine (M2M) communications enabled by mobile networks are already extensively used in Australian agriculture, and the increased use of IoT technology will enable Australian farmers and rice growers to remain competitive in the global marketplace.⁸

Currently in rural and remote areas there are fewer RSPs offering NBN and other services compared to urban areas, which means there are fewer market incentives for providers to compete on service quality. Even in situations where consumers have a reasonable choice of RSPs, the benefits of retail competition will not flow through to these consumers given they have no means to compare service performance. Expansion of the MBA program to include NBN Sky Muster satellite and NBN Fixed Wireless broadband services in rural areas could help mitigate this issue. Holding Fixed Wireless and satellite service providers accountable for the quality of broadband services they provide, with the threat of enforcement action where they have failed to deliver on advertised claims about broadband quality, would benefit regional and remote consumers similarly to the benefits experienced by consumers of fixed line services.

⁷ ACCAN, 2020 SME Survey- Covid-19, *Unpublished*.

⁸ Koch, A. 'IoT in agriculture – how is it evolving and which policy areas need addressing to facilitate its uptake', *Farm Institute Insights*, Vol. 14, No.1, February 2017 - accessed at <http://www.farminstitute.org.au/newsletter/2017/February/feature>

Non- NBN Networks

Extending the program to capture competing networks will see improvements in network performance for all Australians, not just those being served by the NBN. ACCAN continues to be concerned at the performance of non-NBN networks and has called for the Minister to set standards for Statutory Infrastructure Providers.⁹ The telecommunications reform package and the reforms to carrier separation arrangements is likely to result in new entrants to the wholesale market.¹⁰ For example, the retailer Aussie Broadband has now started work on their own fibre network.¹¹ Extending the MBA to focus on other networks will stimulate network performance based competition similarly to what has been achieved at the retail level. As the wholesale landscape is changing, and wholesale competition is being fostered, ACCAN considers that there will be significant benefits from having wholesalers compete on a performance basis.

The comparison of NBN and ADSL has been useful as consumers migrate to the newer network. However, as the majority of consumers are now purchasing broadband from high speed networks, NBN should be compared to competing high speed broadband networks which currently operate.

Non-NBN Wireless and Mobile broadband

Consumers would further benefit from the Measuring Broadband Australia program to cover broadband services provided over non-NBN fixed wireless networks as well as mobile networks. Generally broadband services provided over these networks require consumers to contract for 12 months or more. Without tools to accurately evaluate which services will provide them with the most reliable or better performances, consumers face the risk of being locked into contracts with poorly performing providers. Not only would this create performance-based competition within technology types, but it would allow for comparison between technology types. For example, consumers would be able to make a more informed decision on whether to choose a 5G mobile broadband service or a fixed line service. Encouraging competition between access technologies will benefit consumers as RSPs and networks compete on quality as well as prices.

Small and medium size businesses

Small and medium businesses select a range of broadband options. Some micro businesses will select residential services in which case the residential focus of the MBA would be sufficient.

⁹ ACCAN, 2020, *Superfast Broadband Access Service and Local Bitstream Access Service Declaration Inquiry-Discussion Paper* <http://accan.org.au/our-work/submissions/1809-accs-s-superfast-broadband-access-service-and-local-bitstream-access-service-declaration-inquiry>

ACCAN, 2020, *ACCC inquiries into NBN access pricing and wholesale service standards*. <http://accan.org.au/our-work/submissions/1810-acc-inquiries-into-nbn-access-pricing-and-wholesale-service-standards>

¹⁰ Department of Infrastructure, Transport, Regional Development and Communications, 2020, *Telecommunications Reform Package*. <https://www.communications.gov.au/what-we-do/internet/telecommunication-reform-package>

¹¹ Aussie Broadband, 2020, *Aussie Broadband starts work on new \$1.8m fibre optic network expansion*. <https://www.aussiebroadband.com.au/blog/aussie-broadband-starts-work-on-new-1-8m-fibre-optic-network-expansion/>

However, there are many packages aimed at small businesses which are not covered by the MBA data on residential services. As mentioned previously, ACCAN surveyed small and medium sized businesses between September – October 2020 and found that one of the top issues mentioned was in relation to service speed and reliability. Therefore, ACCAN considers that it would be very beneficial for a specific panel of business volunteers to provide data on small business services, encouraging RSPs servicing SMEs to compete on a service performance basis.

COVID-19

The MBA program has performed another crucial and unpredicted function in 2020. The data recorded by the MBA during the COVID-19 pandemic has provided valuable insights into how broadband services have performed at a critical time of demand on the NBN network. This information has influenced policies that have ensured the network could meet the increased and unprecedented demand for residential broadband services as home schooling and working from home became necessary under lockdown.¹²

Accessibility

To maximise the benefits of the MBA data for all consumers, it should be made available to consumers in a range of accessible formats, including both accessible PDF and Microsoft word versions. Any data in excel spreadsheets should also be made available in accessible formats – for example, in accessible tables in Microsoft Word.

Any graphs, charts or visual representations of data must have alt text to ensure that information contained is accessible to consumers who are blind or have vision impairment. Currently the charts in the MBA reports and interactive dashboard are not screen reader accessible. This renders the information inaccessible for blind or vision impaired consumers, particularly if the same information is not also mentioned in the text surrounding the graph/table.

To make the MBA information more accessible for a range of people, optimally it should be provided in video format, e.g. a plain English video version of the information, with Auslan interpreter, AD and captions.

In addition, presenting the information in an easy-to-understand and accessible video format would make the information more accessible for people who have an intellectual disability or people with low English literacy. A video with an Auslan interpreter, audio description and captions would also benefit hearing and vision impaired consumers seeking to access the data. ACCAN recommends that the ACCC to employ accessibility experts to perform accessibility audits against Web Content Accessibility Guidelines (WCAG) 2.1.¹³ In recognising the diverse needs of consumers across Australia, ACCAN's recently developed Talking Telco resources were made available in a range of accessible formats, including Easy English, Auslan, and various community languages.¹⁴ ACCAN would be happy

¹² MBA Consultation Paper, p19

¹³ W3C, 2018, *Web Content Accessibility Guidelines (WCAG) 2.1* <https://www.w3.org/TR/WCAG21/>

¹⁴ ACCAN, 2020, *Talking Telco*. <http://accan.org.au/talking-telco>

to share our knowledge and offer our support to the ACCC in making the MBA content more accessible for all consumers.

Methodology

ACCAN is aware that the industry has been critical of the methodology employed by the MBA program in gathering data. However, we agree with the ACCC's assessment that the scheme has successfully maintained a long-term and consistent volunteer base of the size required to obtain statistically robust data, given variability of NBN performance.¹⁵ Volunteers for White Boxes exceeded demand in the first iteration of the scheme, and BIRRR (Better Internet for Rural, Regional and Remote Australia) has volunteered to recruit volunteers for an expanded version of the MBA.¹⁶ Likewise, ACCAN has promoted participation in the scheme in the past and will continue to do so should an expanded program be adopted.

Future strategies which could assist in promoting interest and continued engagement with the program could be based on nudge theory, a concept in behavioural economics which proposes ways to influence behaviour and decision making. The behavioural Insights Team have developed evidence-based tools which could be applied to promoting engagement with the MBA program. For example, in increasing volunteer sign-ups during the COVID-19 pandemic,¹⁷ they recommended approaches of making it easy to volunteer, making use of social norms and making volunteering a part of people's identity. In relation to social norms, studies have shown that people are more likely to pay their taxes, attend school and donate to charity in their will when they believe others around them are doing the same.¹⁸ Messaging could be used to encourage volunteers by highlighting how many others are doing the same.

While the MBA program has been successful in attracting sufficient volunteers, if the program expands to include NBN SkyMuster and Fixed Wireless and non-NBN networks, increasing public awareness of the program and awareness of the benefits could result in higher uptake of volunteers. As the benefits of volunteering for the program may not be immediately clear to potential volunteers, another strategy could be to highlight the benefits consumers receive from participating in the program, focusing on the main benefit of improvements in the quality of broadband over time. Furthermore, awareness of the program could be increased by having RSPs contact their customers about it, or requirements for RSPs to provide a link to SamKnows on their own website.

From a policy perspective, ACCAN's position is that all consumers, regardless of location, should have access to reliable telecommunications services. Being able to compare data from urban and regional Australia will inform ACCAN of the experience of regional and remote consumers further, ultimately assisting our advocacy for service improvements.

Lastly, ACCAN considers the frequency of the MBA reports to be sufficient.

¹⁵ MBA Consultation Paper, p7

¹⁶ Ibid, p33

¹⁷ <https://www.bi.team/blogs/nudging-to-boost-volunteer-sign-ups-during-the-coronavirus-crisis/>

¹⁸ Ibid

Conclusion

In conclusion, ACCAN submits that there are strong arguments in favour of the continuation and expansion of the MBA program. The collection and reporting of transparent broadband measurement data under the program has:

- Delivered improved consumer outcomes, reflected in a decline in the number of consumer complaints since the commencement of the scheme.
- Held RSPs accountable for the provision of adequate broadband speeds and motivated improved industry performance including active resolution of operational, systemic and individual broadband issues.
- Enabled enforcement action against RSPs who have made misleading claims about broadband speeds.
- Played an important role in broadband policy making, both before and during the COVID-19 pandemic, with the data collected influencing policy decisions for the benefit of consumers.

ACCAN agrees that for consumers and businesses to continue to reap the full benefits of the NBN, including those promised by the recent \$4.5 billion injection of funds to increase access to ultra-fast broadband, the public and regulatory accountability enabled by the MBA scheme is essential.¹⁹

¹⁹ Ibid, p7