

China broadband to get faster, cheaper

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People use their laptop computers at a cafe in Beijing, March 2011. Two government-owned Chinese telecom firms said Friday they would raise the speed of their broadband services while lowering their costs over the next five years

Two government-owned Chinese telecom firms said Friday they would raise the speed of their broadband services while lowering their costs over the next five years, state-run media reported.

The announcement by <u>China Telecom</u> and <u>China Unicom</u> -- which together serve 90 percent of China's <u>broadband market</u> -- follows an anti-



monopoly probe launched last month by the nation's economic planner.

The National Development and Reform Commission in November alleged the two firms had hindered other companies from entering the broadband market by working together to increase access costs and slow down Internet speeds.

The NDRC, which said the two companies were using market dominance to set prices, on Friday said it had received the companies' requests to end its probe and would handle them according to the law, the Xinhua news agency said.

The two <u>telecom companies</u> are estimated to command two-thirds of overall Internet access in China, where 500 million people surf the web, more than 360 million using broadband.

China's average <u>broadband speed</u> is less than one-tenth that of the United States, Britain and Japan, yet fees are as much as four times higher, says the Advisory Committee for State Informatisation, which operates under the State Council, or cabinet.

In statements on their respective websites, China Telecom and China Unicom both said they had found "improper" charges for Internet service providers and that their networks were not properly integrated as required by regulations.

Both companies pledged to enhance service and lower costs, with China telecom saying it will lower broadband charges to the public by around 35 percent over the next five years.

China's state censors heavily police the Internet and delete content that questions the legitimacy of the country's leading one-party government or otherwise counters its stated goal of promoting a "harmonious



society".

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