

31 October 2023



### **Official Information Act #23.081 – Response**

1. We refer to your request received on 10 October 2023 for information about broadband charges. You would like to know:
  - 1.1 If the Commerce Commission (**Commission**) has received any complaints regarding broadband providers tying people into a 12-month contract then putting the price up while still offering the old price to new customers and penalising people if they try to switch.
2. On 13 October 2023, you clarified the scope of your request for any complaints the Commission has received in the period 14 May 2022 to 10 October 2023, regarding broadband providers tying people into a 12-month contract then putting the price up while still offering the old price to new customers and penalising people if they try to switch. If so, how many complaints.
3. We have treated this as a request for information under the Official Information Act 1982 (OIA).

### **Our response**

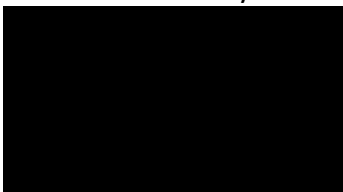
4. The Commission received 30 complaints regarding the first part of the issue at [2] “broadband providers tying people into a 12-month contract then putting the price up” in the period 14 May 2022 to 10 October 2023.
5. Due to the request being very specific, some parts of the request may not have been provided by the complainant or was simply unknown (i.e., penalisations when attempting to switch contracts). Therefore, we have included all complaints which relate to the broad issue of existing customers on long term contracts (12 months) being charged more than the advertised price for new customers.

6. It is important to consider complaint numbers in the following context:
- 6.1 Complaints data on its own cannot paint a complete picture of compliance with the law. The fact that a complaint has been received does not necessarily mean that a trader has done anything wrong, or any harm has been caused to any consumer or competitor. Some complaints will not be investigated by the Commission because they are unfounded or outside our jurisdiction, and some complaints that are investigated will not proceed to further action.
  - 6.2 The complaints data only reflects what consumers have chosen to report to the Commission or to other organisations that have, in turn, provided information to the Commission. Some complaints on the same matter are likely to have reached other complaint bodies instead of the Commission.
  - 6.3 Larger traders are likely to generate more complaints as a function of their scale; we have not adjusted for this.
  - 6.4 Complaint volumes for a trader can be about a single matter or multiple matters. Some matters that attract a high level of publicity can generate a large volume of complaints.

**Further information**

- 7. Please note the Commission will be publishing this response to your request on its website. Your personal details will be redacted from the published response.
- 8. Please do not hesitate to contact us at [ويا@comcom.govt.nz](mailto:ويا@comcom.govt.nz) if you have any questions about this response.

Yours sincerely



OIA and Information Coordinator