

The ACCC threatens to take Telstra and other ISPs to court over misleading NBN speeds

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Not up-to-speed NBN Co

Rod Sims, Chairman of the Australian Competition & Consumers Commission (ACCC) has signalled that it is going to take a [tougher stance](#) against internet service providers like Telstra, Optus and Vocus about misleading consumers about NBN broadband speeds. In particular, Sims has said that Telstra's continued use of terms like "Very Fast" and "Super Fast" to describe theoretical, but often unobtainable, broadband speeds need to stop.

The ACCC has indicated that it is likely to bring court cases before the end of the year if these practices don't stop.

In a [speech](#) at the [Unwired Revolution](#) Conference, the ACCC talked of the findings of a review into the Australian communications sector. In particular, he drew attention to the fact that the Australian public were opting for slower speeds on the NBN mainly because ISPs were unwilling to sell faster speeds because of the high costs of the connections (CVC) provided by NBN Co.

The pricing of wholesale connections provided by NBN Co are set in order for them to recoup money that has been invested, in large part by the Australian federal government, and so unless NBN Co directed to do something different by the government, the situation is unlikely to change.

Part of the problem is the lack of transparency with regard to the extent of the problem of NBN customers not getting what they thought they had paid for. Many properties that are being supplied with a Fibre to the Node (FTTN) connection may never be able to get the fastest connection plan of 100 Mbps because they are too far from the node. As the chart below shows, speeds of 100 Mbps can only be achieved if the house is within 500 meters of the node.

