

## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Bridget Gannon/Margaret Lopez

SB23-000734

**SUBJECT: ABC and SBS Funding****Talking Points**

- 5-year funding terms for the ABC and SBS commenced on 1 July 2023.
  - The ABC will receive \$6.0 billion to 30 June 2028
  - The SBS will receive \$1.8 billion to 30 June 2028
- The funding includes an additional \$103.8 million to provide ongoing funding for 3 previously terminating measures.
  - The ABC will receive \$55.6 million for Enhanced News Gathering and Audio Description
  - The SBS will receive \$48.2 million for Media Sector Support and Audio Description
- The ABC also received an additional \$8.5 million over 4 years, commencing 1 July 2023, to expand transmission services in the Pacific under the Indo-Pacific Broadcasting Strategy (see **SB23-000738**).
- The Department of Infrastructure, Transport, Regional Development, Communications and the Arts is conducting a review of options to support the national broadcasters' stability and independence (see **SB23-000737**).

**Key Issues***5-year funding for the national broadcasters*

- ABC and SBS 5-year funding terms commenced on 1 July 2023.
- This funding replaces the most recent 3-year funding, which commenced 1 July 2022. Funding for the national broadcasters has been determined in trienniums since 1988.
- Three previously terminating funding measures – ABC Enhanced News Gathering, SBS Media Sector Support, and ABC and SBS Audio Description – have been extended to 30 June 2028 and rolled into ongoing general operational activity funding.
  - The ABC reported on ENG-funded activities in its 2022-23 annual report, and has advised the department that it intends to continue this reporting going forward.
- ABC and SBS operational and transmission funding is indexed. Indexation is calculated annually ahead of each Budget to reflect the forecast economic conditions of the year in which costs are expected to occur.
- ABC Managing Director David Anderson welcomed the 5-year funding, stating that 'the funding provides a solid foundation as the ABC continues to evolve its services to meet the needs of Australian audiences... The funding certainty provided by the Budget is vital, as it enables the ABC to plan with confidence.'

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- The SBS has said that it 'welcomes the continuity and stability which the five-year funding model provides, ensuring that we are able to keep delivering our vital services for all Australians and especially multilingual and First Nations communities.'

*Impact of terminating funding measures*

- ABC received the following new terminating funding in the October 2022 Budget:
  - \$0.5 million over 1 year (terminating 30 June 2023) to undertake a feasibility study into the expansion of Double J.
  - \$83.7 million over 4 years (terminating 30 June 2026) to restore funding removed from the 2019-22 funding period as a consequence of a pause on indexation.
  - \$32 million over 4 years (terminating 30 June 2026) to expand its regional transmission infrastructure, content production and media capacity training in the Pacific (see **SB23-000738**).

These funding measures are included in the ABC Portfolio Budget Statement as part of General Operational Activity funding.

- As a result of these terminating funding measures, ABC operational activity funding is lower in 2026-27 financial year compared to the previous year.
- The ABC also received an additional \$8.5 million over 4 years in the 2023-24 Budget to expand transmission services in the Pacific under the Indo-Pacific Broadcasting Strategy (see **SB23-000738**). This funding will terminate 30 June 2027.

*Review of options to support the national broadcasters' stability and independence*

- The department is conducting a review of options to support the independence of the national broadcasters. This was part of the Australian Government's commitment to implement 5-year funding for both the ABC and SBS (see **SB23-000737**).

**Background**

- Australian Government funding for the national broadcasters comprises 2 components: general operational activity funding to support delivery of services, and transmission and distribution funding for transmission infrastructure (under contract with BAI).
- The department receives appropriations, which are then paid annually to the national broadcasters.
- SBS operates under a mixed funding model that allows its Government funding to be supplemented by commercial activities, including broadcasting of paid advertising and sponsorship announcements. The SBS Board is required to publish guidelines on the types of advertising and sponsorship announcements it is prepared to broadcast (ss. 45(4) of the *Special Broadcasting Service Act 1991*). In the 2022-23 financial year SBS made \$181.2 million from advertising and the sale of goods and services, representing around 36 per cent of its total budget.

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- In 2022-23, approximately 92 per cent of ABC's total revenue was from the Government. The remainder, totalling \$93.8 million, was generated by ABC commercial activities, including co-production arrangements, facilities hire, services provided, interest and commissions.
- The *Australian Broadcasting Corporation Act 1983* allows the ABC to generate revenue from commercial activities such as co-production arrangements (ss. 25(5)), but prohibits it from including advertising on its broadcast services (s. 31).

Financial Information as at 18 May 2023:

Total national broadcaster funding over the 5 years, with new funding shaded, consists of:

\$ million	2023-24	2024-25	2025-26	2026-27	2027-28*	Total
<b>Total ABC funding</b>	<b>1,137.6</b>	<b>1,196.1</b>	<b>1,229.2</b>	<b>1,227.6</b>	<b>1,253.4</b>	<b>6,043.9</b>
General Operational Activities <sup>(1)</sup> , including	936.6	988.3	1,015.3	1,008.8		
IPBS Transmission <sup>(2)</sup>	4.7	1.2	1.3	1.3		8.5
Enhanced News Gathering <sup>(3)</sup>	15.3	15.6	16.9	17.5	18.0	83.3
Audio Description <sup>(4)</sup>	1.0	1.0	1.1	1.1	1.1	5.2
Transmission and Distribution	201.0	207.8	213.9	218.8		
<b>Total SBS funding</b>	<b>334.9</b>	<b>348.4</b>	<b>356.6</b>	<b>364.8</b>	<b>371.8</b>	<b>1,776.5</b>
General Operational Activities, including	256.1	268.5	273.4	279.2		
Audio Description <sup>(4)</sup>	1.0	1.0	1.1	1.1	1.1	5.2
Media Sector Support <sup>(5)</sup>	9.4	10.9	11.1	11.4	11.6	54.4
Transmission and Distribution	78.8	79.8	83.2	85.6		
<b>Total ABC and SBS funding</b>	<b>1,472.5</b>	<b>1,544.5</b>	<b>1,585.9</b>	<b>1,592.4</b>	<b>1,625.2</b>	<b>7,820.4</b>

Notes: Totals may not add due to rounding.

\* Indicative costings, 2027-28 funding profile will be finalised following the 2023-24 MYEFO.

1. Includes terminating funding for indexation return and the Indo-Pacific Broadcasting Strategy, which were announced in the October 2022 Budget and terminate 30 June 2026.
2. IPBS Transmission supports the ABC to expand transmission services in the Pacific as part of the Indo-Pacific Broadcasting Strategy.
3. Enhanced News Gathering supports ABC news services outside the major city centres by supporting local reporting and thematic specialists.
4. Audio Description supports the ABC and SBS to continue and expand audio description services for blind and vision impaired Australians.
5. Media Sector Support supports the SBS to increase the availability of news and content to Australian Chinese and Arabic speaking communities.

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**SUBJECT: ABC and SBS Board Appointments****Talking Points**Status of ABC Board membership

- The ABC Board currently has **no non-executive Director vacancies**.
- On 16 October 2023, Ms Louise McElvogue and Ms Nicolette Maury were appointed as non-executive Directors to the ABC Board.
- The Australian Government endorsed the ABC Board's decision to reappoint Mr David Anderson as **ABC Managing Director** for a second 5-year term, that commenced on 1 July 2023. Any questions regarding this appointment should be directed to the ABC.
- The **next ABC Board vacancy** scheduled to arise is the **ABC Chairperson**, in March 2024. The current Chairperson, Ms Ita Buttrose AC OBE advised the Government that she did not wish to seek reappointment. The independent Nomination Panel for ABC and SBS appointments (Nomination Panel) is conducting a merit-based selection process and will provide its report to the Government in due course.

Status of SBS Board membership

- The SBS Board currently has **no non-executive Director vacancies**.
- The Government endorsed the SBS Board's decision to reappoint Mr James Taylor as **SBS Managing Director** for a second 5-year term, commencing on 22 October 2023. Any questions regarding this appointment should be directed to the SBS.
- The **next SBS Board vacancy** scheduled to arise is a non-executive Director, in October 2024.

**Key Issues***2023-24 ABC Chairperson selection process*

- On 14 August 2023 the Minister for Communications wrote to the Chair of the Nomination Panel requesting that a merit-based selection process be undertaken for the upcoming Chairperson vacancy.
- A national advertising campaign for the position commenced on 25 August and closed on 22 September 2023.

*2023 ABC non-executive Director selection process*

- On 16 October 2023 the Governor-General appointed Ms Louise McElvogue and Ms Nicolette Maury as non-executive Directors on the ABC Board for 5-year terms. Both appointees were put forward by the Nomination Panel.

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- These positions arose due to the following:
  - The first vacancy arose on 31 January 2023 when Ms Fiona Balfour resigned from the ABC Board. A copy of her letter dated 27 January 2023 was provided to the Minister for Communications by the ABC Chairperson on 31 January 2023.
  - The second vacancy arose on 10 May 2023 when the 5-year term of Mr Joseph Gersh AM concluded.
- The Nomination Panel ran a selection process to fill 2 non-executive Director vacancies on the ABC Board.
- A national advertising campaign for the positions commenced on 3 May and closed on 26 May 2023. Over 400 applications were received.
- The Nomination Panel's written report of nominated candidates for appointment to these positions was provided to the Minister on 10 August 2023.
- The Minister for Communications wrote to the Prime Minister on 5 September 2023, putting forward 2 candidates for these positions.

*ABC staff-elected Director*

- The Australian Electoral Commission conducted the election of a new ABC staff-elected Director. The ballot was open from 24 February to 31 March 2023.
- Ms Laura Tingle was elected as the new staff-elected Director. Ms Tingle's appointment commenced on 1 May 2023, on a part-time basis for a period of 5 years.
- Under subsection 14(2) of the *Australian Broadcasting Corporation Act 1983* (ABC Act), the staff-elected Director is to be paid the non-executive Director annual fee of \$62,710, as determined by the Remuneration Tribunal (Remuneration and Allowances for Holders of Part-time Public Office) Determination 2023.
- Any further questions on the election or Ms Tingle's total remuneration should be directed to the ABC.

*Impact of the Independence Review and Briggs Review on current appointment processes*

- The Department of Infrastructure, Transport, Regional Development, Communications and the Arts is conducting a review of options to support the independence of the national broadcasters (the Independence Review). This includes an examination of the appointment processes for the ABC and SBS Boards to protect against political interference (see SB23-000373).
- The Review of Public Sector Board Appointments Processes, led by Ms Lynelle Briggs AO (Briggs Review), is considering appropriate standards and processes for the appointment of members to government boards.

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- The ABC Chair process will be undertaken as per the current requirements of the ABC Act with the independent Nomination Panel for ABC and SBS appointments to advertise the vacancy and assesses applications against merit-based selection criteria.
- Given the vacancy in the Chair position will arise in March 2024, it is appropriate that the selection process get underway. The Government will consider recommendations of the Independence Review and Briggs Review in due course. It is expected that the final report for both reviews will be provided to the Government in 2023.

*ABC Managing Director*

- The ABC Act provides that the appointment of the Managing Director is made by the Board. The public communication of that appointment therefore rests with the Board.
- Under the Cabinet Handbook, for full-time chief executive officer (CEO) positions, including in instances where the board selects the CEO, the minister cannot signify agreement without the formal approval of the Prime Minister, or the Cabinet.
- Minister Rowland wrote to the ABC Chair confirming the Government's endorsement on 11 May 2023.

*SBS non-executive Director process*

- On 8 June 2023 the Governor-General appointed Ms Cassandra Wilkinson as a non-executive Director on the SBS Board for 5-year term. Ms Wilkinson was put forward by the Nomination Panel.
  - On 16 February 2023, the Minister wrote to the Chair of the Nomination Panel, requesting the Panel reconsider the existing applicant list from the 2022 SBS non-executive Director selection process and provide a broader list of meritorious nominations for consideration to fill the remaining vacancy on the SBS Board.
  - The Nomination Panel's written report of nominated candidates for appointment to this position was provided to the Minister on 28 April 2023.
- On 16 February 2023, the Governor-General appointed Mr Aaron Fa'Aoso and Dr Andrew Lu as non-executive Directors to the SBS Board for 5-year terms. Both candidates were put forward by the Nomination Panel.
- On 16 February 2023, the Governor-General reappointed Ms Christine Zeitz as Deputy Chairperson and non-executive Director on the SBS Board, with effect from 10 May 2023 for a period of 5 years.

*SBS Managing Director*

- The SBS Act provides that the appointment of the Managing Director is made by the Board. The public communication of that appointment therefore rests with the Board.

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- Under the Cabinet Handbook, for full-time chief executive officer (CEO) positions, including in instances where the board selects the CEO, the minister cannot signify agreement without the formal approval of the Prime Minister, or the Cabinet.
- Minister Rowland wrote to the SBS Chair confirming the Government's endorsement on 8 September 2022.

*Appointments to the Nomination Panel*

- Under the ABC Act, the Secretary for the Department of Prime Minister and Cabinet (PM&C) is responsible for making appointments to the Nomination Panel.
- On 23 June 2023, the Secretary of PM&C appointed Ms Daryl Karp AM as a member of the Nomination Panel following the resignation of Dr Kirstin Ferguson AM on 6 February 2023.
- Also on 23 June 2023, the Secretary of PM&C, reappointed Ms Helen Williams AC as Chair of the Panel until 28 June 2025. Ms Williams has served as Chair since August 2022 and as a member of the Panel since 30 June 2017.
- The other members of the Panel are Dr Derek Wilding and Ms Catherine Liddle (3 year terms until 23 August 2025).

**Background**ABC Board – Chairperson selection process

On 25 August 2023, the independent Nomination Panel commenced a recruitment process to fill the upcoming vacancy of the role of Chairperson of the ABC Board.

The list of publications in which advertisements for this position was placed is below.

Publications		
National and metropolitan	Indigenous	Digital
Australian Financial Review	Koori Mail	Australian Financial Review
Weekend Australian		The Australian
Sydney Morning Herald		Koori Mail
The Age (Vic)		LinkedIn
Brisbane Courier Mail		Hogan
Adelaide Advertiser		Women on Boards
West Australia		Women in Technology
Hobart Mercury		
Northern Territory News		
Canberra Times		

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On the recommendation of the Master Media Agency, Universal McCann, digital programmatic advertising was also used to target CALD and First Nations audiences.

The Nomination Panel will assess candidates and provide a shortlist of at least 3 nominations for the position to the Prime Minister, the Hon Anthony Albanese MP and the Minister for Communications, the Hon Michelle Rowland MP.

The Prime Minister is required to consult with the Leader of the Opposition in the House of Representatives before making a recommendation to the Governor-General.

Consistent with past practice and with Australian Government procurement requirements, the department is using an executive search agency, Challis & Company, to support the Nomination Panel.

ABC Board – 2023 non-executive Director selection process

On 21 December 2022, the Minister wrote to ABC non-executive Director Mr Joseph Gersh AM and to the ABC Chairperson advising of her decision not to reappoint Mr Gersh at the conclusion of his term on 9 May 2023. The Minister also wrote to the Chair of the Nomination Panel, requesting the Nomination Panel commence a merit-based selection process to fill this vacancy.

On 16 February 2023, the Minister wrote to the Chair of the Nomination Panel, requesting the Panel use the existing merit-based selection process to also fill the non-executive Director vacancy on the ABC Board that arose with Ms Fiona Balfour's resignation.

The list of publications in which advertisements for these positions were placed is below.

Publications		
National and metropolitan	CALD	Digital
Australian Financial Review	Australian Chinese Daily	Seek
Weekend Australian	Neos Kosmos	Australian Financial Review
Sydney Morning Herald	The Indian Link	The Australian
The Age (Vic)	Il Globo	Koori Mail
Brisbane Courier Mail	Melbourne Journal	LinkedIn
Adelaide Advertiser	Ti vi Tuan San	Hogan
West Australian	Regional	Women on Boards
Hobart Mercury	The Land	Women in Technology
Northern Territory News	Indigenous	
Canberra Times	Koori Mail	

Consistent with past practice and with Australian Government procurement requirements, the department used an executive search agency, Challis & Company, to support the Nomination Panel.

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SBS Board – 2022 non-executive Director selection process

On 12 September 2022, Mr Nyunggai Warren Mundine AO wrote to the Governor-General, notifying his resignation as a non-executive Director on the SBS Board.

On 7 November 2022, Mr William Lenehan and Ms Dorothy West's terms as non-executive Directors on the SBS Board concluded. Neither were eligible for reappointment as they had served for 10 years.

The Nomination Panel ran a selection process to fill these 3 SBS Board vacancies. A national advertising campaign for the positions commenced on 29 August and applications closed on 19 September 2022.

The list of publications in which advertisements for these positions were placed is below.

Publications		
National and metropolitan	CALD	Digital
Australian Financial Review	Epoch Times	SBS website
Weekend Australian	Neos Kosmos	LinkedIn
Regional	Indian Link	Seek
The Land	Il Globo	Australian Financial Review
Indigenous	Melbourne Journal	The Australian
Koori Mail	Ti vi Tuan San	National Indigenous Times

On 15 November 2022, the Nomination Panel provided the Minister with a written report of nominated candidates for appointment to the SBS Board.

Procurement of executive search agency to support the Nomination Panel

On 15 July 2022, the department executed an agreement with Challis & Company (Challis) for executive search services. The agreement covers a two-year period, ending on 17 July 2024, and is valued at a maximum of \$180,000 (GST inclusive).

The department procured Challis through a panel arrangement process in compliance with Australian Government procurement requirements. On 6 June 2022, the department sent a Request for Quote to 15 suppliers on the Department of Finance's Governance and Executive Search Services Panel (SON ID: SON3579104) and received responses from 9 tenderers. The department evaluated the responses and determined Challis to be the preferred tenderer.

Prior to executing an agreement with Challis, the department had an agreement with Watermark Search International Pty Ltd for executive search services from 10 September 2020 until 30 June 2022.

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Upcoming ABC/SBS Board vacancies (until December 2024)

## ABC Board

Name	Position	Term ends
Ms Ita Buttrose AC OBE	Chairperson	6 March 2024 (current selection process underway)
Mr Peter Lewis	Non-executive Director	1 October 2024 (not eligible for reappointment)

## SBS Board

Name	Position	Term ends
Mr Peeyush Gupta AM	Non-executive Director	15 October 2024 (not eligible for reappointment)

Appointment process*Appointment of Board members*

Part IIIA of the ABC Act and Part 3A of the SBS Act provide that a merit-based selection process must be followed before the appointment of new non-executive Directors to the ABC and SBS Boards.

The Nomination Panel conducts a merit-based selection process for each appointment of a Chairperson and non-executive Director to the ABC and SBS Boards.

The Nomination Panel is required to provide the Minister with a report nominating at least 3 candidates for each vacancy, including a comparative assessment of those candidates. The Government considers this report and makes its recommendations to the Governor-General for appointment.

It is not a requirement for the Government to recommend a candidate nominated by the Nomination Panel. However, if a candidate not nominated by the Nomination Panel is appointed, the Minister must table a statement of reasons for the appointment in both Houses of Parliament that includes an assessment of the person against the selection criteria.

Since the Nomination Panel came into effect on 24 November 2012, there have been:

- 28 new appointments (13 for ABC and 15 for SBS)
- 8 board members appointed **without** being recommended by the Nomination Panel (5 for ABC and 3 for SBS)

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The full list of appointments since the Nomination Panel came into effect on 24 November 2012 (including reappointments) is below:

ABC Board

Name	Position	Start date <i>Previous term in italics</i>	End date <i>Previous term in italics</i>	Recommended by Nomination Panel?
Ms Donny Walford	Non-executive Director (NED)	24.11.2015	23.11.2020	N
Dr Vanessa Guthrie	NED	23.02.2017	19.03.2021	N
Justin Milne	Chairperson	01.04.2017	27.09.2018	Y
Joseph Gersh AM	NED	10.05.2018	09.05.2023	N
Dr Kirstin Ferguson	Deputy Chairperson <i>a/g Chairperson NED</i>	07.03.2019 <i>28.09.2018 12.11.2015</i>	11.11.2020 <i>06.03.2019 11.11.2020</i>	N*
Ms Ita Buttrose AC OBE	Chairperson	07.03.2019	06.03.2024	N
Mr Peter Lewis	NED	02.10.2019 <i>02.10.2014</i>	01.10.2024 <i>01.10.2019</i>	Y
Mr Mario D'Orazio	NED	13.05.2021	12.05.2026	Y
Ms Fiona Balfour	NED	13.05.2021	12.05.2026	N
Mr Peter Tonagh	Deputy Chairperson <i>NED</i>	11.11.2021 <i>13.05.2021</i>	12.05.2026 <i>12.05.2026</i>	Y
Ms Georgie Somerset	NED	23.02.2022 <i>23.02.2017</i>	22.02.2027 <i>22.02.2022</i>	Y
Ms Louise McElvogue	NED	12.10.2023	11.10.2028	Y
Ms Nicolette Maury	NED	12.10.2023	11.10.2028	Y

\* Dr Ferguson participated in the selection process conducted by the Nomination Panel and was considered 'very suitable' for appointment, the Panel's highest rating. Due to other commitments, she withdrew before the Panel made its recommendations but was subsequently invited by the Government to reconsider her position

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SBS Board

Name	Position	Start date <i>Previous term in italics</i>	End date <i>Previous term in italics</i>	Recommended by Nomination Panel?
Mr Nihal Gupta	Chairperson	16.10.2014	10.02.2016	Y
Mrs Daryl Karp AM	NED	30.06.2016 <i>30.06.2011</i>	29.06.2021 <i>29.06.2016</i>	N/A*
Dr Bulent Hass Dellal AO	Chairperson <i>Deputy Chairperson</i> NED	9.02.2017 <i>03.06.2015</i> <i>03.06.2010</i>	02.06.2020 <i>08.02.2017</i> <i>02.06.2015</i>	N/A*
Prof Sally Walker AM	NED	23.02.2017	22.02.2022	N
Mr William Lenehan	NED	08.11.2017 <i>08.11.2012</i>	07.11.2017 <i>07.11.2012</i>	N/A*
Ms Dorothy West	NED	08.11.2017 <i>08.11.2012</i>	07.11.2022 <i>07.11.2017</i>	N/A*
Mr Peeyush Gupta AM	NED	16.10.2019 <i>16.10.2014</i>	15.10.2024 <i>15.10.2019</i>	Y
Mr George Savvides AM	Chairperson <i>Deputy Chairperson</i>	09.07.2020 <i>23.02.2017</i>	08.07.2025 <i>08.07.2020</i>	Y
Mr Vic Alhadeff	NED	30.09.2021	29.09.2026	N
Mr Nyunggai Warren Stephen Mundine AM	NED	29.10.2020	12.09.2022	N
Ms Katrina Rathie	NED	31.03.2022	30.03.2027	Y
Mr Aaron Fa'Aoso	NED	16.02.2023	15.02.2028	Y
Dr Andrew Lu	NED	16.02.2023	15.02.2028	Y
Ms Christine Zeitz	Deputy Chairperson <i>Deputy Chairperson</i> NED	10.05.2023 <i>30.09.2021</i> <i>10.05.2021</i>	09.05.2028 <i>09.05.2023</i> <i>09.05.2023</i>	Y
Ms Cassandra Wilkinson	NED	08.06.2023	07.06.2028	Y

\*The Nomination Panel was not established at the time of the first-term appointments of these members. Given a selection process is not required for reappointment, the Nomination Panel was not involved.

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*Membership of the ABC Board*

Under Section 12 of the ABC Act, the Board shall consist of:

- (a) the Managing Director; and
- (b) the Chairperson; and
- (ba) the staff-elected Director; and
- (c) not fewer than 4 nor more than 6 other Directors

*Membership of the SBS Board*

Under section 8 of the SBS Act, the Board consists of:

- (a) the Managing Director; and
- (aa) the Chairperson; and
- (b) not fewer than 3 nor more than 7 other non-executive Directors.

*Deputy Chairperson appointments*

Subsection 12(3) of the ABC Act and section 21 of the SBS Act provide that the Governor-General shall appoint one of the non-executive Directors to be the Deputy Chairperson of their respective Boards.

The appointment of a Deputy Chairperson is a machinery appointment – therefore, a public selection process is not required. This ensures the ongoing business needs of the Boards and the organisations can continue to be met.

*Reappointment of Board members*

Subsection 12(2) of the ABC Act provides that non-executive Directors, except for the staff-elected Director, shall be appointed by the Governor-General on a part-time basis for a period not exceeding five years as specified in the instrument of appointment and are eligible for reappointment.

Subsection 12(2A) of the ABC Act provides that the sum of the periods for which a person holds office as a non-executive Director on the ABC Board must not exceed 10 years.

Subsection 18(1) of the SBS Act provides that a non-executive Director holds office, subject to the Act, for such period (not exceeding five years) as is specified in the instrument of appointment, but is eligible for reappointment. Subsection 18(2) of the SBS Act provides that reappointment must be for a period not exceeding five years. Subsection 18(3) of the SBS Act provides that the sum of the periods a person holds the office of non-executive Director must not exceed 10 years.

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**Version Number:** 1

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## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Bridget Gannon / s22(1)(a)(ii)

SB23-000736

**SUBJECT: SBS Relocation Feasibility Study****Talking Points**

- The Department of Infrastructure, Transport, Regional Development, Communications and the Arts is leading the study in collaboration with the SBS.
- The Steering Committee was appointed by the Minister for Communications on 27 April 2023.
- Minister Rowland met with all the members of the Steering Committee on 21 August to discuss the progress of the study, the study timeframe and to provide feedback to the committee on Australian Government expectations.
- The study is being delivered by a steering committee with support from the department.
- The results of the feasibility study are not a foregone conclusion and it would be pre-emptive to comment on the potential cost of relocating the SBS before the feasibility study is completed.
- The committee is an advisory structure which operates within the department at the discretion of the Minister. The committee's advice is non-binding.
- The committee will be responsible for making any recommendations in respect of preferred location/s and for ensuring any processes undertaken comply with applicable legislation and policies.
- Any decision to relocate the SBS will lie with the SBS Board.

**Key Issues**

- The project will examine the feasibility of co-located community facilities for content creation, training or other community use.
- s47C the Minister issued a press release and the letters of appointment on 27 April 2023.
- The Minister for Communications will assess and act on steering committee and department advice over the life of the project.
- The committee will meet monthly, or as determined otherwise by the committee either in or out of session.
- The committee has held 5 meetings, with the most recent being held on 11 October.
- The committee will cease to exist by 31 August 2024 unless the Minister notifies in writing of an earlier cessation date of the committee, or the Minister agrees to, and notifies in writing of, an extension.

**Contact:** s22(1)(a)(ii)**Cleared by First Assistant Secretary:** Bridget Gannon**Phone:** (02) s22(1)(a)(ii)**Version Number:** 04**Date:** 20/10/2023

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SB23-000736

- \$1.0 million (GST inclusive) has been allocated to this project from existing resources.

*What happens next*

- Work has begun on an initial feasibility assessment which is being conducted in close consultation with SBS. The department has engaged HoustonKemp Economists to assist with this initial feasibility assessment.
- If it is assessed by the Steering Committee and the SBS Board agrees that relocation is not feasible, the study will end at this stage.
- If it is assessed by the Steering Committee and the SBS Board agrees that relocation is feasible, the study will then progress to a public call for expressions of interest for Western Sydney sites.
- The public call for expressions of interest would occur in 2024, and would be followed by a formal evaluation of responses to identify an optimal location.

*Feasibility Study consultation*

- The Steering Committee has undertaken targeted consultation with key stakeholders including key NSW Government departments such as Infrastructure NSW, NSW Premiers Department, the Department of Planning and Environment, Western Parkland City Authority, and Create NSW to discuss the study, its potential for scale, and synergies with their agency's activities.
- Meetings between the Steering Committee and key western Sydney councils (Blacktown, Campbelltown, Canterbury Bankstown, Cumberland, Fairfield, Liverpool, Parramatta, and Penrith) and Willoughby Council are being arranged for October and November.

*Community consultation*

- The Steering Committee has undertaken targeted consultation with relevant NSW Departments.
- Meetings between the Steering Committee and key western Sydney councils and Willoughby Council are being arranged for October and November.
- There are no plans for community-wide consultation at this stage.
- Interested parties who wish to express their views can email their comments to the secretariat of the Steering Committee via the dedicated email available on the department's website.

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*Why has the department engaged a consultant for the study?*

- Work has begun on an initial feasibility assessment.
- The department has engaged HoustonKemp Economists to produce a rapid cost benefit analysis.
- HoustonKemp has the specialist expertise to perform the work that is needed.
- The engagement of HoustonKemp was conducted from the mandatory Whole of Government Management Advisory Services Panel and was in compliance with all Commonwealth Government procurement requirements.

*If asked about the SBS Staff Survey, released 4 September 2023*

- SBS recently launched a staff survey to assist with the study.
- As Australia's most diverse broadcaster, the work that SBS does providing multilingual, multicultural and First Nations television, radio and digital media services to Australians matters.
- This work couldn't be done without talented employees who are able to showcase the diversity of Australia.

*Will the SBS be moving to join the ABC in Parramatta?*

- The ABC has publicly committed to having 75 per cent of its content makers outside of Ultimo by 2025 as part of its Five-Year Plan.
- The announcement by the ABC to relocate up to 300 employees to Parramatta by 2024 is the broadcaster's independent decision that is separate to the Australian Government's decision to commission an SBS relocation feasibility study.

*Who is on the steering committee?*

- The Chair of the steering committee is Mr Michael Mrdak AO, previous Secretary of the then Department of Communications and the Arts, and Infrastructure and currently the Executive Chairperson for NEC Australia and New Zealand.
- Mr Mrdak is joined on the steering committee by the following eminent experts:
  - Ms Daryl Karp AM – currently the Director and CEO of the Australian National Maritime Museum, Ms Karp has extensive experience in broadcasting and digital media and was a non-executive Director on the SBS Board from 2011-2021.
  - Mr Mark Ramsey – an expert in investment banking, funds management and property development with 21 years of experience at senior levels of Macquarie Group.
  - Mr James Taylor – the current Managing Director of SBS and member of the SBS Board.

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- First Assistant Secretary, Online Safety, Media and Platforms Division in the Department of Infrastructure, Transport, Regional Development, Communications and the Arts.

*If asked: "How can Government commit to a competitive bidding process if any decision on relocation is a matter for the SBS Board and not the Government?"*

- The results of the feasibility study are not a foregone conclusion.
- The study is being delivered by the steering committee with support from the department.
- The steering committee, which includes the Managing Director of SBS, is responsible for making any recommendations in respect of preferred location/s and for ensuring any processes undertaken comply with applicable legislation and policies.
- The feasibility study is being conducted in full partnership with SBS, and any decision on relocation is ultimately a matter for the SBS Board – taking into account the Board's role, duties and obligations under the *Special Broadcasting Services Act 1991* and the *Public Governance Performance and Accountability Act 2014*
- If it is assessed by the Steering Committee and the SBS Board agrees that relocation is not feasible, the study will end at this stage.
- If it is assessed by the Steering Committee and the SBS Board agrees that relocation is feasible, the study would then progress to a public call for expressions of interest for Western Sydney sites.
- The public call for expressions of interest is expected to occur in 2024, and would be followed by a formal evaluation of responses to identify an optimal location.

*Probity arrangements*

- The department has engaged the Australian Government Solicitor (AGS) as an external probity advisor to ensure all probity requirements are met.
- AGS, as the external probity advisor to the project, will ensure all relevant legislative and policy requirements are met and there is a transparent and robust process under which any interested party may lodge an expression of interest.
- Further information on the study progress and on the timing of any public expression of interest process which may occur will be published on the department's website when it becomes available.

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SB23-000736

**Background**

- Since November 1993, SBS has been headquartered in Artarmon, on the lower North Shore of Sydney NSW. It maintains an office and broadcast facilities in Federation Square, Melbourne Vic, and an office at Parliament House, Canberra ACT. SBS leases space for sales teams in Brisbane, Adelaide and Perth. There are around 900 SBS staff working from Artarmon.
- During the election, the Australian Labor Party announced it would commission a feasibility study that will;
  - Examine the business case, benefits, and risks of relocating SBS facilities from Artarmon to Western Sydney.
  - Assess the benefits of providing a co-located multi-purpose space for content creation and public use.
  - Incorporate a competitive bidding process between local government areas to choose an optimal relocation site, in collaboration with the SBS.
- The SBS is governed by an independent board. The Board is responsible for ensuring the proper and efficient performance of the SBS's functions. The Minister has limited powers under the *Special Broadcasting Service Act 1991* to direct the SBS on operational matters.
- Minister Rowland wrote to all Cabinet Ministers, and Labor Senators and MPs who may have an interest in Western Sydney on 29 March 2023 advising them of the Probity Framework and including information to assist them and their offices in managing probity risk and responding to queries about the feasibility study.
- The Minister's Office and department met on 30 March 2023 with Ms Kylea Tink MP, independent federal Member for North Sydney, to provide an in-confidence briefing on the project. This was the second meeting with Ms Tink, the first being on 28 November 2022. Ms Tink does not support SBS relocating from Artarmon to Western Sydney.
- On 16 August 2023 Ms Tink, the State Member for Willoughby Mr Tim James MP, and the Mayor of Willoughby Ms Tanya Taylor, co-signed separate letters to Minister Rowland and the chair of the Steering Committee expressing their concern about the lack of community consultation. The Minister wrote to all three on 25 September informing them that the Chair of the Steering Committee would be arranging for a meeting with Willoughby Council.

**Financial Information as at 31 August 2023**

- The department has allocated \$1.0 million (GST inclusive) to conduct the study which will be drawn from existing departmental resources.

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- As at 31 August 2023, the project employed 2 full time staff consisting of a Project Director and an Assistant Director and \$383,241 had been expended for the project.
  - As the steering committee is not a statutory body, the committee members are not within the jurisdiction of the Remuneration Tribunal. However, in the interests of consistency across Government, remuneration has been benchmarked against the August 2022, Remuneration Tribunal determined remuneration levels for statutory bodies as per Part 4 of the [Remuneration Tribunal \(Remuneration and Allowances for Holders of Part-time Public Office\) Determination 2022](#) (Remuneration Tribunal Determination) and in line with the department's Appointment Guidelines.
  - The daily fee payable to the Chair Mr Mrdak is therefore \$1,541, and the daily fee payable to Mr Mark Ramsey is \$1,233. The other 3 members of the committee are already paid for their substantive roles as Commonwealth employees and will not receive additional payment for steering committee membership.

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## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Bridget Gannon/Margaret Lopez

SB23-000737

**SUBJECT: Review of options to support the independence of the national broadcasters****Talking Points**

- The Department of Infrastructure, Transport, Regional Development, Communications and the Arts is undertaking a Review of the National Broadcasters' Stability and Independence. This was part of the Australian Government's commitment to implement 5-year funding terms for both the ABC and SBS, which commenced on 1 July 2023.
- Public consultations opened on 20 July 2023 and closed on 31 August 2023.
- A consultation paper, including Terms of Reference (TORs), developed in consultation with the ABC and SBS, was released on 20 July 2023.
- The department expects to provide its recommendations to the Minister by the end of 2023. It is a matter for the Government to determine next steps, including whether to accept or implement any recommendations.

**Key Issues***Public and targeted consultations*

- The department has sought feedback from individuals, businesses, peak bodies and other interested parties on options to support and strengthen the independence of the national broadcasters, through an open public consultation process.
- The department has also undertaken targeted consultation with stakeholders, including with the ABC, the SBS, and relevant within Government, e.g. the Department of Finance.
- A total of 82 submissions and comments were received through the public consultation process:
  - 49 of these submissions were out of scope because they addressed matters outside of the terms of reference.
  - The department will publish submissions on its website in due course.
  - 5 private submissions were received as part of the process – these will be considered by the department but not published.
- The public consultation will inform recommendations to Government on options to support the national broadcasters' independence.

*Review of Public Sector Board Appointments Processes*

- The TORs of the review of options to support the independence of the national broadcasters acknowledge the Briggs Review as canvassing related issues.

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SB23-000737

- On 5 February 2023, the Government announced that Ms Lynelle Briggs AO would lead the Review of Public Sector Board Appointments Processes.
- Ms Briggs' Report was provided to the Government in August 2023. It's a matter for Government to consider in due course, the recommendations of the two distinct reviews and any crossover in issues arising.
- Questions about the Briggs Review, its publication and Government response should be directed to the Australian Public Service Commission.

**Background**Announcement of review

- The Government announced as an election commitment that it would 'review options for delivering a greater level of financial stability and certainty to the national broadcasters to safeguard against arbitrary funding cuts and political interference'.
- The Minister announced the commencement of public consultations at the ABC Friends NSW & ACT Winter Dinner in Sydney on 20 July 2023

Issues for consideration*Funding-related matters*

- In the May 2023 Budget, the Government implemented 5-year funding terms for the national broadcasters, starting from 1 July 2023.
- Under the current funding arrangements for the ABC and SBS, announced funding is not protected by legislation or any other framework. Consideration of funding arrangements in this review is limited to options to implement and maintain the 5-year funding arrangements. Quantum of funding, funding models and funding terms are explicitly excluded.

*Governance-related matters*

- Consideration of board governance arrangements does not include the staff-elected Director position on the ABC Board, the harmonisation of the requirements for composition of the ABC and SBS Boards or the efficiency and performance of the boards. The Minister's existing powers to direct the national broadcasters under legislation is also not under review.

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## Environment and Communications

Lead/Support contact: Bridget Gannon/Margaret Lopez

SB23-000738

**SUBJECT: Indo-Pacific Broadcasting Strategy****Talking Points**

- The Australian Government will shortly release its Indo-Pacific Broadcasting Strategy (the Strategy).
- The Strategy is being developed by the Department of Infrastructure, Transport, Regional Development, Communications and the Arts and the Department of Foreign Affairs and Trade (DFAT).
- Measures announced to date to support the Strategy:
  - Providing ABC with **\$40.5 million over 5 years from 2022-23** to fund additional FM transmission locations across the Pacific region.
  - Providing funding of **\$28.4 million over 5 years from 2022-23** to continue delivery of Australian television content to broadcasters in the Pacific (PacificAus TV Program – ‘Amplifying Australia’s Voice in the Pacific’ measure).
- The ABC is a key implementing partner for the Strategy and accompanying regional partnerships and initiatives.
- The department and DFAT have also completed an Indo-Pacific Broadcasting Review (the review), which was part of the Government’s commitment alongside the Strategy. The review examined:
  - the potential restoration of Australian shortwave radio broadcasting capacity in the Pacific (the commitment did not include domestic shortwave services);
  - options to continue the PacificAus TV program; and
  - options to maximise the impact of Australian taxpayer investment in the SBS in the Pacific media context.

**Key Issues***Indo-Pacific Broadcasting Strategy*

- The Strategy was part of the Government’s election commitment ‘Plan for a Stronger Pacific Family’.
- ABC Indo-Pacific Broadcast Strategy funding:

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	TOTAL
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
*Pacific Security and Engagement Initiatives	8.0	8.0	8.0	8.0	-	-	32.0

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**Enhancing Pacific Engagement	-	4.7	1.2	1.3	1.3	-	8.5
	8.0	12.7	9.2	9.3	1.3	-	40.5

Notes:

Refer to **SB23-000734** for more information on ABC funding.

\*This line item reflects funding under original 2022-23 \$32 million commitment (\$8 million per year), which is no longer reflected as a separate line item in the 2023-24 PBS.

\*\*This line reflects additional \$8.5 million provided in the 2023-24 Budget.

- The ABC received \$32 million over four years under the Strategy in the 2022-23 Budget to expand its transmission infrastructure, content production and media capacity training in the Pacific.
- An additional \$8.5 million over four years was provided to the ABC under the Strategy in the 2023-24 Budget. The ABC will spend the additional \$8.5 million provided in the 2023-24 Budget to expand ABC Radio Australia's FM footprint, adding up to 6 additional FM transmitter locations (Funafuti, Palau, Marshall Islands, Guam, Cook Islands, New Caledonia/French Polynesia) to the 20 locations already running or in development across the Pacific and Timor-Leste.
- This funding builds on the \$11 million per year the ABC already spends from its own base operational funding budget on international services, including ABC Australia, Radio Australia, and digital platforms. The ABC will receive a larger proportion of the \$8.5 million in 2023-24 (\$4.7 million) to establish content distribution and transmission infrastructure, with \$1.2 million in 2024-25 and \$1.3 million in each of 2025-26 and 2026-27. This reflects the initial higher costs of establishment in the first year, with lower funding in subsequent years to reflect maintenance costs.
- A Memorandum of Understanding (MOU) was signed in February 2023 between the department, DFAT and the ABC, which sets out each organisation's responsibilities as key partners in the delivery of the Strategy and related funding. This includes participation in quarterly meetings. To date these have occurred on 22 February 2023, 15 May 2023 and 24 August 2023. The next meeting is yet to be scheduled.
- While the ABC has operational independence and the \$8.5 million funding will form part of the ABC's operational activity funding, the MOU ensures that all agency partners are kept updated on delivery of the initiatives and commitments under the Strategy.

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SB23-000738

*PacificAus TV Program ('Amplifying Australia's Voice in the Pacific' measure)*

- The continuation of the PacificAus TV program will bolster the viability of regional media and expand access to Australian content. It will also strengthen engagement in the Pacific region.
- PacificAus TV Funding:

	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m	TOTAL \$m
*PacificAus TV	5.68	5.68	5.68	5.68	5.68	-	28.4

\* Figures have been adjusted for rounding to equal headline figure (2023-24 PBS: \$5.675m per year).

- The Amplifying Australia's Voice Program (known to participants as PacificAus TV) was announced in the 2018–19 Budget as a 3-year program (commencing 13 Nov 2019).
- It was extended for one year in the 2022–23 Budget with funding of \$5.7 million. During the 2022 election, as part of the Indo-Pacific Broadcasting Strategy, the Government made a commitment to maintain this funding in the 2023-24 Budget with a further total of \$22.7 million across four years from 2023-24 to 2026-27.
- Under the program, funding is provided to Free TV Australia which purchases the content distribution rights from Australia's commercial television broadcasters and negotiates its delivery to Pacific Partner Broadcasters (PPBs).
- The program's objectives include promoting Australia and Australia's values in the Pacific region. Providing news and information content strengthens Australia's contribution to discussion on issues of regional importance, whilst entertainment content showcases Australia's lifestyle and culture.

**Background***The Indo-Pacific Broadcasting Review*

- The department circulated a consultation paper to stakeholders in December 2022 (targeted consultation only, no public consultation) as part of the review. Eight submissions were received (including from ABC, SBS, Free TV, AAP and Australia Asia Pacific Media Initiative (AAPMI)), and from Australian diplomatic posts.
- The department also met with ABC, SBS, AAP, Free TV, BAI Communications, 360info and the AAPMI.

*Australian shortwave broadcasting in the Pacific*

- The ABC ceased shortwave transmission services in the Northern Territory and to international audiences from 31 January 2017. This was a decision of the ABC Board.

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- In the 2022 Federal Election, the ALP made an election commitment to investigate the possibility of reinstating shortwave broadcast into the Pacific. This commitment did not include domestic shortwave broadcasting.
  - In 2018, the Government reviewed Australian media services in the Asia Pacific. This review examined all media distribution platforms.
  - In relation to shortwave, the 2018 review concluded that although Australia is likely to have derived significant net benefits from its shortwave broadcasts to the Asia Pacific in the past, this does not necessarily mean that it would continue to derive those net benefits in the future if it resumed those broadcasts.

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## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Margaret Lopez

SB23-000739

**SUBJECT: Online Gambling****Talking Points**

- Online gambling is regulated in Australia by a combination of state and territory, and Commonwealth laws.
- The Australian Government has introduced a range of new measures to minimise the harms from online gambling, including:
  - introducing legislation to ban the use of credit cards for online wagering on 13 September 2023;
  - launching BetStop – the National Self-Exclusion Register for online wagering on 21 August 2023;
  - introducing mandatory customer pre-verification, which will require wagering service providers to verify a customer's identity before they can place a bet;
  - implementing new evidence-based advertising taglines to replace the old 'gamble responsibly' wording and mandatory training for staff of wagering service providers from 30 March 2023;
  - bringing together state and territory ministers for the first time since 2017 to discuss what comes next to address gambling harms; and
  - progressing changes to the classification scheme to protect children from exposure to gambling.
- The Government is also considering the recommendations from the House of Representatives Standing Committee on Social Policy and Legal Affairs inquiry into online gambling, including in relation to gambling advertising (SB23-000740 refers).

**Banning credit cards for online gambling**

- On 13 September 2023, the Minister introduced into the House of Representatives the Interactive Gambling Amendment (Credit and Other Measures) Bill 2023 (the Bill). The Bill amends the *Interactive Gambling Act 2001* (the IGA) to ban the use of credit cards and credit related products for online wagering.
- On 14 September 2023, the Senate referred the Bill to the Environment and Communications Legislation Committee (the Committee) for inquiry and report by 12 October 2023. The Department of Infrastructure, Transport, Regional Development, Communications and the Arts provided a submission on 22 September 2023.
- The Committee's report recommended that the Bill be passed and that the Minister for Communications undertake a review over the next 12-months into the regulation of keno-type lotteries under the *Interactive Gambling Act 2001*.
- The 2021 Parliamentary Joint Committee on Corporations and Financial Services (PJC) report 'Regulation of the use of financial services such as credit cards and digital wallets

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for online gambling in Australia', recommended a ban on the use of credit cards for online gambling, excluding lottery services as they present a low risk to gambling harm.

- If passed, the legislation would prohibit the use of credit cards for Australian licensed interactive wagering services (telephone and online), and the use of credit cards linked to a digital wallet or e-wallet such as Apple Pay and Google Pay. It would also prohibit the use of digital currencies (such as cryptocurrency) as a payment method.

#### BetStop - National Self-Exclusion Register for online wagering

- BetStop launched on 21 August 2023, and is a free service that allows individuals to self-exclude from all Australian licensed wagering services (online and telephone) for a period of 3 months up to a lifetime.
- The Australian Communications and Media Authority (the ACMA) has regulatory oversight and implementation responsibility for BetStop.
- Complementing the launch of BetStop, the Government introduced mandatory customer pre-verification on 29 September 2023, requiring wagering service providers to verify a customer's identity when they register for a new account and before they can place a bet. Previously, wagering service providers had 72 hours to verify a customer. This work is being led by the Department of Social Services.
- Questions regarding BetStop's implementation and post-launch operation can be directed to the ACMA.

#### Gambling-like content in computer games

- Computer game content is regulated under the National Classification Scheme, with content currently classified by the Classification Board or the International Age Rating Coalition (IARC) classification tool.
- The IGA does not capture computer games as they are considered a game of skill and are generally not played for money or anything else of value.
- Computer games currently receive consumer advice labelling including 'in-game purchases' and 'simulated gambling', but there is no mandatory minimum classification for gambling-like content.
- On 29 March 2023, the Government announced a two-stage process for classification reform, including a proposal to introduce mandatory minimum classifications of R 18+ for games that contain simulated gambling and M 15+ for games that contain in-game purchases linked to elements of chance, including loot boxes.
- The Standing Council of Attorneys-General unanimously agreed to the introduction of these minimum classifications at its meeting on 22 September 2023.
- Refer to *SB23-000755 – Updates to the Games Guidelines* for further information.

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SB23-000739

**Key Issues**Referral of the Bill to ban credit cards for online wagering

On 12 October 2023, the Environment and Communications Legislation Committee (the Committee) released its report into the provisions of the Interactive Gambling Amendment (Credit and Other Measures) Bill 2023 (the Bill). The Committee's terms of reference were to: "Explore scope and impact of Bill and the potential to include other harmful interactive wagering services like, for example, lotteries."

The Committee's report recommended that the Bill be passed and that the Minister for Communications undertake a review over the next 12-months into the regulation of keno-type lotteries under the *Interactive Gambling Act 2001*.

On 22 September 2023, the department made a submission, explaining why the Bill does not include online lotteries, including due to lower risk of harm; alignment with the recommendations of the 2021 Parliamentary Joint Committee inquiry report to ban the use of credit cards for online wagering; and to avoid unintended consequences for newsagencies and fundraising activities of charities.

Stakeholders broadly support the Bill, although the Alliance for Gambling Reform and Financial Counselling Australia made submissions objecting to lotteries being excluded from the ban.

Sportsbet has provided a submission to the Inquiry, suggesting online keno (where customers can spend up to \$1,000 per entry with a draw occurring every three minutes) be added to the Bill. Sportsbet did not raise this matter during the department's targeted consultation on the exposure draft Bill.

The Bill is scheduled to be debated in the sitting week commencing 16 October 2023.

BetStop, the National Self-Exclusion Register

BetStop launched on 21 August 2023. Wagering operators must promote BetStop, including on their websites and apps, by contact centre staff, and via marketing material to customers. ACMA will promote BetStop through social media, online, and in gambling venues for an initial 3-month campaign.

The IGA states that wagering providers must promote BetStop, including on their websites and apps, by contact centre staff, and via marketing material to customers. The ACMA is conducting a campaign to promote BetStop through social media, online ads and in gambling venues for 3 months from launch.

Industry were consulted on the design of the register, register rules and cost recovery arrangements and conducted extensive load testing and security assessments. This included

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management of sensitive personal information in accordance with government requirements.

BetStop is the tenth and final element to be implemented of the National Consumer Protection Framework for online wagering.

Complementing the launch of BetStop, the Government will introduce customer pre-verification, requiring wagering service providers to verify a customer's identity when they register for a new account and before they can place a bet. This work is being led by the Department of Social Services.

*BetStop financials*

s47C

BetStop will be cost recovered from industry. ACMA forecast that \$47.63 million will be recovered from industry between 2023-24 and 2026-27. This will cover the system build and on-going administration. BetStop will be cost neutral by 2025-26.

**Background**Banning credit cards for online wagering

On 25 March 2021, the Parliamentary Joint Committee on Corporations and Financial Services began an inquiry into the regulation of the use of financial services such as credit cards and digital wallets for online gambling in Australia. The department provided evidence in relation to regulatory approaches to prohibit credit cards. The Final Report was released on 23 November 2021 and recommended a ban on credit card use for online gambling.

The Interactive Gambling Amendment (Credit and Other Measures) Bill 2023 (the Bill) amends the *Interactive Gambling Act 2001* (the IGA) to prohibit the use of credit cards, credit related products (such as digital wallets) and digital currency (such as cryptocurrency) as payment methods for interactive wagering services.

The Bill allows the responsible Minister to proscribe other credit payment products as they come onto the market.

The Bill provides the ACMA with enforceable undertaking and remedial direction powers to enforce the new civil penalty provisions and existing offence provisions under the IGA. Penalties up to \$234,750 (as of 1 September 2023) may apply for any breach of the new provisions.

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## Environment and Communications

Lead/Support contact: Margaret Lopez

SB23-000739

Industry will be provided with a 6-month transition period from the date of Royal Assent. The effectiveness of the reforms will be reviewed 2 years from commencement.

In August 2023, the department consulted with banks, card providers, wagering and lottery industry, harm reduction advocates, academics, Commonwealth agencies and states and territories on the exposure draft Bill. Stakeholders were supportive of the Bill.

While the Bill does not set out a technical mechanism to implement the ban, it is expected that wagering providers will collaborate with their banks to block credit card payments using Bank Identification Numbers (BINs). Blocking BINs has been successfully deployed by casinos and poker machine venues to stop credit card withdrawals from ATMs, and was used in the United Kingdom to implement its credit card ban.

The prohibition on the use of credit cards and credit related products will commence following a 6-month transition period.

#### BetStop, the National Self-Exclusion Register

BetStop prohibits Australian licensed interactive wagering service providers from:

- letting a self-excluded individual open an account or place a bet;
- sending marketing material to self-excluded individuals; and
- disclosing information about self-excluded individuals.

The *Interactive Gambling (National Self-exclusion Register) Register Rules 2022*, registered on 5 July 2022, establish administrative, operational, and technical details of the BetStop system, and establish how licensed wagering providers must promote the Register.

The ACMA has conducted an assessment of BetStop against the Australian Government's Information Security Manual, which provides a cyber security framework for organisations for the protection of personal and sensitive data.

ACMA / Common Ventures estimate that 320,000 Australian adults are classified as 'moderate risk' or 'problem gamblers' or 1.6 per cent of the population, according to the Problem Gambling Severity Index (PGSI). Common Ventures / ACMA identified this group as the target audience for the BetStop advertising campaign.

#### Customer verification

Complementing the launch of BetStop, the Government introduced mandatory customer pre-verification on 29 September 2023, requiring wagering service providers to verify a customer's identity when they register for a new account and before they can place a bet. This will replace the existing requirement to verify a customer's identity within 72 hours. This work enhances protection for underage or newly registered individuals who have self-excluded through BetStop, and is being led by the Department of Social Services.

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**2023 - 2024 Supplementary Budget Estimates****Environment and Communications****Lead/Support contact: Margaret Lopez****SB23-000739****National Consumer Protection Framework (National Framework) for online wagering**

The National Framework is intended to cover all forms of wagering using any telecommunication service. All of the 10 measures have been implemented. The last one is BetStop, the National Self Exclusion Register for online wagering, which launched on 21 August 2023. Consistent gambling messaging and staff training were implemented by industry by 30 March 2023.

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## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Bridget Gannon/Margaret Lopez

SB23-000740

**SUBJECT: HoR Inquiry into Online Gambling****Talking Points**

- On 28 June 2023, the House of Representatives Standing Committee on Social Policy and Legal Affairs inquiry into online gambling and its impacts on those experiencing gambling harm (HoR Inquiry), released its report, 'You win some, you lose more'.
- The Australian Government is considering the recommendations from the HoR Inquiry. Responses to HoR Inquiry reports are expected within 6 months of receipt.
- The report makes 31 recommendations around consistent national consumer protections, stronger online gambling regulation, gambling advertising restrictions, research and data, curbing illegal offshore gambling, and protections around games with gambling like content.ss
- The Department of Social Services is leading the drafting of the Government's response to the HoR Inquiry Report, in collaboration with the Department of Infrastructure, Transport, Regional Development, Communications and the Arts and other responsible agencies.
- The department will lead on recommendations around gambling advertising, illegal offshore gambling, and gambling like content in computer games.

Gambling advertising

- Recommendation 26 of the HoR Inquiry report seeks a comprehensive ban on all forms of advertising for online gambling, to be implemented in four phases over three years commencing immediately.
- The department has conducted preliminary consultation with a range of stakeholders across the broadcasting, sport, wagering, and racing industries to understand the impacts of this recommendation.
- We have also sought feedback from stakeholders on potential reform options, including a frequency and volume cap, strengthened restrictions around live sporting events, and time-based restrictions during children's viewing hours.

Illegal offshore gambling websites

- The HoR Inquiry report made several recommendations in relation to stopping illegal offshore gambling, including stronger sanctions against illegal operators; blocking financial transactions; and international co-operation to combat illegal gambling services. The Government is considering this, and all recommendations of the HoR Inquiry.

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- Since November 2019, ACMA has used its powers to direct Internet Service Providers to block illegal offshore gambling websites under section 313(3) of the *Telecommunications Act 1997*.
- As at 11 September 2023, ACMA has issued notices to block 823 illegal gambling and affiliate websites since November 2019. A list of blocked websites is published on ACMA's website.

Gambling-like content in computer games

- On 29 March 2023, the Government announced a two-stage classification reform process, including a proposal to introduce mandatory minimum classification of R 18+ for games that contain simulated gambling and M 15+ for games that contain loot boxes.
- The Standing Council of Attorneys-General unanimously agreed to the introduction of these minimum classifications at its meeting on 22 September 2023.
- The HoR Inquiry noted that the Australian Government's proposed mandatory minimum classifications for gambling were a positive first step in minimising potential harms from these products, but that a combination of approaches are likely to be most effective.
- The Committee also made a number of recommendations in relation to: the consistent application of classification ratings across online store fronts (rec 27); improved public education and awareness and improved labelling of simulated gambling products (rec 28 and 29); and the development of enhanced consumer protections for interactive games (such as spending controls, transparent odds and parental controls) (rec 30).
- The Government is currently developing its response to the report, however these recommendations are compatible with the proposed mandatory minimum classifications.

**Key Issues**HoR recommendations – Gambling Advertising (Recommendation 26)

Recommendation 26 of the HoR Inquiry report seeks a comprehensive ban on all forms of advertising for online gambling, to be introduced in four phases over three years commencing immediately.

The department is conducting consultation with a range of stakeholders across the broadcasting, online platforms, sport, wagering, and racing industries to understand the likely impacts of this recommendation and potential intermediate options, such as a frequency and volume cap, strengthened restrictions around live sporting events, and time-based restrictions during children's viewing hours.

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Current Gambling Advertising restrictions

Gambling advertising is regulated by a number of separate frameworks.

Rules relating to the scheduling of gambling promotions on television and radio are set out in co-regulatory codes of practice under the *Broadcasting Services Act 1992* (BSA).

Rules relating to the scheduling of gambling promotions during online live streams of sporting events are set out in online content service provider rules made under the BSA.

The content of gambling advertising is regulated by the platform neutral advertising self-regulatory framework administered by Ad Standards. The Government is not involved in these arrangements.

The *Interactive Gambling Act 2001* (IGA) prohibits the promotion of illegal online gambling services, e.g. online casino games. This covers broadcasting, online and print advertisements.

Gambling advertising – Data and research

In the 2022 calendar year, \$310.0 million was spent on gambling advertising across all platforms (according to Nielsen data provided to the department in July 2023), representing 3 per cent of all advertising spend.

Around 55 per cent of the total gambling advertising spend in this period was directed toward television, 18 per cent to online, and 8 per cent to radio.

- Television – \$169.7 million (4 per cent of all advertising spend on television)
- Online – \$57.0 million (1 per cent of all advertising spend online)
- Radio – \$23.5 million (3 per cent of all advertising spend on radio)
- Outdoor – \$23.7 million (3 per cent of all advertising spend on outdoor)
- Newspapers – \$33.4 million (4 per cent of all advertising spend on radio)

Gambling advertising was the 7th highest spend on television (top three was retail, motor vehicles, and insurance), the 11th highest spend on radio (top three was retail, motor vehicles, and finance), and 20th highest spend on online (top three was retail, communications, and computers).

Nielsen data also shows there was approximately 297,000 wagering advertisements on metropolitan television and 63,000 wagering advertisements on metropolitan radio in the June 2022 to May 2023 period.

Research published by the Australian Institute of Family Studies (AIFS) (*Gambling participation and experience of harm in Australia - March 2023*) showed:

- 73 per cent gambled once in the past 12 months and almost half (46 per cent) of those who gambled were classified as being at some risk of gambling harm.

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- 69 per cent of Australians believed gambling advertising is too common and 60 per cent said it makes sport less family friendly. 53 per cent support an outright ban of gambling advertising before 10:30pm on TV, radio and on live stream/on demand
- A demonstrated a link between exposure to gambling advertising and riskier gambling behaviour and harms.

HoR Inquiry recommendations

DSS is leading the development of the Government's response and is responsible for the majority of recommendations. The department has lead / co-lead policy responsibility for **9 recommendations** from the HoR Inquiry as shown below:

Recommendation	Lead Agency
7 The Committee recommends that the Australian Government develop and implement: <ul style="list-style-type: none"> <li>• technological solutions and resources to quickly and more effectively block offshore gambling websites including skin gambling websites and mirror sites</li> <li>• a protocol for blocking transactions to known illegal gambling operators, in cooperation with Australian banks and other payment system providers</li> <li>• stronger sanctions for companies and known individuals who profit from illegal gambling.</li> </ul>	DITRDCA
8 The Committee recommends that the Australian Government lead the development, with international organisations and other countries, of multilateral agreements that: <ul style="list-style-type: none"> <li>• improve international cooperation to combat illegal online gambling across borders</li> <li>• aim to reduce gambling harm and protect public policy and research from gambling industry interference.</li> </ul>	DITRDCA
14 The Committee recommends that, in developing national regulation, the Australian Government conduct a risk assessment of available payment methods. Payment methods that do not minimise the risk of criminal activity and gambling harm should be prohibited from being used for online gambling.	DITRDCA
16 The Committee recommends that the Australian Government prohibit all online gambling inducements and inducement advertising, and that it do so without delay.	DSS / DITRDCA (advertising)
21 The Committee recommends national regulation prohibit commissions being paid to staff or any third party involved in the referral or provision of online gambling to an individual.	DITRDCA

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Recommendation	Lead Agency
<p>26 The Committee recommends the Australian Government, with the cooperation of the states and territories, implement a comprehensive ban on all forms of advertising for online gambling, to be introduced in four phases, over three years, commencing immediately:</p> <ul style="list-style-type: none"> <li>• Phase One: prohibition of all online gambling inducements and inducement advertising, and all advertising of online gambling on social media and online platforms. Removal of the exemption for advertising online gambling during news and current affairs broadcasts. Prohibition of advertising online gambling on commercial radio between 8.30-9.00 am and 3.30-4.00 pm (school drop off and pick up).</li> <li>• Phase Two: prohibition of all online gambling advertising and commentary on odds, during and an hour either side of a sports broadcast. Prohibition on all in-stadia advertising, including logos on players' uniforms.</li> <li>• Phase Three: prohibition of all broadcast online gambling advertising between the hours of 6.00 am and 10.00 pm.</li> <li>• Phase Four: by the end of year three, prohibition on all online gambling advertising and sponsorship.</li> </ul>	DITRDCA
<p>27 The Committee recommends that the National Classification Scheme be consistently applied to games available from online app stores, such as the Google Play Store, Apple App Store and the Steam Store.</p>	DITRDCA
<p>28 The Committee recommends that the Australian Government develops and implements a public information campaign that educates all consumers, in particular parents, caregivers, teachers and young people, on all elements of simulated gambling. The campaign should be informed by research and publicly evaluated.</p>	DSS / DITRDCA
<p>29 The Committee recommends that the Australian Government commissions research into an effective simulated gambling warning label. The label should be incorporated into the National Classification Scheme.</p>	DITRDCA

HoR recommendations – Gambling-like content in computer games*Consistent classification of games in online app stores (recommendation 27)*

A number of online platforms are currently not compliant with classification requirements (such as Steam/Valve and Apple).

The department is engaging with non-compliant platforms to explore options for improving compliance with the National Classification Scheme as part of broader classification reforms.

The Government's first stage of classification reforms, announced on 29 March 2023, aim to improve industry compliance with classification requirements, particularly for online content.

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Legislation passed by the Parliament on 4 September 2023 will expand options for industry to self-classify content by using classifiers that have been trained and accredited by Government. This will make it cheaper and easier for industry to comply with Australia's classification requirements.

The Classification (Publications, Films and Computer Games) Amendment (Industry Self-Classification and Other Measures) Act 2023 will commence in early 2024.

*Simulated gambling public information campaign (recommendation 28)*

The department will be undertaking public education and industry outreach to raise awareness of the new mandatory minimum classifications for gambling-like content in computer games, as part of broader education and awareness activities being led by DSS.

*Classification warning labels for simulated gambling (recommendation 29)*

Consumer advice labelling is the responsibility of the Classification Board.

A mandatory minimum classification of R 18+ will apply to computer games containing simulated gambling from September 2024.

This means that all games that contain simulated gambling will also be required to display consumer advice labelling of "contains simulated gambling."

*Minimum consumer protections for interactive games (recommendation 30)*

This recommendation will be taken forward by DSS as part of its Consumer Protection Framework, with support from the department as required.

The United Kingdom is also currently exploring similar industry-led consumer protection measures and the Australian Government will explore leveraging the outcomes of that working group to apply in Australia.

*Review of the national regulator, with consideration for research about the risk of harm from simulated gambling and gambling-like elements in games and effectiveness of regulatory responses to these issues overseas (recommendation 31)*

The department currently runs a classification research program which examines specific areas of concern across all classifiable media.

This research program will provide an evidence base to support future policy development.

Full list of the HoR recommendations is at **Attachment A**.

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Lead/Support contact: Bridget Gannon/Margaret Lopez

SB23-000740

**Background**Parliamentary Inquiry into online gambling

On 15 September 2022 the House of Representatives Standing Committee on Social Policy and Legal Affairs launched an inquiry into online gambling. The Chair of the Committee was Ms Peta Murphy MP (Labor Member for Dunkley).

The Committee held a public hearing with the department and ACMA on 30 November 2022. Key questions focused on gambling advertising during live sports, BetStop – the National Self Exclusion Register, simulated gambling and loot boxes, and the scope of ACMA’s regulatory powers.

The department appeared at a second hearing with ACMA and the Department of Social Services (DSS) on 4 April 2023. Key questions focused on the possible banning of credit cards for online gambling, illegal offshore providers, mandatory betting limits, a National Regulator, the newly announced re-classification of simulated gambling and loot boxes, and BetStop.

On 28 June 2023, the Committee released its final report, ‘You win some, you lose more’, which makes 31 recommendations. As it is a House of Representatives report, the allocated time for a response is 6 months from the date of receipt (i.e. due by 28 December 2023).

**Attachments**

Attachment A: Full list of House of Representatives Recommendations

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**Attachment A: Full list of HoR Inquiry of gambling recommendations**

*Highlighted cells indicate recommendations of relevance to the Communications Portfolio.*

No.	Detail
1	The Committee recommends that responsibility for online gambling harm reduction is held by a single Australian Government Minister.
2	<p>The Committee recommends that the Australian Government, with the states and territories, develop a comprehensive national strategy on online gambling harm reduction. The strategy should be based on public health principles and include measures that:</p> <ul style="list-style-type: none"> <li>• prevent gambling harm from occurring</li> <li>• intervene early when there is risk of harm</li> <li>• provide appropriate treatment and support for those experiencing harm</li> <li>• include measures to protect the most vulnerable that are developed with communities to ensure they are culturally safe and linguistically appropriate.</li> </ul> <p>The national strategy should be in place within twelve months, allowing that implementation would be progressive.</p>
3	<p>The Committee recommends that, as the priority of the national strategy and with the cooperation of the states and territories, the Australian Government:</p> <ul style="list-style-type: none"> <li>• establish national regulation and a national online gambling regulator with the sole purpose of reducing harm and with responsibility for all licencing and regulation</li> <li>• levy online wagering service providers (WSPs) to fund the national strategy harm reduction measures for which the Australian Government has responsibility.</li> </ul>
4	<p>The Committee recommends that the Australian Government develop and fund an ongoing, online gambling public education campaign with national advertising and marketing, particularly online. The campaign should target and be relevant to:</p> <ul style="list-style-type: none"> <li>• children and young people</li> <li>• parents and caregivers, with the aim of helping them to guide children and young people to make safer choices online</li> <li>• individuals who are at risk of or who are experiencing gambling harm</li> <li>• Aboriginal and Torres Strait Islander people</li> <li>• culturally and linguistically diverse communities.</li> </ul> <p>The campaign should:</p> <ul style="list-style-type: none"> <li>• seek to counter the harmful messages of gambling advertising</li> <li>• be informed by rigorous, independent research</li> <li>• be developed with input from target individuals and communities to ensure they are relevant, culturally safe and linguistically appropriate</li> <li>• accurately present the risks and harms of gambling with licenced operators and illegal offshore websites</li> <li>• aim to reduce stigma and encourage help-seeking, and protect the most vulnerable from gambling harm</li> <li>• educate Australians about available consumer protection tools for online gambling and encourage healthy behaviours</li> </ul>

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No.	Detail
	<ul style="list-style-type: none"> <li>• provide resources that can be used by schools, universities and community organisations, such as sporting clubs</li> <li>• be thoroughly evaluated, with the evaluations to be publicly available.</li> </ul> <p>All gambling-related public education resources should be made available on the Australian Government's Student Wellbeing Hub and by the Office of the eSafety Commissioner to help promote awareness of gambling harm to young people and offer strategies to limit exposure.</p>
5	<p>The Committee recommends that the Australian Government:</p> <ul style="list-style-type: none"> <li>• resource the Australian Institute of Family Studies' Australian Gambling Research Centre to take on an additional role as a national clearinghouse for gambling research</li> <li>• provide ongoing funding for gambling research, in particular: <ul style="list-style-type: none"> <li>○ research to develop a set of standard indicators of risk and harm that can be applied in regulation and policy</li> <li>○ prevalence studies on online gambling harm across both licenced and illegal gambling platforms and websites</li> <li>○ research into vulnerable groups</li> <li>○ research into best practice interventions, treatments and supports</li> <li>○ research about gambling-related suicides.</li> </ul> </li> </ul>
6	<p>The Committee recommends that:</p> <ul style="list-style-type: none"> <li>• national regulation requires online WSPs to disclose de-identified customer data on gambling participation, risk indicators, interventions and harm to the regulator and approved researchers on a consistent and systematic basis</li> <li>• the Australian Government conduct a feasibility study of Spain, France and other jurisdiction's data vault facilities with the aim of implementing a system that provides real-time operator data to the regulator and approved researchers.</li> </ul>
7	<p>The Committee recommends that the Australian Government develop and implement:</p> <ul style="list-style-type: none"> <li>• technological solutions and resources to quickly and more effectively block offshore gambling websites including skin gambling websites and mirror sites</li> <li>• a protocol for blocking transactions to known illegal gambling operators, in cooperation with Australian banks and other payment system providers</li> <li>• stronger sanctions for companies and known individuals who profit from illegal gambling.</li> </ul>
8	<p>The Committee recommends that the Australian Government lead the development, with international organisations and other countries, of multilateral agreements that:</p> <ul style="list-style-type: none"> <li>• improve international cooperation to combat illegal online gambling across borders</li> <li>• aim to reduce gambling harm and protect public policy and research from gambling industry interference.</li> </ul>
9	<p>The Committee recommends that the levy for online gambling harm reduction support the national regulator to work with all jurisdictions on best practice</p>

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No.	Detail
	<p>prevention, detection, early intervention, treatment and rehabilitation programs for people experiencing gambling harms, including:</p> <ul style="list-style-type: none"> <li>• better training for staff working in health, community and financial counselling services, and crisis and gambling helpline staff, to identify gambling harms, comorbid issues and suicide risk, to minimise stigma, and to provide best practice treatment and support</li> <li>• support for Aboriginal and Torres Strait Islander community-controlled health organisations and other organisations that assist culturally and linguistically diverse clients or patients</li> <li>• increased availability of integrated treatment services</li> <li>• enhanced referral pathways to specialist treatments and peer-based support services, including at the end of a self-exclusion period</li> <li>• the development and implementation of screening tools for gambling harm in all mental health and drug and alcohol assessments.</li> </ul>
10	The Committee recommends that the Australian Government develops industry guidelines for the banking and financial sector, online WSPs and other relevant organisations to educate staff about gambling harm. The guidelines should include protocols for the referral of customers experiencing gambling harm who are at risk of suicide.
11	The Committee recommends that the Australian Government develops industry guidelines for the banking and financial sector, online WSPs and other relevant organisations to educate staff about gambling harm. The guidelines should include protocols for the referral of customers experiencing gambling harm who are at risk of suicide.
12	The Committee recommends that the multi-stage evaluation of the National Consumer Protection Framework for Online Gambling (NCPF), due to commence in 2023, includes an investigation into whether the small consumer credit contract sector is complying with its responsible lending obligations to customers who gamble.
13	The Committee recommends that the Australian Government work with the Australian Banking Association to develop a set of minimum gambling consumer protection standards for implementation by all banks, including a block on gambling merchant categories for self-excluded individuals using BetStop. If agreement is unable to be reached, minimum standards should be mandated in legislation.
14	The Committee recommends that, in developing national regulation, the Australian Government conduct a risk assessment of available payment methods. Payment methods that do not minimise the risk of criminal activity and gambling harm should be prohibited from being used for online gambling.
15	The Committee recommends that national regulation should require customers' identities to be verified prior to the commencement of online gambling.
16	The Committee recommends that the Australian Government prohibit all online gambling inducements and inducement advertising, and that it do so without delay.
17	The Committee recommends that the evaluation of the NCPF:



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No.	Detail
	<ul style="list-style-type: none"> <li>analyse deidentified customer data to determine whether voluntary pre-commitment is working to reduce harm</li> <li>examine the strengths and weaknesses of universal, mandatory pre-commitment systems overseas, in comparison to Australia's current voluntary system, and undertake further reforms if it can be demonstrated that an alternative approach will drive improved outcomes overall.</li> </ul>
18	The Committee recommends that national regulation impose a customer duty of care on online WSPs. An online WSPs' compliance with this legal duty should be assessed against a set of standard indicators of risk and harm.
19	The Committee recommends that the Australian Government should investigate the benefits and feasibility of requiring online WSPs to apply a standard behavioural algorithm to reduce online gambling harm.
20	The Committee recommends national regulation require online WSP staff to undertake research-informed training that demonstrates a sound awareness of the legal obligations and guidelines for practice in responsible service of online gambling. Staff should also undertake annual refresher training.
21	The Committee recommends national regulation prohibit commissions being paid to staff or any third party involved in the referral or provision of online gambling to an individual.
22	The Committee recommends that national regulation include provisions to prevent the proceeds of crime from being used to fund online gambling. A legal taskforce should be established as soon as practical to develop these provisions.
23	The Committee recommends that the national regulator be provided with a broad suite of powers to monitor online gambling, ensure compliance and enforce the law. Penalties should be severe enough to be a genuine deterrent to multinational corporations breaching their legal obligations.
24	The Committee recommends that the Australian Government establish an appropriately resourced national online gambling ombudsman, to sit within the national regulator.
25	The Committee recommends the Australian Government consult with industry and people who gamble to determine minimum bet limits for online wagering for inclusion in national regulation.
26	<p>The Committee recommends the Australian Government, with the cooperation of the states and territories, implement a comprehensive ban on all forms of advertising for online gambling, to be introduced in four phases, over three years, commencing immediately:</p> <ul style="list-style-type: none"> <li>Phase One: prohibition of all online gambling inducements and inducement advertising, and all advertising of online gambling on social media and online platforms. Removal of the exemption for advertising online gambling during news and current affairs broadcasts. Prohibition of advertising online gambling on commercial radio between 8.30-9.00am and 3.30-4.00pm (school drop off and pick up).</li> </ul>



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No.	Detail
	<ul style="list-style-type: none"> <li>• Phase Two: prohibition of all online gambling advertising and commentary on odds, during and an hour either side of a sports broadcast. Prohibition on all in-stadia advertising, including logos on players' uniforms.</li> <li>• Phase Three: prohibition of all broadcast online gambling advertising between the hours of 6.00am and 10.00pm.</li> <li>• Phase Four: by the end of year three, prohibition on all online gambling advertising and sponsorship.</li> </ul> <p>Gambling advertising on dedicated racing channels and programming should be exempt from the ban.</p> <p>Small community radio broadcasters should be exempt from further restrictions until December 2025.</p>
27	The Committee recommends that the National Classification Scheme be consistently applied to games available from online app stores, such as the Google Play Store, Apple App Store and the Steam Store.
28	The Committee recommends that the Australian Government develops and implements a public information campaign that educates all consumers, in particular parents, caregivers, teachers and young people, on all elements of simulated gambling. The campaign should be informed by research and publicly evaluated.
29	The Committee recommends that the Australian Government commissions research into an effective simulated gambling warning label. The label should be incorporated into the National Classification Scheme.
30	<p>The Committee recommends that the Australian Government convene a working group to develop and implement minimum consumer protections for interactive games and make suggestions for legislative mechanisms to implement tighter controls on simulated gambling and its advertising. The working group should consider whether games containing loot boxes that can be purchased for money or simulated gambling should have:</p> <ul style="list-style-type: none"> <li>• spending controls as a default function</li> <li>• transparent odds and drop rates for items</li> <li>• algorithmic loot box features disabled as a default setting, allowing players to opt in.</li> </ul> <p>The Australian Government should conduct a review of the implementation of these protective measures and consider legislative options if minimum consumer protections are not being consistently applied.</p>
31	The Committee recommends that a legislative review of the national regulator (Recommendation 3) be conducted, two years after commencement and then every five years subsequently. The review should consider developments in research about the risk of harm from simulated gambling, gambling-like elements in games and the gambling of in-game items, particularly to children and young people, and the effectiveness of regulatory responses to these issues overseas.

## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Bridget Gannon / Margaret Lopez

SB23-000741

**SUBJECT: Broadcasting Resilience Program****Talking Points**

- The Broadcasting Resilience Program (BRP) was designed to make Australia's emergency broadcasting infrastructure more resilient by preparing sites to maintain operation through natural disasters.
- It allocates \$20 million to BAI Communications over 3 years from FY2022–23 to strengthen the resilience of 107 ABC AM and FM broadcast sites across regional areas in all states and territories.
- This is part of the Australian Government's 5-year, \$656 million Better Connectivity Plan for Regional and Rural Australia announced in the 2022-23 Budget (**SB23-000585** refers).
- The Department of Infrastructure, Transport, Regional Development, Communications and the Arts approved a first instalment payment of \$6 million to BAI on 9 June 2023, which included work undertaken by BAI from 12 December 2023 to cover the 2022–23 bushfire season.
- BAI identified the sites in consultation with the ABC and the department, considering a number of inputs including a review of the impacts of the 2019–20 bushfire season and flooding in March 2020.
- As of 6 September 2023, BAI has completed works at 4 sites and has completed the design phase on a further 17 sites (**Attachment A** refers).

**Key Issues**Schedule of BRP package delivery

The BRP comprises 4 packages of work: emergency power upgrades, diverse program inputs, flood mitigation and mobile broadcast assets.

BAI has commenced delivery of projects under package 1 (emergency power upgrades) and package 2 (diverse program inputs) of the BRP. To date:

- 3 sites have completed construction for new emergency standby power facilities under package 1.
- 15 sites have completed the design phase for new emergency standby power facilities under package 1.
- 1 site has completed construction for backup program input under package 2.
- 5 sites have completed the design phase for backup program input under package 2.

Work on package 3 (flood mitigation) and package 4 (mobile broadcast assets) is scheduled to commence in 2024.

A schedule for all sites in the program is provided at **Attachment B**.

**Contact: Margaret Lopez****Cleared by First Assistant Secretary: Bridget Gannon****Phone:** (02) s22(1)(a)(ii)**Version Number:****Date: 11/10/2023**

## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Bridget Gannon / Margaret Lopez

SB23-000741

Payments to BAI under the BRP

BAI received its first instalment payment of \$6 million in June 2023. Under the grant guidelines and the contract this included payment for work undertaken by BAI from 12 December 2022 to cover the 2022–23 bushfire season.

In July 2023, BAI Communications provided the Business Grants Hub with its first report on progress to date. This was a non-payment milestone but is in place to ensure there are no delays in site planning and implementation.

The Business Grants Hub has reviewed the report and confirmed that BAI Communications is delivering within the budget and site milestones outlined in its funding agreement.

The next payment milestone is scheduled for consideration in November 2023, subject to satisfactory completion of agreed activities.

**Background**Funding

The BRP formed part of the \$656 million Better Connectivity Plan for Regional and Rural Australia announced in the 2022-23 Budget.

The department developed the grant guidelines in consultation with the Business Grants Hub and BAI, and in line with Commonwealth Grant Rules and Guidelines. It released the final guidelines to BAI on 20 January 2023. The guidelines did not need to be published because it was an ad-hoc grant.

The grant guidelines considered the 2020 Royal Commission on National Natural Disaster Arrangements report finding that disruptions to electricity supply were the most significant vulnerability for infrastructure operators during the 2019–20 fire season.

The First Assistant Secretary of the department's Online Safety, Media and Platforms Division is the final decision maker for the program.

A funding agreement with BAI was executed on 2 June 2023.

Projects being funded

Through the BRP, BAI will deliver upgrades to 107 ABC radio broadcast sites, to help protect communities against natural disasters by strengthening the resilience of emergency broadcasting systems.

The following work will be undertaken through the program:

- 55 sites covering 263 broadcasting radio services will get new emergency standby power facilities (e.g. battery and diesel backup)
- 77 ABC Local Radio sites will get backup program input (e.g. satellite services)
- 10 sites will get upgraded to site access and enhanced flood protection

**Contact: Margaret Lopez****Cleared by First Assistant Secretary: Bridget Gannon****Phone:** (02) s22(1)(a)(ii)**Version Number:****Date: 11/10/2023**

**2023 - 2024 Supplementary Budget Estimates****Environment and Communications****Lead/Support contact: Bridget Gannon / Margaret Lopez****SB23-000741**

- 5 rapid recovery assets (i.e. broadcast transmitter on wheels) will be deployed in NSW, VIC, WA, QLD and TAS

The upgrades on these sites will also benefit other service providers including the SBS, commercial broadcasters and telecommunications providers in some cases. Some sites will receive multiple upgrades. BAI prioritised the sites in consultation with the ABC and will complete work on sites deemed to need the most urgent upgrades first, as per the BRP's grant guideline requirements.

**Attachments**

Attachment A – Project Completion Status – mid-September 2023

Attachment B – Sites - Broadcast Resilience Program – Monthly Report to 31 August

**Contact: Margaret Lopez****Cleared by First Assistant Secretary: Bridget Gannon****Phone: (02) s22(1)(a)(ii)****Version Number:****Date: 11/10/2023**

## SB23-000741 – Attachment A

## Project Completion Status – mid-Sept 2023

**Green shading** – both design and construction phases completed

**Orange shading** – design phase completed only

Site	State/Terr	Project Activities	Completion Date
Derby MF AM	WA	Backup program inputs	Design 26/4/23 Construct 28/6/23
Lithgow MF AM	NSW	Emergency power upgrade	Design 5/5/23 Construct 7/8/23
Weldborough Trig*	TAS	Emergency power upgrade	Design 8/5/23 Construct 14/9/23
Garlands Hill (Portland)	NSW	Emergency power upgrade	Design 9/5/23 Construct 21/9/23
Bicheno	TAS	Emergency power upgrade	Design 24/4/23
Clive Blakes Hill (Walcha)	NSW	Emergency power upgrade	Design 11/7/23
Cooma MF	NSW	Emergency power upgrade	Design 31/8/23
DCA Hill (Mt Isa)	QLD	Emergency power upgrades	Design 24/7/23
Endicotts Hill (Mudgee)	NSW	Emergency power upgrades	Design 23/6/23
Jabiru MF	NT	Emergency power upgrades  Backup program inputs	Design 24/7/23  Design 31/8/23
Jinderboine Hill (Jindabyne)	NSW	Emergency power upgrade  Backup program inputs	Design 29/8/23  Design 31/8/23
Karratha MF	WA	Backup Program inputs	Design 7/8/23

leased under the FOI Act 1982 by the Department of Infrastructure  
nsport, Regional Development, Communications and the Arts

Site	State/Terr	Project Activities	Completion Date
Kia-Ora Lookout (Barrington)	NSW	Emergency power upgrades	Design 11/5/23
Little Duval Upper RT (near Armidale)	NSW	Emergency power upgrades	Design 31/8/23
		Backup program inputs	Design 24/7/23
Moreys Hill (Triabunna)	TAS	Emergency power upgrades	Design 5/6/23
Mt Mackenzie RT (Tenterfield)	NSW	Emergency power upgrades	Design 28/6/23
Rossgole Lookout (near Scone)	NSW	Backup program inputs	Design 24/7/23
Roxby Downs RT	SA	Emergency power upgrades	Design 2/8/23
Swansea	TAS	Emergency power upgrade	Design 29/5/23
Wades Hill (Crookwell)	NSW	Emergency power upgrade	Design 30/8/23
Willis Hill (near Smithton)	Tas	Emergency power upgrade	Design 23/9/23

\* Trig is **reference point for surveyors used frequently** in Tasmania.

## Broadcasting Resilience Program - Monthly Report to 31 Aug 2023

## Attachment B

	Project Site	Region	Package	Phase	Phase Start	Actual Finish
	Package 1 – Emergency Power Upgrades			Design Phase		
	Package 2 – Diverse Program Input Upgrades			Construction Phase		
	Package 3 – Flood Mitigation					
	Package 4 – Mobile Broadcast Assets					
1	Alyangula	NT	Package 2 – Diverse Program Input Upgrades	Design Phase	25 Mar 2024	
	Alyangula	NT	Package 2 – Diverse Program Input Upgrades	Construction Phase	16 May 2024	
2	Apex Lookout	Vic	Package 2 – Diverse Program Input Upgrades	Design Phase	29 Jul 2024	
	Apex Lookout	Vic	Package 2 – Diverse Program Input Upgrades	Construction Phase	16 Sep 2024	
3	Augusta	WA	Package 1 – Emergency Power Upgrades	Design Phase	10 Jan 2024	
	Augusta	WA	Package 1 – Emergency Power Upgrades	Construction Phase	13 Aug 2024	
	Augusta	WA	Package 2 – Diverse Program Input Upgrades	Design Phase	17 Oct 2023	
	Augusta	WA	Package 2 – Diverse Program Input Upgrades	Construction Phase	05 Dec 2023	
4	Bicheno	TAS	Package 1 – Emergency Power Upgrades	Design Phase	24 Apr 2023	24 Apr 2023
	Bicheno	TAS	Package 1 – Emergency Power Upgrades	Construction Phase	07 Nov 2023	
	Bicheno	TAS	Package 2 – Diverse Program Input Upgrades	Design Phase	07 Feb 2024	
	Bicheno	TAS	Package 2 – Diverse Program Input Upgrades	Construction Phase	08 Apr 2024	



## Broadcasting Resilience Program - Monthly Report to 31 Aug 2023

## Attachment B

	Project Site	Region	Package	Phase	Phase Start	Actual Finish
5	Biloela RT	QLD	Package 2 – Diverse Program Input Upgrades	Design Phase	04 Dec 2023	
	Biloela RT	QLD	Package 2 – Diverse Program Input Upgrades	Construction Phase	05 Feb 2024	
6	Bimmil Hill	NSW	Package 1 – Emergency Power Upgrades	Design Phase	10 Jan 2024	
	Bimmil Hill	NSW	Package 1 – Emergency Power Upgrades	Construction Phase	13 Aug 2024	
	Bimmil Hill	NSW	Package 2 – Diverse Program Input Upgrades	Design Phase	08 Sep 2023	
	Bimmil Hill	NSW	Package 2 – Diverse Program Input Upgrades	Construction Phase	13 Feb 2024	
7	Borrooloola	NT	Package 1 – Emergency Power Upgrades	Design Phase	13 Nov 2023	
	Borrooloola	NT	Package 1 – Emergency Power Upgrades	Construction Phase	08 Apr 2024	
	Borrooloola	NT	Package 2 – Diverse Program Input Upgrades	Design Phase	08 Sep 2023	
	Borrooloola	NT	Package 2 – Diverse Program Input Upgrades	Construction Phase	02 Apr 2024	
8	Bridgetown MF	WA	Package 1 – Emergency Power Upgrades	Design Phase	18 Oct 2023	
	Bridgetown MF	WA	Package 1 – Emergency Power Upgrades	Construction Phase	04 Mar 2024	
9	Carborough Range	QLD	Package 2 – Diverse Program Input Upgrades	Design Phase	20 Nov 2023	
	Carborough Range	QLD	Package 2 – Diverse Program Input Upgrades	Construction Phase	12 Jan 2024	
10	Carnarvon MF	WA	Package 2 – Diverse Program Input Upgrades	Design Phase	25 Jun 2024	
	Carnarvon MF	WA	Package 2 – Diverse Program Input Upgrades	Construction Phase	06 Aug 2024	

## Broadcasting Resilience Program - Monthly Report to 31 Aug 2023

## Attachment B

	Project Site	Region	Package	Phase	Phase Start	Actual Finish
11	Clive Blakes Hill	NSW	Package 1 – Emergency Power Upgrades	Design Phase	11 Jul 2023	11 Jul 2023
	Clive Blakes Hill	NSW	Package 1 – Emergency Power Upgrades	Construction Phase	06 Oct 2023	
12	Companion Hill RT	TAS	Package 2 – Diverse Program Input Upgrades	Design Phase	29 Jul 2024	
	Companion Hill RT	TAS	Package 2 – Diverse Program Input Upgrades	Construction Phase	16 Sep 2024	
13	Coober Pedy RT	SA	Package 1 – Emergency Power Upgrades	Design Phase	10 May 2024	
	Coober Pedy RT	SA	Package 1 – Emergency Power Upgrades	Construction Phase	21 Oct 2024	
	Coober Pedy RT	SA	Package 2 – Diverse Program Input Upgrades	Design Phase	20 Feb 2024	
	Coober Pedy RT	SA	Package 2 – Diverse Program Input Upgrades	Construction Phase	24 Sep 2024	
14	Cooma MF	NSW	Package 1 – Emergency Power Upgrades	Design Phase	31 Aug 2023	31 Aug 2023
	Cooma MF	NSW	Package 1 – Emergency Power Upgrades	Construction Phase	23 Jan 2024	
	Cooma MF	NSW	Package 2 – Diverse Program Input Upgrades	Design Phase	25 Sep 2023	
	Cooma MF	NSW	Package 2 – Diverse Program Input Upgrades	Construction Phase	31 Oct 2023	
15	Corowa MF	NSW	Package 3 – Flood Mitigation	Design Phase	13 May 2024	
	Corowa MF	NSW	Package 3 – Flood Mitigation	Construction Phase	27 Nov 2024	
16	Cramsie MF	QLD	Package 3 – Flood Mitigation	Design Phase	27 May 2024	
	Cramsie MF	QLD	Package 3 – Flood Mitigation	Construction Phase	11 Dec 2024	

## Broadcasting Resilience Program - Monthly Report to 31 Aug 2023

## Attachment B

	Project Site	Region	Package	Phase	Phase Start	Actual Finish
17	Cue	WA	Package 1 – Emergency Power Upgrades	Design Phase	19 Dec 2023	
	Cue	WA	Package 1 – Emergency Power Upgrades	Construction Phase	01 May 2024	
18	Daly River Mission	NT	Package 1 – Emergency Power Upgrades	Design Phase	13 Mar 2024	
	Daly River Mission	NT	Package 1 – Emergency Power Upgrades	Construction Phase	02 Jul 2024	
	Daly River Mission	NT	Package 2 – Diverse Program Input Upgrades	Design Phase	03 Apr 2024	
	Daly River Mission	NT	Package 2 – Diverse Program Input Upgrades	Construction Phase	12 Aug 2024	
19	DCA Hill	QLD	Package 1 – Emergency Power Upgrades	Design Phase	24 Jul 2023	24 Jul 2023
	DCA Hill	QLD	Package 1 – Emergency Power Upgrades	Construction Phase	11 Jun 2024	
20	Derby MF	WA	Package 2 – Diverse Program Input Upgrades	Design Phase	26 Apr 2023	26 Apr 2023
	Derby MF	WA	Package 2 – Diverse Program Input Upgrades	Construction Phase	21 Jun 2023	28 Jun 2023
21	Dimbulah	QLD	Package 1 – Emergency Power Upgrades	Design Phase	17 Apr 2024	
	Dimbulah	QLD	Package 1 – Emergency Power Upgrades	Construction Phase	14 Aug 2024	
22	Donalds Knob RT	Vic	Package 2 – Diverse Program Input Upgrades	Design Phase	08 Sep 2023	
	Donalds Knob RT	Vic	Package 2 – Diverse Program Input Upgrades	Construction Phase	18 Mar 2024	
23	Endicotts Hill	NSW	Package 1 – Emergency Power Upgrades	Design Phase	23 Jun 2023	23 Jun 2023
	Endicotts Hill	NSW	Package 1 – Emergency Power Upgrades	Construction Phase	04 Nov 2023	

## Broadcasting Resilience Program - Monthly Report to 31 Aug 2023

## Attachment B

	Project Site	Region	Package	Phase	Phase Start	Actual Finish
	Endicotts Hill	NSW	Package 2 – Diverse Program Input Upgrades	Design Phase	17 Oct 2023	
	Endicotts Hill	NSW	Package 2 – Diverse Program Input Upgrades	Construction Phase	05 Dec 2023	
24	Esperance MF	WA	Package 2 – Diverse Program Input Upgrades	Design Phase	17 Oct 2023	
	Esperance MF	WA	Package 2 – Diverse Program Input Upgrades	Construction Phase	21 Nov 2023	
25	Exmouth MF	WA	Package 2 – Diverse Program Input Upgrades	Design Phase	18 Jun 2024	
	Exmouth MF	WA	Package 2 – Diverse Program Input Upgrades	Construction Phase	30 Jul 2024	
26	Fitzroy Crossing RT	WA	Package 1 – Emergency Power Upgrades	Design Phase	01 Sep 2023	
	Fitzroy Crossing RT	WA	Package 1 – Emergency Power Upgrades	Construction Phase	05 Mar 2024	
27	Galiwinku	NT	Package 1 – Emergency Power Upgrades	Design Phase	27 Sep 2023	
	Galiwinku	NT	Package 1 – Emergency Power Upgrades	Construction Phase	24 Jul 2024	
	Galiwinku	NT	Package 2 – Diverse Program Input Upgrades	Design Phase	28 Nov 2023	
	Galiwinku	NT	Package 2 – Diverse Program Input Upgrades	Construction Phase	18 Jun 2024	
28	Garlands Hill	NSW	Package 1 – Emergency Power Upgrades	Design Phase	09 May 2023	09 May 2023
	Garlands Hill	NSW	Package 1 – Emergency Power Upgrades	Construction Phase	06 Sep 2023	21 Sep 2023
29	Gentle Annie Hill RT	TAS	Package 2 – Diverse Program Input Upgrades	Design Phase	12 Jan 2024	
	Gentle Annie Hill RT	TAS	Package 2 – Diverse Program Input Upgrades	Construction Phase	09 Aug 2024	

## Broadcasting Resilience Program - Monthly Report to 31 Aug 2023

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	Project Site	Region	Package	Phase	Phase Start	Actual Finish
30	Georgetown	QLD	Package 1 – Emergency Power Upgrades	Design Phase	11 Apr 2024	
	Georgetown	QLD	Package 1 – Emergency Power Upgrades	Construction Phase	27 Jul 2024	
	Georgetown	QLD	Package 2 – Diverse Program Input Upgrades	Design Phase	16 Jul 2024	
	Georgetown	QLD	Package 2 – Diverse Program Input Upgrades	Construction Phase	03 Sep 2024	
31	Goondiwindi	QLD	Package 2 – Diverse Program Input Upgrades	Design Phase	14 Nov 2023	
	Goondiwindi	QLD	Package 2 – Diverse Program Input Upgrades	Construction Phase	20 Feb 2024	
32	Gordonvale MF	QLD	Package 3 – Flood Mitigation	Design Phase	03 Jun 2024	
	Gordonvale MF	QLD	Package 3 – Flood Mitigation	Construction Phase	18 Dec 2024	
33	Graham Range WIN	QLD	Package 2 – Diverse Program Input Upgrades	Design Phase	09 May 2024	
	Graham Range WIN	QLD	Package 2 – Diverse Program Input Upgrades	Construction Phase	28 Jun 2024	
34	Greenvale	QLD	Package 1 – Emergency Power Upgrades	Design Phase	04 Mar 2024	
	Greenvale	QLD	Package 1 – Emergency Power Upgrades	Construction Phase	06 Aug 2024	
35	Gungahlin MF	ACT	Package 3 – Flood Mitigation	Design Phase	02 Feb 2024	
	Gungahlin MF	ACT	Package 3 – Flood Mitigation	Construction Phase	23 Aug 2024	
36	Halls Creek	WA	Package 1 – Emergency Power Upgrades	Design Phase	30 Oct 2023	
	Halls Creek	WA	Package 1 – Emergency Power Upgrades	Construction Phase	12 Jun 2024	

## Broadcasting Resilience Program - Monthly Report to 31 Aug 2023

## Attachment B

	Project Site	Region	Package	Phase	Phase Start	Actual Finish
37	Jabiru MF	NT	Package 1 – Emergency Power Upgrades	Design Phase	19 Jul 2023	24 Jul 2023
	Jabiru MF	NT	Package 1 – Emergency Power Upgrades	Construction Phase	31 May 2024	
	Jabiru MF	NT	Package 2 – Diverse Program Input Upgrades	Design Phase	31 Aug 2023	31 Aug 2023
	Jabiru MF	NT	Package 2 – Diverse Program Input Upgrades	Construction Phase	01 May 2024	
38	Jinderboine Hill	NSW	Package 1 – Emergency Power Upgrades	Design Phase	29 Aug 2023	29 Aug 2023
	Jinderboine Hill	NSW	Package 1 – Emergency Power Upgrades	Construction Phase	19 Jan 2024	
	Jinderboine Hill	NSW	Package 2 – Diverse Program Input Upgrades	Design Phase	31 Aug 2023	31 Aug 2023
	Jinderboine Hill	NSW	Package 2 – Diverse Program Input Upgrades	Construction Phase	29 Nov 2023	
39	Kalbarri	WA	Package 1 – Emergency Power Upgrades	Design Phase	27 Oct 2023	
	Kalbarri	WA	Package 1 – Emergency Power Upgrades	Construction Phase	31 May 2024	
	Kalbarri	WA	Package 2 – Diverse Program Input Upgrades	Design Phase	18 Jun 2024	
	Kalbarri	WA	Package 2 – Diverse Program Input Upgrades	Construction Phase	23 Oct 2024	
40	Karratha MF	WA	Package 2 – Diverse Program Input Upgrades	Design Phase	07 Aug 2023	07 Aug 2023
	Karratha MF	WA	Package 2 – Diverse Program Input Upgrades	Construction Phase	03 Jul 2024	
41	Kia-Ora Lookout	NSW	Package 1 – Emergency Power Upgrades	Design Phase	11 May 2023	11 May 2023
	Kia-Ora Lookout	NSW	Package 1 – Emergency Power Upgrades	Construction Phase	12 Dec 2023	

## Broadcasting Resilience Program - Monthly Report to 31 Aug 2023

## Attachment B

	Project Site	Region	Package	Phase	Phase Start	Actual Finish
	Kia-Ora Lookout	NSW	Package 2 – Diverse Program Input Upgrades	Design Phase	10 Oct 2023	
	Kia-Ora Lookout	NSW	Package 2 – Diverse Program Input Upgrades	Construction Phase	02 Apr 2024	
42	Laura RT	QLD	Package 2 – Diverse Program Input Upgrades	Design Phase	05 Jan 2024	
	Laura RT	QLD	Package 2 – Diverse Program Input Upgrades	Construction Phase	05 Jul 2024	
43	Leigh Creek MF	SA	Package 1 – Emergency Power Upgrades	Design Phase	05 Jun 2024	
	Leigh Creek MF	SA	Package 1 – Emergency Power Upgrades	Construction Phase	03 Oct 2024	
	Leigh Creek MF	SA	Package 2 – Diverse Program Input Upgrades	Design Phase	11 Jun 2024	
	Leigh Creek MF	SA	Package 2 – Diverse Program Input Upgrades	Construction Phase	16 Oct 2024	
44	Lithgow MF	NSW	Package 1 – Emergency Power Upgrades	Design Phase	05 May 2023	05 May 2023
	Lithgow MF	NSW	Package 1 – Emergency Power Upgrades	Construction Phase	01 Aug 2023	07 Aug 2023
	Lithgow MF	NSW	Package 2 – Diverse Program Input Upgrades	Design Phase	31 Oct 2023	
	Lithgow MF	NSW	Package 2 – Diverse Program Input Upgrades	Construction Phase	05 Dec 2023	
45	Little Duval Upper RT	NSW	Package 1 – Emergency Power Upgrades	Design Phase	31 Aug 2023	31 Aug 2023
	Little Duval Upper RT	NSW	Package 1 – Emergency Power Upgrades	Construction Phase	22 Jan 2024	
	Little Duval Upper RT	NSW	Package 2 – Diverse Program Input Upgrades	Design Phase	24 Jul 2023	24 Jul 2023
	Little Duval Upper RT	NSW	Package 2 – Diverse Program Input Upgrades	Construction Phase	22 Nov 2023	



## Broadcasting Resilience Program - Monthly Report to 31 Aug 2023

## Attachment B

	Project Site	Region	Package	Phase	Phase Start	Actual Finish
46	Mallacoota RT	Vic	Package 2 – Diverse Program Input Upgrades	Design Phase	18 Dec 2023	
	Mallacoota RT	Vic	Package 2 – Diverse Program Input Upgrades	Construction Phase	19 Feb 2024	
47	Manjimup MF	WA	Package 2 – Diverse Program Input Upgrades	Design Phase	04 Oct 2023	
	Manjimup MF	WA	Package 2 – Diverse Program Input Upgrades	Construction Phase	15 Nov 2023	
48	Marble Bar	WA	Package 1 – Emergency Power Upgrades	Design Phase	15 Jan 2024	
	Marble Bar	WA	Package 1 – Emergency Power Upgrades	Construction Phase	03 May 2024	
	Marble Bar	WA	Package 2 – Diverse Program Input Upgrades	Design Phase	02 Jul 2024	
	Marble Bar	WA	Package 2 – Diverse Program Input Upgrades	Construction Phase	20 Aug 2024	
49	Mataranka RT	NT	Package 2 – Diverse Program Input Upgrades	Design Phase	10 Apr 2024	
	Mataranka RT	NT	Package 2 – Diverse Program Input Upgrades	Construction Phase	01 Nov 2024	
50	Meekatharra	WA	Package 1 – Emergency Power Upgrades	Design Phase	03 Nov 2023	
	Meekatharra	WA	Package 1 – Emergency Power Upgrades	Construction Phase	18 Jun 2024	
	Meekatharra	WA	Package 2 – Diverse Program Input Upgrades	Design Phase	02 Sep 2024	
	Meekatharra	WA	Package 2 – Diverse Program Input Upgrades	Construction Phase	21 Oct 2024	
51	Menindee	NSW	Package 1 – Emergency Power Upgrades	Design Phase	20 Aug 2024	
	Menindee	NSW	Package 1 – Emergency Power Upgrades	Construction Phase	03 Dec 2024	

## Broadcasting Resilience Program - Monthly Report to 31 Aug 2023

## Attachment B

	Project Site	Region	Package	Phase	Phase Start	Actual Finish
	Menindee	NSW	Package 2 – Diverse Program Input Upgrades	Design Phase	05 Aug 2024	
	Menindee	NSW	Package 2 – Diverse Program Input Upgrades	Construction Phase	23 Sep 2024	
52	Mission Hill RT	NT	Package 1 – Emergency Power Upgrades	Design Phase	06 Feb 2024	
	Mission Hill RT	NT	Package 1 – Emergency Power Upgrades	Construction Phase	30 Jul 2024	
	Mission Hill RT	NT	Package 2 – Diverse Program Input Upgrades	Design Phase	17 Apr 2024	
	Mission Hill RT	NT	Package 2 – Diverse Program Input Upgrades	Construction Phase	21 Oct 2024	
53	Moreys Hill	TAS	Package 1 – Emergency Power Upgrades	Design Phase	05 Jun 2023	05 Jun 2023
	Moreys Hill	TAS	Package 1 – Emergency Power Upgrades	Construction Phase	04 Oct 2023	
	Moreys Hill	TAS	Package 2 – Diverse Program Input Upgrades	Design Phase	14 Feb 2024	
	Moreys Hill	TAS	Package 2 – Diverse Program Input Upgrades	Construction Phase	05 Apr 2024	
54	Mossman MF	QLD	Package 3 – Flood Mitigation	Design Phase	11 Jun 2024	
	Mossman MF	QLD	Package 3 – Flood Mitigation	Construction Phase	25 Dec 2024	
55	Moura	QLD	Package 1 – Emergency Power Upgrades	Design Phase	10 Nov 2023	
	Moura	QLD	Package 1 – Emergency Power Upgrades	Construction Phase	26 Jun 2024	
	Moura	QLD	Package 2 – Diverse Program Input Upgrades	Design Phase	27 Nov 2023	
	Moura	QLD	Package 2 – Diverse Program Input Upgrades	Construction Phase	29 Jan 2024	

## Broadcasting Resilience Program - Monthly Report to 31 Aug 2023

## Attachment B

	Project Site	Region	Package	Phase	Phase Start	Actual Finish
56	Mt Cenn Cruaich	NSW	Package 2 – Diverse Program Input Upgrades	Design Phase	08 Sep 2023	
	Mt Cenn Cruaich	NSW	Package 2 – Diverse Program Input Upgrades	Construction Phase	26 Feb 2024	
57	Mt Clay	Vic	Package 2 – Diverse Program Input Upgrades	Design Phase	29 Jan 2024	
	Mt Clay	Vic	Package 2 – Diverse Program Input Upgrades	Construction Phase	18 Mar 2024	
59	Mt Cumbermelon	NSW	Package 1 – Emergency Power Upgrades	Design Phase	10 Oct 2023	
	Mt Cumbermelon	NSW	Package 1 – Emergency Power Upgrades	Construction Phase	29 May 2024	
59	Mt Devlin	QLD	Package 1 – Emergency Power Upgrades	Design Phase	03 Nov 2023	
	Mt Devlin	QLD	Package 1 – Emergency Power Upgrades	Construction Phase	19 Jun 2024	
60	Mt Elliot	Vic	Package 2 – Diverse Program Input Upgrades	Design Phase	08 Sep 2023	
	Mt Elliot	Vic	Package 2 – Diverse Program Input Upgrades	Construction Phase	22 Nov 2023	
61	Mt Garnet RT	QLD	Package 1 – Emergency Power Upgrades	Design Phase	26 Apr 2024	
	Mt Garnet RT	QLD	Package 1 – Emergency Power Upgrades	Construction Phase	05 Oct 2024	
	Mt Garnet RT	QLD	Package 2 – Diverse Program Input Upgrades	Design Phase	31 Oct 2023	
	Mt Garnet RT	QLD	Package 2 – Diverse Program Input Upgrades	Construction Phase	18 Jun 2024	
62	Mt Mackenzie RT	NSW	Package 1 – Emergency Power Upgrades	Design Phase	28 Jun 2023	28 Jun 2023
	Mt Mackenzie RT	NSW	Package 1 – Emergency Power Upgrades	Construction Phase	04 Jan 2024	

## Broadcasting Resilience Program - Monthly Report to 31 Aug 2023

## Attachment B

	Project Site	Region	Package	Phase	Phase Start	Actual Finish
	Mt Mackenzie RT	NSW	Package 2 – Diverse Program Input Upgrades	Design Phase	29 Sep 2023	
	Mt Mackenzie RT	NSW	Package 2 – Diverse Program Input Upgrades	Construction Phase	18 Apr 2024	
63	Mt Magnet	WA	Package 1 – Emergency Power Upgrades	Design Phase	06 Oct 2023	
	Mt Magnet	WA	Package 1 – Emergency Power Upgrades	Construction Phase	31 May 2024	
64	Mt Molloy	QLD	Package 1 – Emergency Power Upgrades	Design Phase	01 May 2024	
	Mt Molloy	QLD	Package 1 – Emergency Power Upgrades	Construction Phase	27 Sep 2024	
65	Mt Myrtle RT	QLD	Package 2 – Diverse Program Input Upgrades	Design Phase	12 Jan 2024	
	Mt Myrtle RT	QLD	Package 2 – Diverse Program Input Upgrades	Construction Phase	12 Jul 2024	
66	Mt Owen	TAS	Package 2 – Diverse Program Input Upgrades	Design Phase	01 Feb 2024	
	Mt Owen	TAS	Package 2 – Diverse Program Input Upgrades	Construction Phase	14 Mar 2024	
67	Mt Raymond RT	Vic	Package 2 – Diverse Program Input Upgrades	Design Phase	12 Jan 2024	
	Mt Raymond RT	Vic	Package 2 – Diverse Program Input Upgrades	Construction Phase	04 Mar 2024	
68	Mt Read	TAS	Package 2 – Diverse Program Input Upgrades	Design Phase	12 Aug 2024	
	Mt Read	TAS	Package 2 – Diverse Program Input Upgrades	Construction Phase	30 Sep 2024	
69	Myrtleford	Vic	Package 2 – Diverse Program Input Upgrades	Design Phase	29 Jul 2024	
	Myrtleford	Vic	Package 2 – Diverse Program Input Upgrades	Construction Phase	16 Sep 2024	

## Broadcasting Resilience Program - Monthly Report to 31 Aug 2023

## Attachment B

	Project Site	Region	Package	Phase	Phase Start	Actual Finish
70	Nannup	WA	Package 1 – Emergency Power Upgrades	Design Phase	10 Jan 2024	
	Nannup	WA	Package 1 – Emergency Power Upgrades	Construction Phase	13 Aug 2024	
71	Newcastle Waters RT	NT	Package 2 – Diverse Program Input Upgrades	Design Phase	24 Apr 2024	
	Newcastle Waters RT	NT	Package 2 – Diverse Program Input Upgrades	Construction Phase	18 Oct 2024	
72	Newman MF	WA	Package 2 – Diverse Program Input Upgrades	Design Phase	11 Jun 2024	
	Newman MF	WA	Package 2 – Diverse Program Input Upgrades	Construction Phase	30 Jul 2024	
73	Northam MF	WA	Package 1 – Emergency Power Upgrades	Design Phase	31 Oct 2023	
	Northam MF	WA	Package 1 – Emergency Power Upgrades	Construction Phase	15 Apr 2024	
	Northam MF	WA	Package 2 – Diverse Program Input Upgrades	Design Phase	31 Oct 2023	
	Northam MF	WA	Package 2 – Diverse Program Input Upgrades	Construction Phase	05 Dec 2023	
74	Nyngan	NSW	Package 1 – Emergency Power Upgrades	Design Phase	07 Dec 2023	
	Nyngan	NSW	Package 1 – Emergency Power Upgrades	Construction Phase	23 Jul 2024	
75	Ocean Beach Road	TAS	Package 1 – Emergency Power Upgrades	Design Phase	27 Oct 2023	
	Ocean Beach Road	TAS	Package 1 – Emergency Power Upgrades	Construction Phase	11 May 2024	
	Ocean Beach Road	TAS	Package 2 – Diverse Program Input Upgrades	Design Phase	26 Aug 2024	
	Ocean Beach Road	TAS	Package 2 – Diverse Program Input Upgrades	Construction Phase	14 Oct 2024	

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	Project Site	Region	Package	Phase	Phase Start	Actual Finish
76	Paraburdoo MF	WA	Package 2 – Diverse Program Input Upgrades	Design Phase	04 Jun 2024	
	Paraburdoo MF	WA	Package 2 – Diverse Program Input Upgrades	Construction Phase	17 Jul 2024	
77	Pine Creek RT	NT	Package 1 – Emergency Power Upgrades	Design Phase	13 Feb 2024	
	Pine Creek RT	NT	Package 1 – Emergency Power Upgrades	Construction Phase	07 Aug 2024	
	Pine Creek RT	NT	Package 2 – Diverse Program Input Upgrades	Design Phase	02 May 2024	
	Pine Creek RT	NT	Package 2 – Diverse Program Input Upgrades	Construction Phase	04 Nov 2024	
78	Port Hedland MF	WA	Package 2 – Diverse Program Input Upgrades	Design Phase	08 Sep 2023	
	Port Hedland MF	WA	Package 2 – Diverse Program Input Upgrades	Construction Phase	03 Jul 2024	
79	Port Lincoln MF	SA	Package 2 – Diverse Program Input Upgrades	Design Phase	25 Jun 2024	
	Port Lincoln MF	SA	Package 2 – Diverse Program Input Upgrades	Construction Phase	06 Aug 2024	
80	Ravensthorpe	WA	Package 1 – Emergency Power Upgrades	Design Phase	13 Nov 2023	
	Ravensthorpe	WA	Package 1 – Emergency Power Upgrades	Construction Phase	29 Apr 2024	
81	Robin Falls	NT	Package 1 – Emergency Power Upgrades	Design Phase	28 Feb 2024	
	Robin Falls	NT	Package 1 – Emergency Power Upgrades	Construction Phase	20 Jun 2024	
	Robin Falls	NT	Package 2 – Diverse Program Input Upgrades	Design Phase	18 Mar 2024	
	Robin Falls	NT	Package 2 – Diverse Program Input Upgrades	Construction Phase	09 May 2024	

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	Project Site	Region	Package	Phase	Phase Start	Actual Finish
82	Roma RT	QLD	Package 2 – Diverse Program Input Upgrades	Design Phase	16 Nov 2023	
	Roma RT	QLD	Package 2 – Diverse Program Input Upgrades	Construction Phase	17 Jan 2024	
83	Rossgole Lookout	NSW	Package 2 – Diverse Program Input Upgrades	Design Phase	24 Jul 2023	24 Jul 2023
	Rossgole Lookout	NSW	Package 2 – Diverse Program Input Upgrades	Construction Phase	06 Nov 2023	
84	Round Hill	QLD	Package 2 – Diverse Program Input Upgrades	Design Phase	27 Nov 2023	
	Round Hill	QLD	Package 2 – Diverse Program Input Upgrades	Construction Phase	29 Jan 2024	
85	Roxby Downs RT	SA	Package 1 – Emergency Power Upgrades	Design Phase	02 Aug 2023	02 Aug 2023
	Roxby Downs RT	SA	Package 1 – Emergency Power Upgrades	Construction Phase	02 Mar 2024	
	Roxby Downs RT	SA	Package 2 – Diverse Program Input Upgrades	Design Phase	05 Mar 2024	
	Roxby Downs RT	SA	Package 2 – Diverse Program Input Upgrades	Construction Phase	08 Oct 2024	
86	Smithtown MF	NSW	Package 3 – Flood Mitigation	Design Phase	23 Feb 2024	
	Smithtown MF	NSW	Package 3 – Flood Mitigation	Construction Phase	13 Sep 2024	
87	St George MF	QLD	Package 3 – Flood Mitigation	Design Phase	05 Mar 2024	
	St George MF	QLD	Package 3 – Flood Mitigation	Construction Phase	24 Sep 2024	
88	Swansea	TAS	Package 1 – Emergency Power Upgrades	Design Phase	29 May 2023	29 May 2023
	Swansea	TAS	Package 1 – Emergency Power Upgrades	Construction Phase	09 Sep 2023	



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	Project Site	Region	Package	Phase	Phase Start	Actual Finish
	Swansea	TAS	Package 2 – Diverse Program Input Upgrades	Design Phase	27 Sep 2023	
	Swansea	TAS	Package 2 – Diverse Program Input Upgrades	Construction Phase	08 Dec 2023	
89	Taree MF	NSW	Package 2 – Diverse Program Input Upgrades	Design Phase	10 Oct 2023	
	Taree MF	NSW	Package 2 – Diverse Program Input Upgrades	Construction Phase	02 Apr 2024	
	Taree MF	NSW	Package 3 – Flood Mitigation	Design Phase	02 Feb 2024	
	Taree MF	NSW	Package 3 – Flood Mitigation	Construction Phase	23 Aug 2024	
90	The Paps	Vic	Package 2 – Diverse Program Input Upgrades	Design Phase	29 Jan 2024	
	The Paps	Vic	Package 2 – Diverse Program Input Upgrades	Construction Phase	18 Mar 2024	
91	Thredbo	NSW	Package 1 – Emergency Power Upgrades	Design Phase	24 Oct 2023	
	Thredbo	NSW	Package 1 – Emergency Power Upgrades	Construction Phase	07 Mar 2024	
	Thredbo	NSW	Package 2 – Diverse Program Input Upgrades	Design Phase	08 Sep 2023	
	Thredbo	NSW	Package 2 – Diverse Program Input Upgrades	Construction Phase	22 Nov 2023	
92	Thursday Island MF	QLD	Package 3 – Flood Mitigation	Design Phase	18 Jun 2024	
	Thursday Island MF	QLD	Package 3 – Flood Mitigation	Construction Phase	01 Jan 2025	
94	Tom Price MF	WA	Package 2 – Diverse Program Input Upgrades	Design Phase	28 May 2024	
	Tom Price MF	WA	Package 2 – Diverse Program Input Upgrades	Construction Phase	10 Jul 2024	

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	Project Site	Region	Package	Phase	Phase Start	Actual Finish
95	Wades Hill	NSW	Package 1 – Emergency Power Upgrades	Design Phase	09 Aug 2023	30 Aug 2023
	Wades Hill	NSW	Package 1 – Emergency Power Upgrades	Construction Phase	15 Jan 2024	
96	Walgett	NSW	Package 1 – Emergency Power Upgrades	Design Phase	07 Dec 2023	
	Walgett	NSW	Package 1 – Emergency Power Upgrades	Construction Phase	05 Aug 2024	
97	Warrego River MF	QLD	Package 2 – Diverse Program Input Upgrades	Design Phase	11 Dec 2023	
	Warrego River MF	QLD	Package 2 – Diverse Program Input Upgrades	Construction Phase	05 Feb 2024	
	Warrego River MF	QLD	Package 3 – Flood Mitigation	Design Phase	20 May 2024	
	Warrego River MF	QLD	Package 3 – Flood Mitigation	Construction Phase	01 Jan 2025	
98	Webbs Hill	NSW	Package 2 – Diverse Program Input Upgrades	Design Phase	19 Aug 2024	
	Webbs Hill	NSW	Package 2 – Diverse Program Input Upgrades	Construction Phase	07 Oct 2024	
99	Weipa MF	QLD	Package 2 – Diverse Program Input Upgrades	Design Phase	17 Apr 2024	
	Weipa MF	QLD	Package 2 – Diverse Program Input Upgrades	Construction Phase	30 May 2024	
100	Weldborough Trig	TAS	Package 1 – Emergency Power Upgrades	Design Phase	08 May 2023	08 May 2023
	Weldborough Trig	TAS	Package 1 – Emergency Power Upgrades	Construction Phase	11 Aug 2023	14 Sep 2023
101	Wightmans Hill	Vic	Package 1 – Emergency Power Upgrades	Design Phase	10 Oct 2023	
	Wightmans Hill	Vic	Package 1 – Emergency Power Upgrades	Construction Phase	09 Feb 2024	

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	Project Site	Region	Package	Phase	Phase Start	Actual Finish
102	Wilcannia MF	NSW	Package 1 – Emergency Power Upgrades	Design Phase	07 Sep 2023	
	Wilcannia MF	NSW	Package 1 – Emergency Power Upgrades	Construction Phase	08 Jan 2024	
103	Willis Hill	TAS	Package 1 – Emergency Power Upgrades	Design Phase	21 Sep 2023	22 Sep 2023
	Willis Hill	TAS	Package 1 – Emergency Power Upgrades	Construction Phase	11 May 2024	
	Willis Hill	TAS	Package 2 – Diverse Program Input Upgrades	Design Phase	15 May 2024	
	Willis Hill	TAS	Package 2 – Diverse Program Input Upgrades	Construction Phase	20 Sep 2024	
104	Wyndham MF	WA	Package 2 – Diverse Program Input Upgrades	Design Phase	08 Sep 2023	
	Wyndham MF	WA	Package 2 – Diverse Program Input Upgrades	Construction Phase	03 Jul 2024	
105	Yallingup MF	WA	Package 2 – Diverse Program Input Upgrades	Design Phase	16 Oct 2024	
	Yallingup MF	WA	Package 2 – Diverse Program Input Upgrades	Construction Phase	27 Nov 2024	
106	Yarck	Vic	Package 2 – Diverse Program Input Upgrades	Design Phase	23 Jul 2024	
	Yarck	Vic	Package 2 – Diverse Program Input Upgrades	Construction Phase	10 Sep 2024	
107	Young	NSW	Package 2 – Diverse Program Input Upgrades	Design Phase	12 Aug 2024	
	Young	NSW	Package 2 – Diverse Program Input Upgrades	Construction Phase	30 Sep 2024	
	MBA1	None	Package 4 – Mobile Broadcast Assets	Design Phase	05 Jan 2024	

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	Project Site	Region	Package	Phase	Phase Start	Actual Finish
	MBA1	None	Package 4 – Mobile Broadcast Assets	Construction Phase	16 Aug 2024	
	MBA2	None	Package 4 – Mobile Broadcast Assets	Construction Phase	27 Sep 2024	
	MBA3	None	Package 4 – Mobile Broadcast Assets	Construction Phase	08 Nov 2024	
	MBA4	None	Package 4 – Mobile Broadcast Assets	Construction Phase	20 Dec 2024	
	MBA5	None	Package 4 – Mobile Broadcast Assets	Construction Phase	31 Jan 2025	

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Lead/Support contact: Bridget Gannon / Margaret Lopez

SB23-000742

**SUBJECT: Community Broadcasting****Talking Points**

- Community broadcasting plays an important role in promoting the diverse identities of – and providing a voice for – Australian communities that are underserved by other media.

**Funding**

- The Community Broadcasting Program (CBP) provides funding to community radio and television organisations to support a range of activities, including industry training and skills development, development of new content and transmission and equipment costs.
- In the March 2022 Budget, the CBP was forecast to receive \$16.796 million in 2023-24. The October 2022 Budget provided an additional \$4 million per annum to the CBP. Annual funding is indexed and ongoing. In July 2023, a total of \$21.89 million was paid to the Community Broadcasting Foundation (CBF), which administers the CBP to support grant activities. This has allowed the CBF to award 235 grants under a new funding round and will help to sustain the sector through the 2023-24 financial year.

**Review**

- On 28 October 2022, the Minister for Communications announced a Community Broadcasting Sector Sustainability Review (the Review), which includes an evaluation of the CBP and working with the sector to identify a sustainable funding basis for the future.
- The first phase of the Review - an evaluation of the CBP undertaken by the Social Research Centre (SRC) - is now complete. As administrator of the program the CBF is considering the report and the Department of Infrastructure, Transport, Regional Development, Communications and the Arts expects to publish the evaluation and undertake the next stage of the Review in due course.
- In parallel, the community broadcasting sector has developed a long-term strategy for the sector, known as Roadmap 2033. The Roadmap will be launched in coming months.

**Key Issues****Community Broadcasting Sector Sustainability Review**

- The department has commenced a review of the community broadcasting sector. The first stage, an evaluation of the CBP, has now been completed. The evaluation's aim was to understand the extent to which assistance provided to community broadcasting licensees and grant applicants meets the needs of community broadcasting organisations.

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SB23-000742

- The department engaged the Social Research Centre (SRC) to undertake the independent evaluation. SRC was paid \$141,043 (exclusive of GST). The evaluation will assist future iterations of the program to better achieve its objectives and address identified issues and needs in the sector.
- The next stage of the Review includes examining the extent to which emerging priorities are being met through the CBP (including, but not limited to, the role of community broadcasting in emergencies and public interest journalism) and proposed regulatory improvements and will draw on both the evaluation and the recently completed community broadcasting 10-year vision Roadmap.
- In collaboration with the National Indigenous Australians Agency (NIAA), the review will also look at how to best maximise outcomes for First Nations community broadcasting and the extent to which NIAA funding for First Nations broadcasting complements the department's funding.
- Roadmap 2033 was commissioned by the Community Broadcasting Foundation and the Community Broadcasting Association of Australia. It defines the shared goals of community broadcasters and agreed outcomes for the sector, audiences, participants and communities.
- In another early reform, the Broadcasting Services Amendment (Community Radio) Act 2022 received Royal Assent on 13 December 2022. These minor legislative amendments streamlined and simplified community licensing arrangements, which benefits community radio stations, listeners and the regulator, the Australian Communications and Media Authority (ACMA).

**Background**Community television

- The *Broadcasting Services Act 1992* and the *Radiocommunications Act 1992* provide that community television broadcasters must cease terrestrial broadcasting and vacate the spectrum by 30 June 2024. Any extension to C31 and C44 licences would require legislative amendments and no new licences can be issued.
- The Australian Government has committed to keeping existing community television stations on air until there is an alternative use for the radiofrequency spectrum they use. The future of television services is expected to be considered by the industry-led Future of Broadcasting Working Group. This will inform any decisions around extending community television.

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SB23-000742

First Nations Community Radio Broadcasting

- The First Nations broadcasting sector is predominantly funded through Government grants. It currently receives around \$22 million annually through two dedicated programs:
  - \$20.7 million from the Indigenous Broadcasting and Media Program administered by the National Indigenous Australians Agency; and
  - Over \$1 million from the First Nations broadcasting stream of funding in the CBP administered by the CBF.
- First Nations broadcasters are also able to access funding from the broader CBP funding for content, development and operations, and sector investment.

Financial Information as at 10 October 2023

<b>Program/Project Start Date:</b>	Current funding agreement with the Community Broadcasting Foundation was signed on 8 November 2021				
<b>Program/Project End Date:</b>	Current funding agreement ends on 30 June 2025				
	2021-22 \$m	2022-23 \$m	2023-24 \$m	2024-25 \$m	<b>TOTAL \$m</b>
Appropriation Budget	20.1	20.97	21.89	22.59	<b>85.55</b>
Less:					
Actual Expenditure YTD at 31 March 2023	20.1	20.97	21.89		
Total Committed Funds at 31 March 2023	20.1	20.97	21.89	22.59	<b>85.55</b>
Total Uncommitted Funds (balance)	0.0	0.0	0	0	<b>0</b>

*Note: Committed funds relate to funds committed under a Funding Agreement, Contract or Program of Works where the Project, Profile and Conditions have been agreed to, or a formal offer has been made pending agreement, by the recipient.*

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## Environment and Communications

Lead/Support contact: Bridget Gannon / Andrew Irwin

SB23-000743

**SUBJECT: Disinformation and Misinformation – Draft Bill and Consultation****Talking Points**

- The Minister for Communications has made clear that the Australian Government is very alive to the threats that are posed by harmful mis- and disinformation to the safety and wellbeing of Australians, as well as to our democracy, society and economy.

What does the Bill do?

- The draft Bill would provide the ACMA with:
  - information gathering, record keeping and code and standard making powers.
  - Powers for industry codes and standards that require digital platforms to have better systems and processes to deal with mis- and disinformation to protect Australians.
- In this proposed Bill, digital platforms will continue to be responsible for content on their services.
- As a key principle, the proposed ACMA powers support and build on the current voluntary DIGI industry code but ensure a safety net if these voluntary codes are insufficient or ineffective in addressing identified harms.
- The proposed ACMA powers are intended to strengthen and support the Code arrangements by providing greater transparency on the effectiveness of digital platforms' actions, which will encourage platforms to strengthen safeguards themselves.

Consultation

- On 25 June, the Australian Government released the Communications Legislation Amendment (Combatting Misinformation and Disinformation) Bill 2023 for public consultation. The consultation closed on 20 August.
- The Department of Infrastructure, Transport, Regional Development, Communications and the Arts held 5 roundtables and 12 separate meetings with the platform industry, broadcasters, think tanks, academics, peak bodies, academics and government agencies.
- The public consultation raised significant community feedback with responses totalling around 20,336 comments and 3025 submissions. Submissions are being published in tranches.
  - The industry and other stakeholders recognised the need to tackle online mis- and disinformation, submissions also raised transparency and accountability measures for the regulator, the breadth of the definitions and impact for religious expression.
- The department is briefing the Minister for Communications on the outcomes of the consultation and on potential amendments to the Bill to address concerns raised.

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Submissions and consultation*Consultation period*

- 25 June 2023 – consultation commenced
- 24 July 2023 – the consultation was extended by 2 weeks (updated on the department's website, initial close date was 6 August).
- 20 August 2023 – consultation closed

The department granted a number of extension requests and accepted submissions until 25 August.

*How responses were received*

The department received 20,336 comments and 3025 submissions in the following forms:

- Have Your Say webpage: 17,424 comments and 2,160 submissions.
- E-mails (to Information Integrity Inbox and MO): 2,565 comments and 712 submissions.
- Mail: 21 comments.
- Post cards: 153 submissions in the form of a post card from Senator Ralph Babet

CitizenGo - On 4 August 2023, the department received a hand delivered a letter with over 19,000 signatures on a USB card from CitizenGo, expressing concerns about the draft Bill on freedom of speech. These signatures are separate to the figures reported above.

*Publishing of submissions on the department website*

We commenced publishing on 15 September 2023 and expect to conclude in November. The department has released 5 tranches comprising 1,264 submissions which largely centred on the impact of the Bill on freedom of expression.

- Tranche 1 – 150 submission released on 15 September
- Tranche 2 – 178 submissions released on 22 September
- Tranche 3 – 341 submissions released on 28 September
- Tranche 4 – 299 submissions released on 5 October
- Tranche 5 – 297 submissions released on 23 October

The department will publish all submissions except those where the author has requested that their submission not be published. At this stage, 563 submitters have requested that their submissions remain private.

In some circumstances, the department may need to redact some aspects of public submissions where there are legal considerations relevant to what we can publish on our website. For example:

- Private information (this is the primary cause of redactions)
- Defamatory material

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- Copyright material
- Abhorrent violent material
- Offensive material
- Threats

Redactions or non-publication would only relate to such considerations.

The department decided to publish in tranches as a way of getting submissions published quickly while assuring ourselves that the submissions are safe to publish and to support staff welfare.

Releasing submissions in tranches for large consultation processes reflects longstanding practice of ensuring compliance with how respondents want their submissions and information treated and allowed for submissions to be published as quickly as possible, as opposed to waiting for all submissions to be processed before publishing.

So far, one submitter requested we remove their published submission.

*Examples of other major government consultations*

The department's consultation has been one of the biggest in recent memory.

Consultation	Number of responses
ACMA powers draft Bill	Approximately 23,361 responses, these include 20,336 comments and 3025 submissions.
Therapeutic Goods Administration's 2022 consultation on proposed reforms to the regulation of nicotine vaping products	Almost 4,000 submissions by January 2023
Religious Discrimination Bill 2022	Over 12,000, with more than 6,000 submissions for each of the 2 consultation processes
The 2022 Privacy Act Review	received approximately 500 written submissions of which 427 have been published (where consent was provided).

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SB23-000743

## Key Issues

The draft Bill seeks to increase transparency, consistency and to hold platforms to account

Policy Intent / Outcome	Section of the Bill
Increase transparency and accountability by collecting consistent and comparable information to better understand platforms systems and processes	<p><b>Section 14</b> of the Bill outlines that the ACMA may make rules in relation to digital platforms record keeping. <i>For example a rule could be that platforms must keep Australian specific data.</i></p> <p><b>Section 18</b> of the Bill outlines the information gathering powers that would be provided to the ACMA. <i>The ACMA could request certain information from the platforms in relation to their measures to reduce misinformation and disinformation on its platform. The record keeping rules ensure that the platforms keep the specific information that the ACMA may request.</i></p>
Consistency through a stronger voluntary code which will hold non-signatories to account and lift the bar on platforms measures.	In the first instance the ACMA would work with industry to strengthen the current voluntary code, if the voluntary code is not sufficient (as informed by the information gathering powers) then the ACMA may use its reserve code and standard making powers.
Reserve code and standard making powers would allow ACMA to take action (if voluntary platform efforts fail). This would ensure enforceability and greater consistency.	<p><b>Codes:</b></p> <p><b>Section 37 and 38</b> of the Bill provides the ACMA with the power to register an industry developed code if it is satisfied with the code.</p> <p>The ACMA may also request codes or a section of a code be development or improved by industry.</p> <p><b>Standards:</b></p> <p><b>Sections 46-50</b> provide the ACMA with power to develop a standard if the ACMA is still not satisfied with codes and industry efforts through the codes. The ACMA could enforce a standard upon the platforms. Standards are legislative instruments and are disallowable by the Parliament.</p>

Structural safeguards to protect freedom of speech for all Australians

The proposed ACMA powers aim to tackle harmful online mis- and disinformation, while balancing the right to freedom of expression so fundamental to democracy.

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The draft Bill seeks to address this balance through:

- **Serious harm threshold:** High threshold of serious harm (e.g. foreign interference during an election, rapidly spread through a bot network).
- **Freedom of expression requirements:** The ACMA is required to consider any potential burdens on freedom of political communication before using code and standard making powers.
- **Parliamentary oversight:** Record-keeping rules and standards may be disallowed by parliament which provides for regulator transparency.

The ACMA would not determine truthfulness, nor would it have a role in taking down or requesting action regarding individual pieces of content. If the ACMA uses its reserve code registration or standard making powers, digital platforms would be required to proactively ensure mis- and disinformation is actively managed on their services.

#### Content excluded from the definitions of mis- and disinformation

To protect freedom of expression, the draft Bill excludes several types of content from being able to be considered as mis- or disinformation. This means the ACMA would have no powers to gather information, register codes, or develop standards for this type of content. These include:

- **Professional news content:** Exempt from the proposed powers based on a set of criteria which is based on the News and Media Bargaining Code. This recognises both the important role that professional media plays in a modern democracy, and the standards already applicable to their work.
- **Satire and parody** made in good faith by anyone, including everyday Australians, will be exempt.
- **Authorised government communications**, intended to cover information from agencies during emergencies. For example: social media posts by a state emergency service providing evacuation advice during a major bushfire or floods.

#### Definition of mis- and disinformation

The key difference between mis- and disinformation is intent. That is:

- Misinformation is generally considered to be the sharing of false or misleading content without an intention to cause harm.
- Disinformation includes the sharing of false or misleading content but with a clear intention to cause harm.

These concepts have been defined in Clause 7(1) and 7(2) in the draft Bill. The definition of misinformation largely draws on the voluntary Australian Code of Practice on Disinformation and Misinformation which was developed by the Digital Industry Group (DIGI) and its members.

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Definition of serious harm

The draft Bill has been drafted so that misinformation would be captured by the ACMA powers where it would be reasonably likely to cause or contribute to serious harm.

For harm to be serious, misinformation would need to have severe and wide-reaching impacts on Australians. The matters that are relevant to determining whether misinformation could cause or contribute to serious harm (as set out in Clause 7(3) of the draft Bill) would include:

- The circumstances in which the content is disseminated
- The subject matter of the false, misleading or deceptive information in the content
- The potential reach and speed of the dissemination
- The severity of the potential impacts of the dissemination
- The author of the information

The table below outlines the types of harm in Clause 2 of the draft Bill that would be considered when determining whether mis – and disinformation was serious.

Type of Harm (as outlined in the ED Bill)	Examples of <u>serious</u> harm (Policy explanation)
Hatred against a group in Australian society on the basis of ethnicity, nationality, race, gender, sexual orientation, age, religion or physical or mental disability	Misinformation about a group of Australians inciting other persons to commit hate crimes against that group
Disruption of public order or society in Australia	Misinformation that encouraged or caused people to vandalise critical communications infrastructure
Harm to the integrity of Australian democratic processes or of Commonwealth, State, Territory or local government institutions	Misinformation undermining the impartiality of an Australian electoral management body ahead of an election or a referendum
Harm to the health of Australians	Misinformation that caused people to ingest or inject bleach products to treat a viral infection
Harm to the Australian environment	Misinformation about water saving measures during a prolonged drought period in a major town or city
Economic or financial harm to Australians, the Australian economy or a sector of the Australian economy.	Disinformation by a foreign actor targeting local producers in favour of imported goods

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Examples of misinformation and disinformation*5G Electromagnetic Exposure*

The rollout of 5G mobile coverage in Australia has seen telecommunications infrastructure damaged, with claims online believing exposure to radiation emitted from 5G devices is causing adverse health impacts. A number of leading Australia experts, including the Australian Radiation Protection and Nuclear Safety Agency (ARPANSA) say there is no established evidence to support these claims.

*2019/20 Australian Bushfires*

Misinformation during the 2019/20 Australian bushfire was spread via Twitter using #Arsonemergency, blaming the cause of the fires on arson attacks, green activism stopping backburning, climate change not related and Australia has bushfires. A study by Springer Link found that encouraging false narratives using sophisticated social bots caused social disruption and polarisation which may then influence public policy and action.

*Drinking Borax Trend*

Multiple video creators on Tik Tok and Facebook claimed drinking Borax, a naturally occurring mineral compound commonly used in laundry powders and pesticides can have a range of health benefits from treating arthritis, increasing libido, lowering inflammation, fighting candida, thrush and fungus. Health authorities consider Borax a toxic substance that should not be ingested and could lead to headache, fever, nausea, vomiting, impaired fertility and kidney damage.

Platforms in scope of the proposed ACMA powers

The proposed ACMA powers would apply to a range of digital platform services. For the purposes of the Bill, there are three subcategories based on their primary function from a user perspective. These are:

- Connective media services; where the primary function is to enable interaction between users. Platforms in this category include:
  - instant messaging services e.g. Telegram, social media e.g. Facebook, web-forums e.g. Reddit, dating sites Tinder, and online peer-to-peer marketplaces e.g. Gumtree.
- Content aggregators; where the primary function is to collate and present information from a range of online sources. Platforms in this category include:
  - search engines e.g. Google, and news aggregators e.g. Apple News.
- Media sharing services that have an interactive feature; where the primary function is to provide audio, visual, or audio-visual content to users. Platforms in this category include:

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- podcasting services e.g. Spotify, and image hosting services e.g. Flickr.

It is not intended that the powers would apply to SMS (text message), MMS (Multimedia message system, also text message), email, SVODs (streaming video on demand – Netflix) and BVODs (broadcast video on demand – ABC iView).

#### Matters that could be dealt with through misinformation codes and standards

The ACMA would be able to use its reserve code and standard making powers if a voluntary code implemented by industry provides inadequate protection for the community. In this case, compliance with the code or standard would be enforceable through infringement notices, remedial directions, enforceable undertakings and penalties.

Examples of matters that could be contained within a code include:

- Requirements to have adequate systems and processes:
  - a general requirement to prevent or respond to misinformation and disinformation;
  - using technology to prevent or respond to misinformation and disinformation;
  - a specific requirement to prevent or respond to foreign interference;
  - preventing advertising involving misinformation or disinformation;
  - preventing monetisation of misinformation and disinformation;
  - supporting fact checking on the digital platform service;
  - allowing users to detect and report misinformation and disinformation;
- Requirements to be transparent in the use of the systems and processes:
  - giving information to users about the source of political or issues-based advertising;
  - policies and procedures for receiving and handling reports and complaints from users;
  - giving users and others information about misinformation and disinformation on the digital platform service.

#### Private Messaging (e.g WhatsApp, Signal)

The Bill would exclude the ACMA from using its powers in relation to private messages. For example, the contents of a family group conversation using an instant messaging app would be considered private messages.

Posts in a closed forum on a social media service would not be considered private messages as they are not instant messages.

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Interaction of the proposed ACMA powers with the current industry code of practice

DIGI has expressed in principle support for the proposed ACMA powers. The powers will be applicable beyond the current signatories (see background) to the Code.

The ACMA has identified a number of ongoing issues with the Code:

- Transparency: Platforms have not developed a measurement framework to track outcomes, and often don't report Australian data.
- Consistency: Current reporting lacks systemic data or key performance indicators to allow comparability between digital platforms
- Does not apply to large-scale group messaging

The Minister for Communications statements about misinformation and disinformation

- "Mis and disinformation sows division within the community, undermines trust and can threaten public health and safety.
- "Misinformation and disinformation poses a threat to the safety and wellbeing of Australians, as well as to our democracy, society and economy."
- "The Albanese Government is committed to keeping Australians safe online, and that includes ensuring the ACMA has the powers it needs to hold digital platforms to account for mis and disinformation on their services.
- "This consultation process gives industry and the public the opportunity to have their say on the proposed framework, which aims to strike the right balance between protection from harmful mis and disinformation online and freedom of speech.
- "What this is, is the ability to hold the Big Tech platforms to account for their own policies. Big Tech currently has a Voluntary Code of Practice dealing with mis and disinformation, but that's found to be wanting in a couple of areas. Those are around transparency of their systems and processes, and the accountability of the digital platforms."
- "This government is very alive to the threats that are posed by harmful mis and disinformation online. And 70 per cent of Australians are alive to that as well – the speed, the scale and the scope of mis and disinformation is something that regulators around the world are grappling with".

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**Financial Information as at 31 August 2023**

- The new ACMA powers will cost \$5.6 million over the forward estimates and \$1.9 million per year ongoing (indexed from 2027-28).
- The costs for 2023-24 will be met from within the Communications portfolio.

**Budget Appropriations as at 31 March 2023**

<b>Program/Project Start Date:</b>	<b>2023-24</b>					
<b>Program/Project End Date:</b>	<b>Ongoing</b>					
	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m	<b>TOTAL \$m</b>
Appropriation Budget	0	2.26	1.9	1.9	1.9	<b>5.6</b>
Less:						
Actual Expenditure YTD at 31 August 2022	0	0				
Total Committed Funds at 31 August 2022	0	0	0	0	0	<b>0</b>
Total Uncommitted Funds (balance)	0	0	0	0	0	<b>0</b>

*Note: Committed funds relate to funds committed under a Funding Agreement, Contract or Program of Works where the Project, Profile and Conditions have been agreed to, or a formal offer has been made pending agreement, by the recipient. Total figure above is over the forward estimates or three years from 2024-25.*

**Attachments**

Attachment A – Stakeholder meetings on the Bill

Attachment B – Key concerns and themes from the public consultation

Attachment C – The department's role in mis and disinformation

Attachment D – The Australian Code of Practice on Disinformation and Misinformation (DIGI)

**Contact:** Andrew Irwin**Cleared by A/g First Assistant Secretary:** Bridget Gannon**Phone:** (02) s22(1)(a)(ii)**Version Number:** 01**Date:** 20/10/2023

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## Attachment A

## Stakeholder meetings on the Bill

## Stakeholder roundtables held by DITRDCA

The department conducted five roundtables as part of the consultation.

<b>DIGI Code signatories</b>  <b>Date: 6 July 2023</b>	<b>Attendees:</b> <ul style="list-style-type: none"> <li>• s47F [redacted] <b>Apple Australia</b></li> <li>• s47F [redacted] <b>Meta</b></li> <li>• s47F [redacted] <b>Google</b></li> <li>• s47F [redacted] <b>TikTok Australia</b></li> <li>• s47F [redacted]</li> <li>• <b>DIGI</b></li> <li>• s47F [redacted] <b>Microsoft</b></li> <li>• s47F [redacted] <b>Redbubble Limited</b></li> <li>• s47F [redacted] <b>Twitter</b></li> <li>• Rochelle Zurnamer, Executive Manager, Content Safeguards Branch, <b>ACMA</b></li> <li>• Kelly Mudford, Manager, Disinformation and Platforms, <b>ACMA</b></li> </ul>
<b>Non-signatory platforms</b>  <b>Date: 6 July 2023</b>	<b>Attendees:</b> <ul style="list-style-type: none"> <li>• s47F [redacted] <b>Snap Inc.</b></li> <li>• s47F [redacted] <b>Amazon</b></li> <li>• s47F [redacted]</li> <li>• s47F [redacted] <b>Reddit, Inc</b></li> <li>• s47F [redacted] <b>Interactive Games &amp; Entertainment Association (IGEA)</b></li> <li>• Rochelle Zurnamer, Executive Manager, Content Safeguards Branch, <b>ACMA</b></li> <li>• Kelly Mudford, Manager, Disinformation and Platforms, <b>ACMA</b></li> </ul>
<b>Media, academia, fact-checking organisations and advocacy groups</b>  <b>Date: 7 July 2023</b>	<b>Attendees:</b> <ul style="list-style-type: none"> <li>• s47F [redacted] <b>Nine</b></li> <li>• s47F [redacted] <b>Human Technology Institute</b></li> <li>• s47F [redacted] <b>Seven West Media</b></li> <li>• s47F [redacted] <b>Digital Media Research Centre, QUT</b></li> <li>• s47F [redacted] <b>Australian Press Council</b></li> </ul>

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	<ul style="list-style-type: none"> <li>• Lyn Kemmis, Senior Legal Counsel, <b>SBS</b></li> <li>• s47F [REDACTED]</li> <li>• [REDACTED] <b>Paramount/Network Ten</b></li> <li>• s47F [REDACTED] <b>AAP Factcheck</b></li> <li>• s47F [REDACTED] <b>AAP Factcheck</b></li> <li>• s47F [REDACTED] <b>Centre for Future Technology</b></li> <li>• s47F [REDACTED] <b>Nine</b></li> <li>• s47F [REDACTED] <b>Croakey Health Media</b></li> <li>• s47F [REDACTED] <b>Local and Independent</b></li> <li>• <b>News Association (LINA)</b></li> <li>• s47F [REDACTED]</li> <li>• <b>NewsCorp Australia</b></li> <li>• s47F [REDACTED]</li> <li>• <b>Journalism Education and Research Association of Australia</b></li> <li>• s47F [REDACTED] <b>RMIT University</b></li> <li>• s47F [REDACTED] <b>RMIT ABC Fact Check</b></li> <li>• s47F [REDACTED] <b>RMIT FactLab, RMIT ABC Fact Check</b></li> <li>• s47F [REDACTED] <b>RMIT ABC Fact Check</b></li> <li>• s47F [REDACTED] <b>AAP Factcheck</b></li> <li>• s47F [REDACTED] <b>Digital Media Research Centre, QUT</b></li> <li>• s47F [REDACTED] <b>Centre for Media Transition,</b></li> <li>• <b>University of Technology Sydney</b></li> <li>• s47F [REDACTED] <b>ABC</b></li> <li>• s47F [REDACTED] <b>ABC</b></li> <li>• s47F [REDACTED] <b>Reset.Tech Australia</b></li> <li>• s47F [REDACTED] <b>Reset.Tech Australia</b></li> <li>• s47F [REDACTED]</li> <li>• <b>Australian Communications Consumer Action Network</b></li> <li>• s47F [REDACTED] <b>Public Interest Journalism</b></li> <li>• <b>Initiative</b></li> <li>• s47F [REDACTED] <b>Public Interest Journalism</b></li> <li>• <b>Initiative</b></li> <li>• Rochelle Zurnamer, Executive Manager, Content Safeguards Branch, <b>ACMA</b></li> <li>• Kelly Mudford, Manager, Disinformation and Platforms, <b>ACMA</b></li> </ul>
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<p><b>Media, academia, fact-checking organisations and advocacy groups</b></p> <p><b>Date:</b> 20 July 2023</p>	<p><b>Attendees:</b></p> <ul style="list-style-type: none"> <li>• s47F [redacted] Australian Muslim Advocacy Network</li> <li>• s47F [redacted] Australian Academy of Technological Sciences &amp; Engineering</li> <li>• s47F [redacted] Federation of Ethnic Communities' Councils of Australia (FECCA)</li> <li>• s47F [redacted] Federation of Ethnic Communities' Councils of Australia (FECCA)</li> <li>• s47F [redacted] Australian Strategic Policy Institute (ASPI)</li> <li>• s47F [redacted] Australian Strategic Policy Institute (ASPI)</li> <li>• s47F [redacted] News and Media Research Centre, University of Canberra</li> <li>• s47F [redacted] Alannah and Madeline Foundation</li> <li>• s47F [redacted] Communications Alliance Ltd</li> <li>• s47F [redacted] Tertiary Education Quality and Standards Agency</li> <li>• s47F [redacted] Tertiary Education Quality and Standards Agency</li> <li>• s47F [redacted] Australasian Cyber Law Institute</li> <li>• s47F [redacted] La Trobe University</li> <li>• s47F [redacted] RMIT FactLab</li> <li>• s47F [redacted] Crawford Media Consulting</li> <li>• Kelly Mudford, Manager, Disinformation and Platforms, <b>ACMA</b></li> <li>• Cathy Rainsford, General Manager, Content and Consumer Division, <b>ACMA</b></li> </ul>
<p><b>Government Stakeholders</b></p> <p><b>Date:</b> 19 July 2023</p>	<p><b>Attendees:</b> representatives from the Australian Electoral Commission, Department of Finance, Attorney-General's Department, Office of National Intelligence, Department of Home Affairs, Department of Defence, Department of Education, eSafety Commissioner, Department of Prime Minister and Cabinet, the Australian Competition and Consumer Commission.</p>

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Other stakeholder meetings

<b>Interactive Games &amp; Entertainment Association</b> Virtual meeting  Date: 24 July 2023	<b>Attendees:</b> <ul style="list-style-type: none"> <li>§47F [REDACTED]</li> </ul>
<b>Croakey Health Media</b>  Virtual meeting  Date: 27 July 2023	<b>Attendees:</b> <ul style="list-style-type: none"> <li>§47F [REDACTED] <b>Croakey Health Media</b></li> <li>§47F [REDACTED] <b>Global Centre for Preventive Health and Nutrition Institute for Health Transformation</b></li> <li>§47F [REDACTED] <b>Medical Journal of Australia</b></li> <li>§47F [REDACTED] <b>The Australian National University</b></li> <li>§47F [REDACTED] <b>Australian Health Promotion Association</b></li> <li>§47F [REDACTED] <b>ManuKahu Associates Limited</b></li> <li>§47F [REDACTED] <b>Curtin University</b></li> <li><b>Croakey team:</b> §47F [REDACTED]</li> </ul>
<b>Institute of Public Affairs</b>  Virtual meeting  Date: 27 July 2023	<b>Attendees:</b> <ul style="list-style-type: none"> <li>§47F [REDACTED] <b>Institute of Public Affairs.</b></li> </ul>
<b>Australian Competition and Consumer Commission</b>  Virtual meeting  Date: 8 August 2023	<b>Attendees:</b> <ul style="list-style-type: none"> <li>Various members of the Digital Platform Services Inquiry Branch, ACCC.</li> </ul>

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<b>Twitter / X</b>  <b>Virtual meeting</b>  <b>Date:</b> 31 August 2023	<b>Attendees:</b> <ul style="list-style-type: none"> <li>• s47F [REDACTED] Twitter</li> </ul>
<b>Australian Strategic Policy Institute</b>  Phone calls across August and September 2023	<b>Attendees:</b> <ul style="list-style-type: none"> <li>• s47F [REDACTED] Australian Strategic Policy Institute</li> </ul>
<b>META</b>  <b>Phone call</b>  <b>Date:</b> 1 September 2023	<b>Attendees:</b> <ul style="list-style-type: none"> <li>• s47F [REDACTED]</li> </ul>
<b>Microsoft</b>  Phone call  <b>Date:</b> 1 September 2023	<b>Attendees:</b> <ul style="list-style-type: none"> <li>• s47F [REDACTED]</li> </ul>
<b>DIGI</b>  Email 8 September 2023  Phone Calls <b>Dates:</b> 18 August and 21 September 2023	<b>Attendees:</b> <ul style="list-style-type: none"> <li>• DIGI</li> <li>• s47F [REDACTED] and s47F [REDACTED]</li> </ul>

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<b>Community Broadcasting Association of Australia</b>  <b>Virtual meeting</b>  <b>Date:</b> 21 September 2023	<b>Attendees:</b> <ul style="list-style-type: none"> <li>• s47F [REDACTED]</li> </ul>
s47F [REDACTED]  <b>Virtual meeting</b>  <b>Date:</b> 18 October 2023	<b>Attendees:</b> <ul style="list-style-type: none"> <li>• s47F [REDACTED]</li> </ul>

Cross Bench Briefing

Minister Rowland's Office organised briefings for parliamentarians where departmental staff presented and answered questions on the draft Bill.

<b>Briefing 1</b>  <b>Parliament House</b>  <b>Date:</b> 5 September 2023	<b>Attendees:</b> <ul style="list-style-type: none"> <li>• Various cross-bench members and parliamentary staff from the House of Representatives of Parliament attended.</li> </ul>
<b>Briefing 2</b>  <b>Parliament House</b>  <b>Date:</b> 8 September 2023	<b>Attendees:</b> <ul style="list-style-type: none"> <li>• Various parliamentary staff from the offices of several senators attended a briefing session.</li> </ul>

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Additional meetings held by the Minister

Australian Christian Lobby & St Clement's Anglican Church	<ul style="list-style-type: none"> <li>• s47F [REDACTED]</li> <li>• s47F [REDACTED]</li> </ul>	<b>1 September 2023</b>	In person: St Clement's Anglican Church, NSW.
Cyber Security Cooperative Research Centre	<ul style="list-style-type: none"> <li>• s47F [REDACTED]</li> <li>• s47F [REDACTED]</li> </ul>	<b>13 September 2023</b>	In person: APH
Executive Council of Australian Jewry		<b>15 September 2023</b>	In person

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## Attachment B

## Key concerns and themes from the public consultation

Definitions of 'misinformation' and 'disinformation' (including 'serious harm')	<p>There is a broad consensus from major stakeholders that the definitions for 'misinformation' and 'disinformation' (including 'serious harm') are too broad and lack clarity.</p> <p>This could make it difficult for digital platform services and the ACMA to determine whether misinformation and disinformation has occurred on those services, leading to the over-censorship of content.</p>
Types of content to be 'excluded content for misinformation purposes'	<p>There are a range of views as to the types of content that should be included or excluded in the list of 'excluded content for misinformation purposes'.</p> <p>For <b>professional news content</b>, cultural groups suggest that this type of content should not be excluded. On the other hand, broadcasters suggest that all content produced by a news source should be excluded. This is one of the most two-sided aspects of feedback.</p> <p>For content produced by or for an <b>accredited educational institution</b> (or foreign equivalent), academia and advocacy groups suggest that the exclusion does not capture the full range of educational institutions (e.g. research institutes and think-tanks). Additionally, there were concerns that the exclusion could inadvertently silence academic debate, as responses to this type of content are not excluded.</p> <p>For <b>authorised government content</b>, a range of stakeholders suggest that there is a lack of clarity around what the exclusion is intended to include. Additionally, stakeholders are concerned that this exclusion could result in the government becoming a single source of 'truth', and that criticism of the government is not excluded.</p> <p>For <b>entertainment, parody or satire</b>, there has not been a significant level of commentary.</p> <p>Several religious groups have proposed an exclusion for religious content.</p>
Transparency and accountability mechanisms	<p>There is a broad consensus from major stakeholders that there should be greater transparency and oversight around the <b>ACMA's decision-making processes</b>, particularly in relation to the development and enforcement of Codes and Standards.</p>

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	Some argued that there should be greater transparency and oversight around <b>digital platform services’ decision-making processes</b> , particularly in relation to addressing misinformation and disinformation on their services.
Penalties and enforcement mechanisms	Digital platforms, academia and advocacy groups suggested that the significant penalties in the draft Bill could result in digital platform services and individuals becoming overly careful in censoring content on those services.

Generally, there is an acknowledgement by those stakeholders who provided more detailed submissions of the threat posed by mis- and disinformation, but there are concerns about the draft Bill’s impact on freedom of expression, the need for greater transparency and oversight, and for additional limits on the regulation.

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## Attachment C

**The department's role in mis and disinformation**

The department has a key role in combatting mis- and disinformation including:

- 2022 Federal election: joined AEC staff and other Taskforce members to engage with Australian policy representatives from the digital platforms including Meta, Google, Snap, Tencent, Tik Tok, Twitter, Microsoft and Reddit. The same engagement with platforms is being conducted in the lead up to the referendum.
- The range of policy levers available to respond to mis- and disinformation and improve the integrity of the information environment.:
  - Funding our national broadcasters, namely:
    - funding the ABC to provide high quality public interest journalism and Australian content for both Australian and international audiences.
    - funding the SBS to provide locally produced news and content to multicultural communities.
    - SBS sharing critical COVID-19 and vaccination information in more than 63 languages.
  - the ACMA under the *Broadcasting Services Act 1992* regulates news and journalism content on traditional radio and television broadcasting services.
  - education programs through the Office of the eSafety Commissioner and implementation of our election commitment to roll out the eSmart Digital Licence to equip Australians to better recognise potentially misleading information.
  - the department is also undertaking work focused on media literacy, and supporting the sustainability and the diversity of the media sector and public interest journalism.
  - working in partnership with the Federation of Ethnic Communities' Councils of Australia (FECCA) to improve media literacy in vulnerable segments of culturally and linguistically diverse communities; and
  - funding the Alannah and Madeline Foundation to develop and roll out media and digital literacy products to all Australian schools, which will help students develop knowledge and skills to deal with digital challenges such as dis- and misinformation.

Role of the eSafety Commissioner

The eSafety Commissioner has no role in combatting mis- and disinformation.

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Constitutional Recognition referendum

The department contributed to the integrity of the referendum through our role in the Electoral Integrity Assurance Taskforce (the Taskforce) and its Board.

Taskforce agencies worked together to identify and respond to threats to the integrity of the referendum, including disinformation about referendum processes.

We contribute to the work of the Taskforce through our knowledge of digital platform policies, digital platform relationships, understanding of the broadcasting sector and understanding of the ACMA and eSafety.

Other government measures that counter harms arising from mis- and disinformation

Countering the impact of mis- and disinformation involves a range of efforts across Government, the private sector and civil society. Examples of the tools available include:

- Support for high quality public interest journalism (eg: funding of ABC and SBS);
- Education programs to improve media and digital literacy in the community;
- Use of fact checking by digital platforms (partnering with third party fact checkers) to identify and flag misleading information; and
- Provision of reliable information (eg: COVID-19 vaccination material) to counter misleading information, including in language (SBS provided critical COVID health information in 63 languages).

*Other departments' and agencies' role in combatting mis- and disinformation*

- *AEC*: Coordinates the Electoral Integrity Assurance Taskforce. Engages directly with platforms to remove electoral mis- and disinformation.
- *DFAT*: Responds to disinformation impacting Australian interests globally.
- *Education*: Counters foreign interference in universities and managing programs to build critical thinking skills in primary and secondary school students.
- *Health*: Focuses on health and COVID-19 misinformation.
- *Home Affairs*: Prominent role combatting mis- and disinformation in the context of foreign interference and efforts to undermine social cohesion.
- *PM&C*: Coordination role across whole of government.

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## Attachment D

**The Australian Code of Practice on Disinformation and Misinformation (DIGI Code)**

In December 2019, the former Government responded to the Australian Competition and Consumer Commission's (ACCC) recommendations in the Digital Platforms Inquiry Final Report. They agreed to ask major digital platforms to develop a voluntary code of conduct on disinformation and news quality. The ACMA would have oversight of the code and report on the adequacy of platforms' measures and broader impacts of disinformation.

In 2020 and early 2021, the ACMA oversaw DIGI's development of the voluntary code. DIGI launched the Code in February 2021. In June 2022, DIGI commenced a review of the Code and released the revised Code in December 2022.

Eight signatories have adopted the Code.

- *Adobe*: Producer of content creation software such as Photoshop.
- *Apple*: Owner of the Apple News aggregation service.
- *Google*: Owner of Google (search engine), Google Ads (the world's largest online advertisements platform), YouTube and Google News.
- *Meta*: Owner of Facebook, Facebook Messenger, Instagram and Threads. These platforms feature text, image and video content encouraging high levels of interaction.
- *Microsoft*: Owners of LinkedIn (professional social networking), Microsoft Start (news aggregator), Bing (search engine), and Microsoft Advertising.
- *Redbubble*: Online marketplace for artwork and independently created merchandise.
- *TikTok*: Short-video based platform.
- *Twitter*: Microblogging website with some image and video functionality as well.

*Minimum commitments under the Code*

Signatories opt in to the commitments, however there are two mandatory commitments including that all signatories commit to implement measures to reduce the risk of harms that may arise from mis- and disinformation and to release an annual transparency report about efforts.

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Summary of the DIGI Code review

DIGI conducted a review of the Code in 2022 and published the review report and revised code on 22 December 2022. Several minor changes were made to further specify the intent of the code and close some loopholes.

The Government welcomed the release of the revised Code. In particular, it was pleasing to see the definition of 'harm' updated to remove the 'imminent' threshold. It was also positive the revised code sought to incentivise engagement from a wider range of platforms.

On 25 July 2023, the ACMA released its review of the updated code. It found:

- The revision of the harm threshold from 'serious and imminent' to 'serious and credible' was positive as it recognises the chronic and cumulative harms caused by dis- and misinformation.
- The new 2-tier reporting framework was a positive development. Maintaining the existing annual reporting regime for large digital platforms (defined as over 1m monthly active Australian end users), while reducing the reporting burden on smaller platforms to incentivise take-up.
- Future revisions to the Code should include consideration of AI.
- The level of transparency and reporting needed improving.
- The ACMA was concerned that messaging services are still not within scope.

The ACMA's June 2021 report on the Code (before code review and revision)

On 29 June 2021, the ACMA provided the former Minister with its report on the adequacy of digital platforms' disinformation and news quality measures under the Code. The report made five recommendations:

1. Government encourage DIGI to consider the report's findings in its code review.
2. The ACMA continue to oversee and report on the Code and conduct research.
3. The ACMA be given information gathering and record keeping powers (basis for the recently announced powers).
4. The ACMA be given reserve code registration and standard making powers (basis for the recently announced powers).
5. Government should establish a Misinformation and Disinformation Action Group to support collaboration between government and non-government stakeholders.

The former Government released the ACMA's report on 21 March 2022 and accepted all of its recommendations to strengthen the framework.

Following the election, the current Government announced its intention on 20 January 2023 to proceed with legislation to give the ACMA the recommended reserve powers.

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## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Bridget Gannon/Andrew Irwin

SB23-000744

**SUBJECT: News Media Assistance Program****Talking Points**

- A diverse and sustainable news media sector, producing quality news and journalism, is critical to a well-functioning democracy and informed society.
- However, the business models that once supported production of quality, public interest news and journalism by commercial organisations have been fundamentally disrupted by technological, economic and social change.
- Australian Government responses to date have focussed on short-term support through exogenous shocks, such as the COVID-19 pandemic and print supply disruptions.
- There have been a number of recent inquiries and reports on this matter, including the 2022 Inquiry into Australia's Regional Newspapers and the 2021 Media Diversity in Australia Inquiry, as well as the current Environment and Communications Legislation Committee inquiry into the Murdoch Media Inquiry Bill 2023.
- It is important that we take the learnings from these processes and use them, as well as the broader available evidence, to inform future policy advice and development.
- The News Media Assistance Program (News MAP) is a program of work which will establish a robust evidence base and clear principles to guide future policy interventions that support public interest journalism and safeguard media diversity.
- Early steps in the development of this evidence base include:
  - \$900,000 in funding for the Public Interest Journalism Initiative to maintain the collection and publication of valuable data on newsroom changes;
  - \$1.5 million for the Local and Independent News Association to gather evidence on and support activities that build capacity among local and hyperlocal news publishers; and
  - The Australian Communications and Media Authority's recent consultation on its media diversity measurement framework.
- We expect to undertake public consultation on several aspects of the News MAP, including draft policy principles, in the near future.

**Key Issues**

- The business models that once supported the production of quality, public interest news and journalism have been fundamentally disrupted by technological, social and economic change.
- Government responses to sectorial disruptions to date have predominately focussed on short-term support through external shocks, and the Government has recognised the need to recalibrate its role.

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- The News MAP will deliver a principles-based framework and robust evidence base to inform the development of policy interventions to promote Public Interest Journalism and media diversity.

Funding Decisions to Date

The Government has allocated a total of \$5.6 million in funding over 2022-23 and 2023-24 to support the development of the News MAP. This includes:

- \$4 million administered funding (\$0.9 million FY2022-23, \$3.1 million FY 2023-24) for early initiatives that help build an evidence base on the state of the news media sector as it adjusts to a changing media environment.
- This funding was a reallocation of uncommitted funding from the Journalist Fund.
- \$1.6 million departmental funding (FY2023-24) for policy development, public consultation and expert analysis to inform the design of modern metrics, and long-term regulatory and policy measures which support a strong and diverse media market.

As at 10 October 2023, funding has been allocated to the following early initiatives:

- \$900,000 over FY 2022-2023 for the Public Interest Journalism Initiative (PIJI) to maintain and enhance its Australian News Data Project in 2023 and establish a plan for the ongoing management of PIJI's data and intellectual property.
- \$1.5 million over FY 2023-24 for the Local and Independent News Association (LINA) to support its efforts to build the capacity of small, hyperlocal news businesses; provide advisory services to businesses; and collect data on the state of local and hyperlocal news.

**Background**News Media Assistance Program Announcement

- The News MAP was announced on 13 May 2022 as part of the Government's \$29 million local news and community broadcasting transition package to help regional, local and community media providers. This transition package included:
  - A \$15 million Regional and Local Newspapers Publishers program to support eligible publishers to absorb rising print costs.
  - \$2 million to fast-track an investment ready analysis for the replacement of the coal-fired boiler at Norske Skog's Boyer mill.
  - \$12 million to maintain community broadcasting funding and give the sector the funding certainty it needs for future years.
  - Maintaining community television stations Channel 31 Melbourne and Channel 44 Adelaide until there is an alternative use for the radiofrequency spectrum they use.

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- Developing the News MAP to secure the evidence base needed to inform news media policy interventions in Australia, and formulate measures to support public interest journalism and media diversity into the future.

ACMA's New Framework for Measuring Media Diversity in Australia

- In December 2020, the Australian Communications and Media Authority (ACMA) published a draft news measurement framework.
- In January 2023, the ACMA released a consultation paper seeking comments on the feasibility and scope of the proposed framework, as well as ideas for implementation (e.g., opportunities to better use third-party data and pilot project proposals).
- Consultation closed on 17 March 2023, and the ACMA received a total of 24 submissions across industry, academia, and non-government organisations.
- As at 10 October 2023, the Department of Infrastructure, Transport, Regional Development, Communications and the Arts is considering the outcomes of this consultation process and how the measurement framework could contribute to the objectives of the News MAP.

Previous Inquiries, Reviews and Reports

- 2022: *Inquiry into Australia's Regional Newspapers*, House of Representative Standing Committee on Communications and the Arts
- 2022: *Review of the News Media and Digital Platforms Mandatory Bargaining Code*, the Treasury
- 2021: *Media Diversity in Australia*, Senate Standing Committees on Environment and Communications
- 2019: *Digital Platforms Inquiry*, Australian Competition and Consumer Commission
- 2018: *Future of Public Interest Journalism*, Senate Select Committee on the Future of Public Interest Journalism
- 2012: *Convergence Review*, Convergence Review Committee
- 2012: *Independent Inquiry into the Media and Media Regulation*, the Hon R Finkelstein QC
- 2011: *Broken Concepts: The Australian Communications Legislative Landscape*, Australian Communications and Media Authority

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**News MAP administered Funds - Financial Information as at 31 August 2023**

<b>Program/Project Start Date:</b>	<b>2022-23</b>					
<b>Program/Project End Date:</b>	<b>2023-24</b>					
	2020-21 \$m	2021-22 \$m	2022-23 \$m	2023-24 \$m	2024-25 \$m	<b>TOTAL \$m</b>
Appropriation Budget (administered)	0	0	0.9	3.1	0	<b>4</b>
Less:						
Actual Expenditure YTD at 31 August 2023	0	0	0.9 PIJI	0.7 LINA		<b>1.6</b>
Total Committed Funds at 31 August 2023	0	0	0.9 PIJI	1.5 LINA		<b>2.4</b>
Total Uncommitted Funds (balance)	0	0	3.1	1.6	0	<b>1.6</b>

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Lead/Support contact: Bridget Gannon/Andrew Irwin

SB23-000745

**SUBJECT: Bargaining Code****Talking Points**

- Since the News Media and Digital Platforms Mandatory Bargaining Code (Code) commenced on 3 March 2021, Google and Meta have entered into commercial deals with a broad range of news businesses covering a large number of publications.
- Confidentiality clauses prevent the value of these agreements being disclosed, including to the Treasury Review. <sup>s47C</sup> [REDACTED]
- On 1 December 2022, Treasury published its report on its review of the Code's first year of operation. It found that "it is reasonable to conclude that the Code has been a success to date" on the basis that there were over 30 agreements between digital platforms and news businesses and that, in the absence of the Code, few of these would have been struck.
- The Review made five recommendations, including considering the need for news information gathering powers with regard to the commercial agreements [*the report is available on Treasury's website and the recommendations are set out in key issues*].
- The Australian Government has not yet issued its response to the Treasury review. Any questions about the response are a matter for the Treasury.
- The Review explicitly excluded any consideration of whether individual digital platforms should be designated. Therefore, it did not consider whether Meta should be designated in response to its failure to reach a commercial deal with SBS and other news outlets. There is no requirement for Meta to enter into an agreement with every news business. Designation is a matter for the Treasurer.
- The Code was not intended to address the full range of issues impacting the viability of the news media sector, or the production of public interest journalism. These broader issues are being considered as part of the Government's News Media Assistance Program [see **SB23-00744**].

**Key Issues**

- The Code aims to support the sustainability of the Australian news media sector by addressing bargaining power imbalances between digital platforms and Australian news businesses.
- To address these bargaining power imbalances, the Code sets out minimum standards and a mandatory bargaining, mediation and arbitration framework that applies to digital platforms designated by the Treasurer.

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- As of 20 October 2023, no digital platform has been designated under the Code. Under the legislation, the Treasurer may designate a digital platform corporation and one or more of its services, having consideration for:
  - whether the digital platform has significant bargaining power in its relationships with Australian news businesses; and
  - whether it has made a significant contribution to the sustainability of the news industry through deals for the use of news content.
- On 1 December 2022, the Treasury published its report on its review of the Code's first year of operation. The report made 5 recommendations for the Australian Government to consider:
  1. Directing the ACCC to prepare reports on the extent to which digital platforms use Australian news content, and any significant bargaining power imbalances between those platforms and Australian news businesses.
  2. Addressing the need for ACCC information-gathering powers to obtain information about commercial agreements, in the context of the ACCC's Interim Report No. 5 on its Digital Platform Services Inquiry.
  3. Directing the Treasury and the Department of Infrastructure, Transport, Regional Development, Communications and the Arts to monitor registration outcomes.
  4. The ACMA considering administrative issues arising in relation to registration.
  5. Reviewing the Code again after 4 years of operation.
- The Government is considering the findings and recommendations of the Review.
- The Treasurer has requested that the Hon Stephen Jones MP, Assistant Treasurer and Minister for Financial Services, be responsible for matters related to the Code. Questions about the roles of the Treasurer and Assistant Treasurer should be directed to the Treasury.

Key Issues Raised in the Review

- The Review identified a range of transparency concerns and information gaps, including:
  - the need for greater information to inform key decisions under the Code;
  - limited information available to the Review; and
  - information asymmetries between news businesses and platforms.
- Concerns were also raised about the clarity of the 'significant contribution' designation criteria, including the extent to which this requires digital platforms to enter into commercial agreements with specific types of news businesses and whether the criteria will continue to create a strong incentive for platforms to enter into new agreement
- The Review also noted disagreement over the content or application of the eligibility criteria for news businesses seeking to register under the Code, particularly the content and professional standards tests. These include concerns about the appropriateness of

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certain professional standards and criticism of the Australian Communications and Media Authority's registration of certain businesses.

- Questions about the registration process, and its administration, are a matter for the ACMA.
- The risk of anti-competitive consequences arising from the distribution of commercial agreements, particularly in relation to competition for journalists, audiences, advertising spend, and other competitive funding sources was also identified.

**Background**Review

- On 28 February 2022, the Treasury commenced a review of the Code's operation over its first year, as required under section 52ZZS of the Competition and Consumer Act 2010 (the Act).
- The review's Terms of Reference (**Attachment A**) required an assessment of the extent to which the Code has delivered outcomes consistent with its policy objective and identify potential improvements.
- The Treasury conducted the review in consultation with the department, ACMA and the Australian Competition and Consumer Commission (ACCC).
- The report reflects the Treasury's consideration of the issues. The department provided only minor input on the report for the Treasury's consideration.

Consultation

- 1 April 2022 - the Treasury released a consultation paper. Written submissions closed on 6 May 2022.
- The Treasury have published 34 submissions to the review and noted 7 confidential submissions. Any decision regarding publishing of submissions is a matter for the Treasury. Some stakeholders have chosen to publish their submissions independently.
- The Treasury coordinated a range of roundtable and bilateral meetings with interested stakeholders. The department attended three roundtables and five bilateral meetings:
  - Meta on 9 August 2022;
  - Nine Entertainment on 11 August 2022;
  - Commercial Radio Australia on 12 August 2022;
  - Google on 12 August 2022; and
  - the Public Interest Journalism Initiative on 16 September 2022.
- As part of its normal business, the department also held general meetings with some stakeholders where the Code was raised as one of several items for discussion.

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Designation Process

- The Treasurer may designate a corporation operating a digital platform, and one or more of its services, as subject to the Code, having consideration for whether:
  - there is a significant bargaining power imbalance between the group operating the platform and Australian news businesses; and
  - the platform has made a significant contribution to the sustainability of the news industry through commercial deals for the use of news content.
- Prior to designating a digital platform, the Treasurer must provide the platform with at least 30 days' written notice of the intention to designate.
- The decision about whether or not to designate a platform is a matter for the Treasurer.
- The designation of any specific digital platform was excluded from the scope of the review.

Commercial Agreements

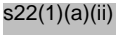
- The Review identified 23 commercial deals between Google and Australian news businesses, and 13 agreements with Meta. However, accounts of the number of deals vary. For example, Google's submission to the Review states that it has entered into 60 commercial agreements with news businesses since June 2020.
- Many of these commercial agreements cover a significant number of news sources, with Google's submission suggesting its agreements covered 183 mastheads.
- The content of commercial deals between platforms and news businesses are subject to confidentiality agreements.
- s47C 
- Mr Rod Sims AO has publicly suggested that the total value of commercial deals resulting from the Code may exceed \$200 million. The department does not have access to the information necessary to evaluate this claim.

Meta Australian News Fund

- Meta has established the Meta Australian News Fund, which is administered by the Walkley Foundation on its behalf. The fund will provide a total of \$15 million in funding for Australian news businesses over 3 years.

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- The first round of funding was announced in March 2022 and awarded to 54 publishers, including:
  - Small and regional publishers, such as Wimmera Mallee News, South Burnett Times, Burdekin Local News and Coonabarabran Times.
  - Indigenous organisations, such as IndigenousX, the National Indigenous Times and First Nations Media Australia.
  - Various local and national publications and the Australian Associated Press.
- The second round of funding was announced in January 2023 and awarded to 52 publishers under two streams – the Digital Innovation Fund and Public Interest Journalism Fund. Successful recipients include:
  - Small and regional publishers such as Bundaberg Media, Gympie Today, Murray Bridge News
  - Indigenous publishers such as Indigenous Community Television, National Indigenous Times News
  - Australian Associated Press
  - Various cultural and ethnic publishers such as Australia India Media Group Pty Ltd, Chinese News and Media Group, National Ethnic and Multicultural Broadcasters Council.

National Broadcasters

- The national broadcasters are eligible for registration under the Code.
- Both the ABC and SBS have entered into commercial agreements with Google. The ABC has also entered into a commercial agreement with Meta.
- Meta has advised the SBS that it does not intend to enter into an agreement similar to the one with the ABC, but has suggested that the SBS would be eligible for funding under its Meta Australian News Fund.
- On 3 December 2021, the ABC announced more than 50 new journalist roles in regional areas, which it attributed to its commercial deals with Google and Meta.

ACMA's Role

- The legislation establishes several new roles and functions for the ACMA, including:
  - assessment of the eligibility of nominated news businesses and corporations seeking to be registered under the Code, and publications of registrations;
  - appointment of a mediator where parties are unable to reach agreement through bargaining alone and request mediation of their dispute;
  - establishment and maintenance of a register of arbitrators; and
  - appointment of arbitrators to arbitral panels where parties are unable to agree on the composition of the panel.

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- The ACMA received a total of \$4.2 million in funding in the 2021-22 budget to fulfil its functions under the Code from FY 2020-21 to FY 2Y 2022-23. Funding is not ongoing for FY 2023-24.

Canadian Online News Act

- Canada has passed legislation implementing a regulatory regime for digital platforms that is closely modelled on the Code.
- The *Online News Act* received Royal Assent on 22 June 2023. However, substantial parts of the legislation do not commence until regulations have been developed or statutory timeframes elapse.
- The *Online News Act* is very similar to the Code, but there are some major differences. These include:
  - Under the Canadian legislation, its media regulator - the Canadian Radio-Television and Telecommunications Commission (CRTC) - is responsible for administering the legislation. Under the Australian Code, this responsibility is shared between the media and competition regulators (ACMA and the ACCC), as well as the Treasurer.
  - The Canadian legislation applies to all digital platforms that meet the eligibility criteria. Platforms may seek an exemption based on their contribution to news businesses. Under the Australian Code, the Treasurer may designate digital platforms to be subject to the Code, after considering the designation criteria.
  - The Canadian legislation empowers the media regulator to collect information about participating digital platforms and news businesses.
- On 22 June 2023, Meta confirmed that Facebook and Instagram users located in Canada would no longer be able to access news. On 1 August 2023, Meta began the process of removing news from those services.
- On 29 June 2023, Google announced that it will remove links to Canadian news from its Search, News and Discover products; and will no longer operate Google News Showcase in Canada.

**Attachments**

Attachment A – Review Terms of Reference

**Contact:** Andrew Irwin**Cleared by First Assistant Secretary:** Bridget Gannon**Phone:** (02) s22(1)(a)(ii)**Version Number:** 02**Date:** 20/10/2023

**Attachment A****Review of the News Media and Digital Platforms Mandatory Bargaining Code - Terms of Reference**

Section 52ZZS of the *Competition and Consumer Act 2010* (the Act) requires a review of the operation of the News Media and Digital Platforms Mandatory Bargaining Code (the Code), as contained in Part IVBA of the Act, to commence within 12 months after the Code takes effect.

The Code aims to address bargaining power imbalances to ensure that digital platforms fairly remunerate news businesses for the content they generate, thereby helping to sustain public interest journalism in Australia.

The Code provides incentives for digital platforms and news businesses to reach commercial deals outside of the Code. If that is not possible, it provides a framework (following designation of a digital platform) for good faith negotiations and mediation between the parties. Where agreement cannot be reached, it sets out an arbitration process to determine remuneration payable by a digital platform.

The Code came into effect on 3 March 2021. During its period of operation, digital platforms have reached commercial agreements outside the Code with a range of large and small news businesses serving metropolitan and regional areas. The Australian Communications and Media Authority (ACMA) also registered a number of news businesses under Division 3 of the Code. To date, no digital platform has been designated under the Code.

The review will:

- assess the extent to which the Code, during its first year of operation, has delivered outcomes consistent with its policy objective; and
- identify potential improvements to the Code.

The review will not revisit the policy objectives of the Code.

Initially, and subject to the results of consultation, the review will assess the extent to which:

- commercial agreements between digital platforms and Australian news businesses;
- the designation provisions in Division 2 of the Code; and
- the registration provisions in Division 3 of the Code;

have delivered outcomes consistent with the policy objectives of the Code.

**Process and timing**

The review is to be undertaken by the Department of the Treasury, in consultation with the Department of Infrastructure, Transport, Regional Development and Communications (DITRDC), the Australian Competition and Consumer Commission (ACCC) and the ACMA.

The review will consult news businesses (including small and regional businesses), digital platforms and other relevant stakeholders, including by inviting written submissions.

Following stakeholder consultation, the Treasury will prepare a report containing the review's findings and recommendations, in consultation with DITRDC, the ACCC and ACMA.



The report will be provided to the Treasurer and the Minister for Communications, Urban Infrastructure, Cities and the Arts in September 2022.

In accordance with section 52ZZS of the Act, the report will be published as soon as practicable after 28 days have passed after being provided to the Ministers.

leased under the FOI Act 1982 by the Department of Infrastructure  
nsport, Regional Development, Communications and the Arts

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## Environment and Communications

Lead/Support contact: Bridget Gannon/Andrew Irwin

SB23-000746

**SUBJECT: Digital Regulation/ACCC Digital Platforms Services Inquiry****Talking Points**Digital Platform Services Inquiry (DPSI) 5<sup>th</sup> Interim Report

- The Australian Competition and Consumer Commission's (ACCC) 5<sup>th</sup> interim DPSI report recommends that the Government introduce new regulatory measures to address a range of competition and consumer harms related to digital platforms, including online scams and poor dispute resolution processes. (See background for recommendations)
- The Government released a consultation paper on the report for public feedback between 20 December 2022 and 15 February 2023.
- The Government is currently considering its response to the recommendations. The Assistant Treasurer and the Minister for Communications are jointly leading the Government response to the report, which is expected to be published later this year.

Online scams

- The Government has a comprehensive, multi-faceted approach to combating scams.
- The May 2023-24 budget committed \$86.5 million over four years to fight scams:
  - \$58 million over three years to establish the National Anti-Scam Centre;
  - \$17.6 million over four years for ASIC to identify and take down phishing websites which promote investment scams; and
  - \$10.9 million over four years for the Australian Communications and Media Authority to establish and enforce a SMS sender ID registry.
- The Government has committed that new industry codes for digital platforms, telcos and banks will be developed to address online scams. The Department is working with Treasury to develop advice to Government on regulatory options for these codes, and to undertake targeted consultation with relevant industries to inform this advice.

Dispute resolution

- The 5<sup>th</sup> DPSI report recommends that Government introduce measures to address poor dispute resolution processes on digital platforms. This is consistent with the recommendations in its 2019 Digital Platforms Inquiry (DPI) report.
- In December 2019, the former Government committed to develop a pilot external dispute resolution scheme, led by this Department, however this work was deferred in 2020 due to the onset of COVID-19.
- In 2021, the Department undertook a feasibility study for the introduction of dispute resolution requirements on digital platforms and an external dispute resolution scheme, however no policy decision was taken by the former Government.
- The Government will consider this matter as part of its response to the 5<sup>th</sup> DPSI report.

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SB23-000746

**Key Issues**Scams on Digital Platforms

The ACCC estimates that Australians lost a record amount of \$3.1 billion to scams in 2022. Based on total losses, the top methods of delivery of scams in 2022 were phone, social networking and email scams. The ACCC has consulted extensively on the issue of scams on digital platforms and has concluded that digital platforms could do more to protect their users from scams operating across their services.

The fifth interim DPSI report recommended the introduction of mandatory processes for digital platforms to prevent and remove scams from their services (Rec 2), including through the use of a notice and action mechanism and improved verification procedures.

The Department is working with Treasury on both the development of a Government response to the fifth DPSI report and measures to combat online scams in line with the Government's scams election commitments.

Dispute resolution

The ACCC's 5th Digital Platforms Services Inquiry (DPSI) report recommended again that the Government introduce mandated minimum internal dispute resolution standards for digital platforms.

The Department will use the Government response to the 5<sup>th</sup> interim DPSI report to further develop regulatory reform options for the current Government's consideration.

**Background**Consultation on scams

The Department and Treasury have co-led consultation meetings on options for scams industry codes:

- **14 September** – Treasury led: Australian Banking Association and some members. Detailed questions about this meeting and its attendees should be directed to Treasury.
- **15 September** – Treasury led: Customer Owned Banking Association and some members. Detailed questions about this meeting and its attendees should be directed to Treasury.
- **25 September** – Treasury and DITRDCA co-led: DIGI, Meta, Microsoft, Amazon, Apple, eBay, and Yahoo. Google was invited but did not attend.
- **28 September** – DITRDCA led: Communications Alliance and some members (incl. TPG, Aussie Broadband, Circuit4, Optus, Telstra, Twilio, Verizon, Vocus). The Interactive Advertising Bureau also sat in. Detailed questions about this meeting and its attendees should be directed to the Consumer Safeguards Branch.

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- Coalition of App Fairness and the Tech Council of Australia were invited to attend a meeting but were not available. Match has since followed up and the Department will include it in future consultations.

Digital Platform Services Inquiry 2020-2025

In February 2020, the ACCC was directed to conduct a five-year inquiry into markets for the supply of digital platform services (the DPSI), commencing in 2020 and ending in 2025. The ACCC provides the Treasurer with an interim report every six months. Reports have covered:

- September 2020:** Online private messaging services.
- March 2021:** The distribution of mobile apps on app marketplaces.
- September 2021:** Search defaults and choice screens.
- March 2022:** General online retail marketplaces.
- September 2022:** Competition and consumer protections review.
- March 2023:** Report on social media services.
- Due September 2023:** Expanding ecosystems of digital platform providers.
- Due March 2024:** Third-party data brokers.

**Fifth interim DPSI report:** The fifth interim report was provided to the Treasurer in September 2022 and publicly released on 11 November 2022. It marked the half-way point in the series and made some formal competition and consumer recommendations to Government, including:

- Recommendation 1:** Establish economy-wide consumer measures to address unfair trading practices and unfair contract terms.
- Recommendation 2:** Establish additional consumer measures to address online scams, harmful apps, fake reviews, and poor dispute resolution processes.
- Recommendations 3 and 4:** Introduce additional competition measures to protect and promote competition in markets for digital platform services, including codes targeting a range of competition issues the ACCC have identified.
- Regulator powers and resourcing:** Provide the relevant regulator with resourcing and powers to successfully implement the above measures.

Digital Platforms Inquiry 2019

In 2017, the ACCC was directed to conduct an inquiry into digital platforms, examining the impact that digital platforms have on consumers and competition in the media and advertising sector. The final report was released on **26 July 2019**, and the previous Government issued its Response and Implementation Roadmap for the Digital Platforms

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## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Bridget Gannon/Andrew Irwin

SB23-000746

Inquiry (DPI) on **12 December 2019**. From this, the Department had carriage of 7 Government commitments covering 9 DPI recommendations:

- **Rec 6:** Harmonised media regulatory framework – on track;
- **Rec 7:** Codes of conduct to govern news media relationships – on track;
- **Rec 9:** Funding for the national broadcasters – no action;
- **Rec 10:** Grants for local journalism – on track;
- **Rec 12:** Improving digital media literacy in the community – on track;
- **Rec 14 & 15:** Industry code to counter disinformation – complete; and
- **Recs 22 & 23:** External dispute resolution scheme for digital platforms – deferred to the Government response to the fifth interim DPSI report.

The DPSI has effectively overtaken the DPI in some cases, with the consultation process for the fifth interim DPSI report covering similar topics to those contained in the DPI.

Dispute resolution

The 2019 DPI recommended that the Government establish:

- Internal Dispute Resolution (IDR) standards for digital platforms, and
- An industry ombudsman to help users with issues if IDR has failed.

In response to the 2019 DPI report, the former Government committed to develop a pilot External Dispute Resolution (EDR) scheme, however this work was deferred in 2020 due to COVID-19 priorities. The Department instead undertook a feasibility study in 2021 to understand:

- the IDR processes of digital platforms;
- the prevalence and type of unresolved user complaints with platforms; and
- international and industry developments in the time since the DPI.

To support the study, Accenture was engaged using an expert panel procurement process (existing ACCC Panel (PNL1594)) to work with platforms to map dispute resolution mechanisms, and survey consumers to understand their experiences. The contract amount was \$462,341, paid for from the Online Safety Research Program.

The Department briefed the previous Government on the findings but no decision on next steps was made prior to the 2022 Federal Election.

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## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Bridget Gannon

SB23-000747

**SUBJECT: Online Dating Safety****Talking Points**

- On 18 September 2023, the Minister for Communications, the Hon Michelle Rowland MP wrote to the seven companies that run the most popular online dating services in Australia, requesting that they develop a voluntary code of conduct to keep their users safe.
- The Government has asked online dating services to work together to
  - improve engagement with law enforcement,
  - support at-risk users,
  - improve safety policies and practices, and
  - pursue greater transparency about harms.
- The request has been informed by consultation with the online dating industry, the family, domestic and civil society sector, and policing and civil society.
- The code will be led by the industry, with dating platforms responsible for developing its terms. Three major companies (Match Group, Bumble and RSVP) have already committed to collaborate on the code.
- In developing the code, the Government has requested that industry consult stakeholders including representatives from the Australian family, domestic and sexual violence sector, victim-survivors, policing, and government agencies.
- The Australian Government has asked the eSafety Commissioner to play a role in development of the code, which will comprise:
  - Providing advice to industry, based on her expertise, to support development of the code;
  - Advising the Minister for Communications on whether the draft code developed by industry is fit-for-purpose, and;
  - Evaluating the effectiveness of the code after nine months of operation.
- Industry has 9 months to develop the code (by 30 June 2024) and its effectiveness will be assessed after 9 months operation.
- If the code fails to meet the expectations of Government, the Minister has been clear that legislative options will be pursued to uplift safety for users.

**Contact:** Bridget Gannon**Cleared by A/g First Assistant Secretary:** Bridget Gannon**Phone:** (02) s22(1)(a)(ii)**Version Number:** 01**Date:** 3/10/2023

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## Environment and Communications

Lead/Support contact: Bridget Gannon

SB23-000747

**Key Issues**How will the code be developed and administered?

- A voluntary industry code sets standards for how an industry deals with its members and its customers.
- It would be drafted and agreed by members of the industry.
- A code would be voluntary to sign up to and would only bind its members. It would not be enforceable by law. However, in drafting a code, members could consider including sanctions for non-compliance.
- A code would be administered by its members. For example, this could be by a committee of representatives of different platforms, or an industry body.

What is the eSafety Commissioner's role?

- The Minister has asked Australia's eSafety Commissioner Julie Inman Grant to make herself available to industry so that the code can be informed by her, and her office's expertise. This includes:
  - Providing advice to industry to support the development of the code;
  - Advising the Minister whether the draft code developed by industry is fit-for-purpose; and
  - Evaluating the effectiveness of the code after nine months of operation.

Will the code have to be approved by the Minister/the Government/the eSafety Commissioner?

- No. The code would take effect once it is agreed by its members. However, the eSafety Commissioner will provide advice to government on whether the draft code developed by industry is fit-for-purpose.
- The Minister has made clear to industry that the code should address the Government's concerns about the safety of dating app users.
- The Minister has asked industry to engage with a range of stakeholders and the eSafety Commissioner to develop the code to ensure that is fit for the purpose of enhancing user safety.

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## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Bridget Gannon

SB23-000747

**Background**Summary of government engagement with platforms (chronological)

Platform	Roundtable (25 Jan)	Info request (16 Mar)	Meeting (22 August)	Consultation paper
Match Group	Attended	Responded	Attended	Responded
Bumble	Attended	Responded	Attended	Responded
Grindr	Attended	Responded	Attended	Did not respond
eHarmony	Not invited	Responded	Invited but did not attend	Did not respond
RSVP	Not invited	Responded	Attended	Responded
Zoosk	Not invited	Responded	Invited but did not attend	Did not respond
MeetMe	Not invited	Did not respond	Invited but did not attend	Did not respond

Meeting with platforms and consultation paper

- On 22 August 2023, the Minister for Communications met with representatives of Match Group, Grindr, Bumble and RSVP to:
  - provide feedback on their responses to the information request;
  - make clear her expectations that industry do more to protect the safety of their users; and,
  - flag her intention to ask for a voluntary industry code.
- Following this meeting, the Department of Infrastructure, Transport, Regional Development, Communications and the Arts provided these platforms (as well as Zoosk, eHarmony and MeetMe, who were unable to meet) with a consultation paper setting out the government's concerns and seeking industry's engagement on how these could be addressed by a code.
- Three of the seven companies who received the consultation paper responded (Match Group, Bumble, and RSVP). These three companies were all supportive of the proposal for a voluntary industry code.
- A fourth company (Grindr) has indicated that a response is forthcoming, but has been delayed by internal corporate challenges.

Information request

- On 16 March 2023, the Minister for Communications issued a detailed information request to the top ten online dating services used by Australians about the extent of harms occurring on their services, and the safety policies and procedures they have in place to keep Australian users safe.

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- The companies approached for information included:
  - Match Group (which operates Tinder, Hinge, OKCupid and PlentyOfFish)
  - Bumble
  - Grindr
  - eHarmony
  - RSVP
  - Zoosk
  - MeetMe.
- All services except Zoosk responded to the information request.

National Roundtable on Online Dating Safety

- On 25 January 2023 the Minister for Communications, together with the Minister for Social Services, the Hon Amanda Rishworth MP, convened the National Roundtable on Online Dating Safety (the Roundtable).
- Participants included members of Commonwealth and state and territory governments, and representatives from the online dating industry; the family, domestic and sexual violence sector; diversity and inclusion organisations; the Australia New Zealand Policing Advisory Agency and research bodies.
- The Government identified four areas for further work based on feedback from Roundtable participants. A summary of actions taken to further each of these outcomes is provided below.

Outcome	Actions
Preventing exploitation of online dating services by perpetrators	<ul style="list-style-type: none"> <li>• Minister Rowland met with the Commonwealth Attorney-General on <u>31 January</u> and wrote to him formally on <u>6 February</u>. The letter was copied to state and territory Attorneys-General.  Minister Rowland sought advice on proposals that would prevent people from using dating apps if they have a criminal record, have been subject to domestic violence orders, or any other proposals that could be undertaken to address exploitation of online dating services by perpetrators.</li> <li>• The Commonwealth Attorney-General responded with the requested advice on 3 July 2023.</li> <li>• The code is an opportunity for platforms to build on this work, by considering what measures they can take to harden their platforms against exploitation by harmful users.</li> </ul>

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Supporting users who experience harm	<ul style="list-style-type: none"> <li>The DFSV Commissioner is working with the eSafety Commissioner, Australia's National Research Organisation for Women's Safety (ANROWS) and the Australian Institute of Criminology (AIC) to inform further consultation with victim-survivors about their lived experiences of harm facilitated by dating apps.</li> <li>Further questions about this work should be referred to the Social Services portfolio.</li> </ul>
Empowering users with information on safe and positive online dating practices	<ul style="list-style-type: none"> <li>The Department is aware of collaborations occurring between online dating services and safety advocates following the Roundtable, including between Chanel Contos and Match Group; and WESNET and Bumble.</li> <li>The Department provided contact details of participants to Match Group, with their permission, to facilitate collaboration.</li> <li>The code will build on this work.</li> </ul>
Greater uptake of technological solutions to prevent harm	<ul style="list-style-type: none"> <li>The Minister's information request to services, issued on 16 May, sought information on their safety policies and practices, including technological measures to prevent and reduce harm (see heading 'Information request' for details).</li> <li>The information provided by services has informed the Minister's request for a voluntary code.</li> <li>The voluntary code will build on platforms' existing work to implement tech solutions to prevent exploitation of their platforms.</li> </ul>

Australian Institute of Criminology (AIC) Research

- On 4 October 2022, the AIC released research on the prevalence and nature of sexual harassment and violence facilitated by dating apps.
- The survey found that three in every four survey respondents had been subjected to sexual violence facilitated via dating apps in the last five years, with 'sexual violence' including in-person violence as well as online and in-app interactions (e.g. abusive language). These harms were most frequently experienced by women and by LGBTIQ+ app users.

Contact: s22(1)(a)(ii)

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**2023 - 2024 Budget Estimates****Environment and Communications****Lead/Support contact: Bridget Gannon/**s22(1)(a)(ii)**SB23-000747**

- One in three survey respondents were subjected to in-person dating app facilitated sexual violence perpetrated by someone they met in person after communicating on a dating app or website. This included:
  - sexual assault or coercion
  - reproductive and sexual-health related abuse (e.g. removing a condom without consent or lying about sexual health status)
  - offline stalking
  - taking intimate photos or video without consent.
- A subsequent research report (released on 6 October 2022) explored use of dating apps and websites to perpetrate sexual abuse against children eg. by soliciting images or in-person access to children in the care of dating app users.

**Attachments**

Attachment A – Media Release 18 September 2023

Attachment B – Transcript of press conference 18 September 2023

**Contact:** s22(1)(a)(ii)**Cleared by A/g First Assistant Secretary:** Bridget Gannon**Phone:** (02) s22(1)(a)(ii)**Version Number:** 1**Date:** 3/10/2023



## Ministers for the Department of Social Services

[MENU](#)

**The Hon Amanda Rishworth MP**

Media Releases

### Government demands dating sites do better by Australians



18 September 2023

Joint with:

**The Hon Michelle Rowland MP**

Minister for Communications

Member for Greenway

**The Hon Amanda Rishworth MP**

Minister for Social Services

Member for Kingston

The Albanese Labor Government has made the request to online dating companies in writing as an action following the National Roundtable on Online Dating Safety.

The voluntary code would include commitments to improving engagement with law enforcement, supporting at-risk users, improving safety policies and practices, and greater transparency about harms.

It is to be in place by the middle of next year.

The Government has flagged to industry that if the code does not sufficiently improve safety for users of online dating services, legislative options will be pursued.

Research from the Australian Institute of Criminology released in October 2022 found three in four people using dating apps or websites experienced some form of sexual violence facilitated by these platforms, in the five years to 2021. This violence included sexual harassment, abusive or threatening language, image-based sexual abuse and stalking.

The National Roundtable on Online Dating Safety convened in January by Minister for Communications Michelle Rowland and Minister for Social Services Amanda Rishworth brought together the online dating industry, state and territory governments, the family, domestic and sexual violence sector and victim-survivor advocacy groups to examine options to address sexual violence facilitated by online dating platforms.

Since the Roundtable, the Government has been working with the industry to understand the nature and frequency of harms affecting Australians, and the policies and practices that they have in place to keep users safe.

While many online dating platforms have taken steps to keep their users safe, these efforts vary in sophistication and effectiveness across the industry. The Government is calling on the industry to collaborate to improve safety across the board through the development of the voluntary industry code.

**Quotes attributable to Minister for Communications Michelle Rowland:**

*Dating apps are now the most common way to meet a partner in Australia, yet the level of violence experienced by users of these platforms is deeply concerning. Online dating platforms must do their part to end violence against women.*

*That is why I have decided to provide members of the online dating industry with an opportunity to work together to address the Government's concerns.*

*However, I have made it crystal clear that if the industry fails to improve safety outcomes for Australians, we will not hesitate to develop legislative options."*

**Quotes attributable to Minister for Social Services Amanda Rishworth:**

*Dating app violence is a form of gender-based violence, and it has to end.*

*There is no arbitrary line between online and offline in our lives anymore. Abuse can cross between them like osmosis.*

*We need to ensure that our community, including dating app users, know what it means to be respectful online, what kinds of behaviours are unacceptable and the consequences for unacceptable behaviours."*

More information on the National Plan to End Violence against Women and Children 2022–2032 is available on the [Department of Social Services website](#).

If you or someone you know is impacted by sexual or family violence, call 1800RESPECT on 1800 737 732, 24 hours a day, 7 days a week or visit [www.1800RESPECT.org.au](http://www.1800RESPECT.org.au).

If you are concerned about your behaviour or use of violence, you can contact the Men's Referral Service on 1300 766 491 or visit [www.ntv.org.au](http://www.ntv.org.au).

[View this email in your browser](#)



**The Hon Michelle Rowland MP**  
Minister for Communications

**The Hon Amanda Rishworth MP**  
Minister for Social Services

## TRANSCRIPT

**E&OE TRANSCRIPT  
PRESS CONFERENCE  
PARLIAMENT HOUSE  
MONDAY, 18 SEPTEMBER 2023**

***SUBJECTS:** Voluntary code for online dating apps, draft misinformation and disinformation legislation, response by universities to sexual harassment on campuses*

**MICHELLE ROWLAND, MINISTER FOR COMMUNICATIONS:** Good morning. I'm pleased to be here today with my colleague Minister Amanda Rishworth to talk about the next steps the Albanese Government is taking to keep Australians safe online when using dating platforms.

We know that today online dating platforms are absolutely mainstream. Online dating is actually the most popular way for Australians to meet new people and to form new relationships. They're enormously popular services with the Australian public and can be beneficial for many users. But these services have also been used to cause harm. In particular, the government is concerned about rates of sexual harassment, abusive and threatening language, unsolicited sexual images and violence facilitated by these platforms.

The Australian Institute of Criminology reported in October last year that three in four survey respondents had experienced these forms of harms. And that is why the Government convened the National Roundtable on Online Dating Safety in January this year. The Roundtable brought together the online dating industry, the States and Territories, the family, domestic and sexual violence sector to find ways to address this issue.

Since the Roundtable I've been working closely with the online dating industry. In March, I asked the most popular online dating platforms in Australia to provide me with detailed information about the level of harms occurring on their platforms and what they were doing to keep Australians safe. After assessing their responses, I remain concerned that while every online dating platform has some form of safety features or policies in place, their sophistication varies across the industry.

I'm also concerned that there is a lack of consistency in how online dating platforms are collecting data, responding to reports of harm, engaging with law enforcement and supporting vulnerable users. We want to see a lift in safety right across the industry.

So today I am calling on the online dating platform industry to develop a voluntary code of practice for online dating services. I have written to the most popular online dating platforms to request that

Released under the FOI Act 1982 by the Department of Infrastructure,  
Transport, Regional Development, Communications and the Arts



the industry work together to develop this code of practice. We expect the code will cover specific areas, committing the industry to improving engagement with law enforcement, supporting at-risk users, reviewing and improving safety policies and practices, safety by design and child safety frameworks, providing greater transparency about harms, and as my colleague Minister Rishworth will outline, to have a focus on interventions in relation to perpetrators. The Roundtable made this very clear: that the onus should not be on victim survivors, but we need to have safety in place to ensure that those perpetrators are addressed upfront.

The code will be led by industry with dating platforms responsible for drafting and adopting its terms. During the co-development, industry will provide stakeholders with an opportunity to comment, including representatives from the Australian family, domestic and sexual violence sector, policing and government agencies.

I've asked Australia's eSafety Commissioner to make herself available to industry so the code can be informed by her and the expertise of her office. This includes advice to industry to support the development of the code, advising me whether the draft code developed by industry is fit for purpose, and evaluating the effectiveness of the code after nine months of operation. And, again, as my colleague Minister Rishworth will outline, consultation with the Family, Domestic and Sexual Violence Commissioner will be absolutely crucial.

We want to see greater collaboration across the industry and an overall uplift in safety standards. We've asked for the code to be in place by the 30 June next year. I have been encouraged by the cooperation of industry to date, but industry is also on notice: if the code is not delivered or does not deliver the improvements that are being sought in terms of improving safety for Australian users, I will not hesitate to take further action, including regulatory and legislative measures.

I'll hand over to my colleague Minister Rishworth.

**AMANDA RISHWORTH, MINISTER FOR SOCIAL SERVICES:** Well, thank you, Minister Rowland. And I'd first like to say thank you to Minister Rowland for her leadership because the time for this code is now. We know that the rise of different technologies can often have huge benefit. They also can lead to abuse and harassment. And this is right across a number of areas, including, of course, online dating apps. It is time that those online dating apps take their moral responsibility seriously, and I very much look forward to seeing their deep engagement in developing this voluntary code of conduct.

Of course, what we know from the engagement through our roundtables but also engagement through the work done by victim survivors is that there is a lot of opportunity that these dating apps provide to make connections, but there are, of course, the risks that come with it that facilitate technological abuse. And it is very clear that a significant number of particularly women are experiencing online harassment and abuse facilitated by dating apps.

It is time for the industry to lift its standard. But it also is time for the industry to look at the unique position it is in. Of course, with technology comes the opportunity for these dating apps to actually provide interventions, to identify bad behaviour before it becomes criminal, to actually look at how technology can help to intervene to stop someone that may be behaving badly online and to actually either to remove them from online or provide some education to them as an early intervention.

Of course, there's also the complaints mechanisms that we heard clearly at the roundtable need to be much more focused on the victim survivors, need to really understand the experience of victim survivors. And that's why I would certainly, and it's the expectation of the government, that the industry does involve the Family, Domestic and Sexual Violence Commissioner along with victim survivors to ensure that their experience is clearly reflected in the response, that their experiences won't happen again as a result of this voluntary code.

So, there is a lot for industry to do. I acknowledge, as Minister Rowland has done, the work to date, but the time for this code is now. We need to make sure that we are responding to emerging issues, and the harassment, the levels of harassment, abuse and technology facilitated abuse are at too high

a level, and if we are to end violence against women and children in one generation, then we need to address this on online dating apps.

And so I look forward to working with Minister Rowland and with the dating app industry to make sure that we have an innovative and, most importantly, a code that facilitates safety, that does not put the onus all on victim survivors but, of course, through its design and through its interventions actually holds perpetrators to account and ensures that the safety of women and other vulnerable groups is held at the forefront. Thank you.

**JOURNALIST:** Can I just ask why you're making the code voluntary and not enforceable for this sector, even if the sector comes up with it themselves? And also, can you run me through some of the problems between dating apps communicating with law enforcement agencies and why there's concern there?

**ROWLAND:** Sure, it's a good question about why is this voluntary rather than mandatory upfront. What we need to do is balance the innovation that is occurring in this area with the need to have some impact on the harms that are occurring. Over the last couple of months, we have been engaging closely with the industry. I think it's fair to say that coming out of that online dating platform roundtable it was the first time in Australia that these groups had come together – victim survivor groups, advocacy groups, industry, governments – both State and Territory – and law enforcement.

It was important there to assess what is currently in the landscape. I think the important thing there was even as a result of that roundtable being held, we had the sector already lifting its standards and wanting to announce new safety features on their platforms. So, they were really incentivised to do better.

What we want to do in this sector is not stifle the innovation but balance the harms. By having a voluntary code upfront that is not a set and forget – indeed, it will be overseen and the eSafety Commissioner will have input into that design. By having this in place, by having reporting after nine months of operation, we will be able to see whether there have been those improvements.

We want to have a graduated and staged approach to how regulatory intervention is done in this space. But be in no doubt: if this does not deliver improved safety for Australian users, we will have no hesitation in taking this further.

On your other point about law enforcement agencies, I'll defer to Minister Rishworth. But again, I think that coming out of that roundtable there were some useful ideas and observations on some of the approaches that could be taken. So, for example, there was a suggestion of having some sort of register of users. Victim survivor groups and other advocacy groups don't have a set response on this because in some ways it does lead to a false sense of security. But there are other ways to invent that safety by design. And as Minister Rishworth said, making sure that the onus isn't only on the victim survivors but making sure we've got perpetrators being answerable. That the principles that we have fit in with the national plan is extremely important as well.

**RISHWORTH:** Yes, certainly I think when it comes to the information that dating apps actually have, they certainly I think are in a position to identify when there's patterns of behaviour emerging and potentially when laws have been broken. And so, I think there is an opportunity for those industries not to say, "Well, what happens on our platform isn't really any of our business; we're just there to facilitate it." That seems to have been kind of the old way of thinking as, "We're just here to facilitate matchmaking and not actually take the responsibility of playing a role." And my message to industry, they have a role to play in identifying bad behaviour, to identify whether any of that behaviour actually is crossing legal lines and what role they have to play in that.

And, of course, intervening early, I mean, one of the huge opportunities I think we have here is for dating apps to actually find patterns of behaviour that may be occurring and before they escalate actually intervene. And so, I think there's a huge opportunity here for innovation in this industry. But I guess the key message is that dating apps have much more of a role to play than just providing

the platform for people to meet. They have a moral responsibility to ensure that those using the platform do adhere to appropriate standards. And I think there's an opportunity here around their connection with law enforcement but also more broadly around enforcing responsible, respectful relationships as well.

**JOURNALIST:** Minister Rowland, dating apps aren't new, nor are the issues that come with them. Why has it taken so long to get to this point? And if you're not satisfied by mid next year with the voluntary code of conduct, what might legislation look like?

**ROWLAND:** Well, firstly, this is probably the first time that government – any government in Australia – has actually addressed this industry and these issues specifically. We know that with the rise of technology there are harms that arise as well. We know that eSafety has an important role, that it is a shared responsibility between government, various sectors and civil society as a whole. But this is the first time that we've actually had a coordinated approach. And I think that's important to recognise.

By having this code in place by the middle of next year we are giving the industry time to lift its standards. And I will point out that industry has been responsive to our calls for improvements. But we want to build on that momentum as well.

Now, in terms of what legislation or regulatory intervention could look like, it would be in those key areas that we expect to be included in the code – complaints handling, responding to complaints, dealing with law enforcement, making sure that there are safety features that are embedded in these systems. We would certainly be taking advice from eSafety on that. eSafety will be playing a role in ensuring that this code is fit for purpose. We will be evaluating it after nine months.

But, again, I come back to stress the really important point here, which is that this is the first time that government has come together with the sector, with experts to make sure that we address this head on in a meaningful way.

**JOURNALIST:** Minister Rowland, there's been an avalanche of submissions on the Misinformation and Disinformation Bill with experts including Anne Twomey warning it may be unworkable in its current form. Will there need be to changes? Which areas will be fine-tuned, and when are you aiming to pass that bill in the Parliament?

**ROWLAND:** Well, firstly, the primary responsibility of government is to keep Australians safe, not only including what we are announcing today but also in the online environment when it comes to misinformation and disinformation. This was an area that the previous Government acknowledged was in need of legislative reform and, in fact, announced their very intention to do that prior to the last election.

We know that some 70 per cent of Australians are concerned about the scale, scope and speed of spread of harmful misinformation and disinformation online. We know that there is an industry code of practice that is in place right now. It is a voluntary code. The successive reviews have found that it is necessary to codify that as well to ensure that the platforms are being held to account for their own policies that they say they are going to adhere to.

And let's be very clear: those online digital platforms are making decisions about moderating their content every single day – every second of every minute of every day those platforms are determining what content is on their sites. What we are seeking to do is ensure that there is transparency around that, that big tech is doing what they say they are going to do. Doing nothing is not an option in this space.

We have engaged in an exposure draft to elicit views on how this should be crafted. And I'm grateful to everyone who has put forward thoughtful submissions in this area. We are looking at them very closely to ensure that we have the best balance between keeping Australians safe and any other concerns that may be arising.

We will take our time to ensure that that is done properly. But, again, I stress this is an exposure draft that is seeking to keep Australians safe, because harmful misinformation and disinformation is something that we simply can't have a do-nothing attitude to.

**JOURNALIST:** Minister Rowland, so are you confirming you will make changes to the bill before it's put to Parliament and, you know, a new draft released?

**ROWLAND:** I'm confirming that we are going through this process at the moment. That's the whole purpose of an exposure draft – to elicit views on what might need to be amended but also to ensure the greatest effectiveness. I can say this: there are probably three categories of meaningful responses to this, some saying that we have got this right, others saying it doesn't go far enough and others saying that the balance hasn't been struck.

As a responsible, mature Government, we have been engaging with the community on this very important issue because we know that such a big priority needs to be placed on keeping Australians safe online. We've seen the impacts of harmful misinformation and disinformation, including with respect to rogue states and bad actors who seek to harm our national security. This is uppermost in our minds as we approach this. We'll do this in a methodical and mature way, and we will take our time to get this right.

**JOURNALIST:** Minister Rishworth, can I just ask, at the end of last week we saw a report into consent laws around Australia that absolutely slammed universities and their responses. I understand this overlaps with Mr Clare's portfolio as well, but it's said that the time for working groups is over, there needs to be a taskforce and action needs to be urgent. Can I just get your response to what the government can do urgently to address some of these problems, especially in the university sector, and will you heed the calls for a taskforce?

**RISHWORTH:** Look, I am absolutely on a unity ticket with Minister Clare when I say that not enough work is being done on university campuses to address the high levels of sexual violence, sexual assault and sexual harassment. And the reports that we see regularly coming out, there is just too much of this type of behaviour going on.

I certainly agree with Minister Clare, who has set up or I think has assembled an eminent group of people that will look at the response at universities. But my call to universities is that they need to take this seriously. It is part of their core business to keep students safe on campuses. And so, I look forward to the work that's being urgently done by Minister Clare and the group of people he's assembled, which are very eminent people. And I expect universities to engage in a very active way to implement change on their campuses.

**JOURNALIST:** But with due respect, working groups and consultation can take quite a long period of time we've seen already through multiple sectors. What can be done urgently to address this? We've seen how – it's nothing new how rife sexual assault is, especially in universities. What can the Government do immediately and what time frame would you like to see action?

**RISHWORTH:** Well, the responsibility sits with universities. They have, for example, from my department, been funded to develop a best practice guide. I would like to see those best practice guidelines implemented on university campuses ensuring that universities do take the best practice that was assembled and actually use that to implement interventions at universities.

The Government will continue to work with universities on this issue. It's not an issue that can be turned around overnight; this is a serious issue that needs attention. And I have to say that Minister Clare has quickly acted to put together people with the relevant knowledge to actually address this issue. It's been something that has been dealt with through the Universities Accord, and we will continue to be taking it very seriously. But there is now, launched, that Universities Australia put together, a good practice guide on how they might intervene at universities. And I would expect that the good practice guide would not sit on the shelf and be actually started to be implemented in universities.

**JOURNALIST:** So then like the dating sector threat, is big stick regulation or legislation on the table?

**RISHWORTH:** Well, look, Minister Clare is looking at student safety through the accord. And we've said we're not waiting for the final Universities Accord to come out. We have as a government under the leadership of Minister Clare put together some eminent people to look at the response in universities. But there is already good practice, evidence-based interventions and approaches that can be taken by universities. And I would be encouraging them to take them up.

**ROWLAND:** Thank you.

**ENDS**

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## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Bridget Gannon

SB23-000748

**SUBJECT: Online Safety****Talking Points**

- The *Online Safety Act 2021* (the Act) commenced on 23 January 2022. It strengthens protection against online harms, improves industry accountability, and provides extra powers to the eSafety Commissioner.
- To support the important role of the eSafety Commissioner under the Act, the Australian Government has increased eSafety's base funding to \$42.5 million each year – up from \$10.3 million each year. This is \$132.1 million over the forward estimates. This funding will not terminate. It is ongoing and indexed.
- The eSafety Commissioner has been operationalising the Act, including exercising her powers under the Act.
  - The eSafety Commissioner has registered six Phase 1 industry codes which cover the most seriously harmful content including child sexual exploitation material and pro-terror content. The Commissioner will move to develop industry standards for the two remaining Phase 1 industry codes.
  - The eSafety Commissioner has issued non-periodic reporting notices under the Basic Online Safety Expectations (BOSE) and published summaries of responses from online service providers.
- The online landscape is constantly changing and the Government is responding to meet emerging challenges.
- The Government has announced it will bring forward the statutory review of the Act so that it is completed within this term of Government. The timing and scope of the review will be considered and progressed in the coming months.
- The Government is also continuing to work on a range of priorities aimed at improving the safety of Australians online, including:
  - requesting online dating services to develop a voluntary industry code
  - responding to eSafety's Age Verification Roadmap
  - improving cross-Government collaboration through Online Harms Ministers Meetings, and
  - exploring options to address group hate speech online.

**Key Issues**Funding

- Prior to the May 2023 Budget, the vast majority of eSafety's funding has been provided through terminating budget measures. Without additional funding, eSafety's funding would have declined to \$21.8 million in 2023-24, before dropping further to \$10.3 million from 2027-28.

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## Environment and Communications

Lead/Support contact: Bridget Gannon

SB23-000748

Industry codes

- The eSafety Commissioner has registered six industry codes to deal with most seriously harmful content including child sexual exploitation material and pro-terror content.
  - Five of the codes will commence in December 2023, and a sixth will commence in March 2024.
- The eSafety Commissioner will develop industry standards for RES (relevant electronic services) and DIS (designated internet service). The draft codes proposed by these sections of industry did not provide appropriate community safeguards.
  - RES are services that allow end-users to communicate with one another through email, instant messaging, SMS, chat services or online games (WhatsApp, Gmail, in-game chat).
  - DIS are services that allow end-users to access material on the internet using an internet carriage service (websites and other online services).
- We understand the eSafety Commissioner is likely to commence work on the development of Phase 2 codes this financial year. Phase 2 codes will address the remaining Class 1 material (including material depicting specific fetish practices) and Class 2 material (material that would be classified R18+/X18+, including pornography).

Basic Online Safety Expectations (BOSE)

- The BOSE sets out the Government's basic online safety expectations for social media services, relevant electronic services (RES), and designated internet services (DIS). Service providers are expected to take reasonable steps to meet these Expectations so that Australians can use their services in a safe manner.
- The BOSE regime is designed to improve transparency and promote continuous improvements in how service providers ensure the safety of Australians online.
- The Commissioner has issued two sets of reporting notices to online service providers, and a further reporting notice to X (formerly Twitter) relating to the steps it is taking to implement and enforce its own policies against online hate speech and abuse.
- On 19 September 2023, the eSafety Commissioner published updated regulatory guidance on the BOSE. This guidance will be a valuable resource for industry as it highlights eSafety's understanding of the expectations contained in the BOSE and how to demonstrate compliance.

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SB23-000748

Online Safety Act Review

- The Minister has committed to complete a review of the Online Safety Act in the current term of Government.
- The Department of Infrastructure, Transport, Regional Development, Communications and the Arts is currently considering next steps for the Review, including the terms of reference for the review and timeframes for completion of the Review.

Online dating services

- On 25 January 2023, Minister Rowland, together with the Minister for Social Services, the Hon Amanda Rishworth MP, convened the National Roundtable on Online Dating Safety.
  - The Roundtable brought together Commonwealth and state and territory governments and representatives from the online dating industry; the family, domestic and sexual violence sector; diversity and inclusion organisations; the Australia New Zealand Policing Advisory Agency and research bodies to examine ways that online dating could be made safer for Australians.
- On 16 March 2023, Minister Rowland issued a detailed information request to the top ten online dating services used by Australians about the extent of harms occurring on their services, and the safety policies and procedures they have in place to keep their Australian users safe.
- On 18 September 2023, the Minister for Communications, the Hon Michelle Rowland MP wrote to eight of the most popular online dating services operating in Australia, requesting that they develop a voluntary code of conduct to keep their users safe.
- The Minister has asked Australia's eSafety Commissioner Julie Inman Grant to make herself available to industry so that the code can be informed by her, and her office's expertise. This includes:
  - Providing advice to industry to support the development of the code;
  - Advising the Minister whether the draft code developed by industry is fit-for-purpose; and
  - Evaluating the effectiveness of the code after nine months of operation.
- The Government has flagged to industry that if the code does not sufficiently improve safety for users of online dating services, legislative options will be pursued.

Age Verification Roadmap and Government Response

- On 31 August 2023, the Government published its response to the eSafety Commissioner's Roadmap for Age Verification (the Roadmap).

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- The Roadmap does not recommend the Government legislate to mandate age assurance technology for access to pornography. It notes that the technology is immature but developing.
- The Government Response notes that for age assurance to be effective, it must work reliably without circumvention; be comprehensively implemented – including where pornography is hosted outside of Australia’s jurisdiction – and balance privacy and security without introducing risks to the personal information of adults who choose to access legal pornography.
- The Government Response acknowledges that since the Roadmap was first recommended in February 2020, Government has delivered major regulatory reform through the *Online Safety Act 2021*, which includes co-regulatory initiatives designed to address harmful online content.
- The Roadmap recommends age assurance should be trialled in Australia. The Government will seek further information on a pilot, following the conclusion of the industry codes process, which is critical to keeping children safe online.
- The Government Response supports the development of the forthcoming industry codes requiring the digital sector to do more to protect children from exposure to online pornography.

Online Harms Ministers Meeting

- The Government is taking steps to ensure policy is coordinated across portfolios with responsibility for addressing online harms.
- The Government has set up the Online Harms Ministers Meeting (the OHMM) as a biannual meeting of Commonwealth Ministers with responsibility for addressing online harms, to discuss cross-cutting issues and align policy objectives.
- The first meeting of the OHMM was held on 19 October 2023.

Online hate speech

- The Government is considering options to address group hate speech online, including through the Review of the Online Safety Act (the Act).
- The Act does not confer specific powers on the eSafety Commissioner in relation to online hate speech or vilification. However:
  - The eSafety Commissioner can consider hateful or dehumanising commentary and symbolism where it meets the definition of ‘adult cyber abuse’ under the Act.
  - Under the Online Content Scheme, the eSafety Commissioner can also act where online material incites violence or promotes crime or terrorism.

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- Through the Basic Online Safety Expectations, the Commissioner can issue legal reporting notices to request information on how service providers are enforcing their own terms of service which may prohibit the posting of hate speech.

**Background**Industry codes

- Part 9 of the Act requires that new industry codes be developed to deal with class 1 and class 2 material under the Online Content Scheme.
- The Commissioner registered six Phase 1 industry codes. The Commissioner will move to develop industry standards for DIS and RES services.
- eSafety aims to commence the Phase 2 industry code development process in the coming months. Similar to the Phase 1 process, eSafety will publish a position paper to guide industry.
- The Government Response to eSafety's Age Verification Roadmap supports the development of the forthcoming industry codes (Phase 2 codes) requiring the digital sector to do more to protect children from exposure to online pornography.

Industry section	Examples of services captured	Date of Registration	Commencement
Social Media Services	Meta (including Instagram), X (formerly Twitter), TikTok, Snap, YouTube	16 June 2023	16 December 2023
App Distribution Services	Apple App Store, Google Play Store	16 June 2023	16 December 2023
Hosting Services	Amazon Web Services, Web.com Group	16 June 2023	16 December 2023
Internet Carriage Services	Optus, Telstra, TPG Telecom Ltd	16 June 2023	16 December 2023
Equipment Services	Apple, Microsoft, Samsung	16 June 2023	16 December 2023
Search Engine Services	Google, Microsoft (Bing), Yahoo	12 September 2023	12 March 2024
Relevant Electronic Services	Roblox, Twitch, Fortnite, Bumble, GroupMe, Gmail, WhatsApp, WeChat	eSafety Commissioner will develop Industry Standards	
Designated Internet Services	Majority of apps and websites accessed by Australian end-users,	eSafety Commissioner will develop Industry Standards	

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Industry section	Examples of services captured	Date of Registration	Commencement
	including retail websites, newspaper websites, information apps (train timetables), adult websites.		

BOSE non-periodic notices

Date	Subject of notice	Services	Summary of responses
29 August 2022	Report on implementation of BOSE with respect to child sexual exploitation and abuse.	<ul style="list-style-type: none"> <li>• Apple</li> <li>• Meta (and WhatsApp)</li> <li>• Microsoft (and Skype)</li> <li>• Omegle</li> <li>• Snap</li> </ul>	Published in December 2022
22 February 2023	Outline steps taken to implement the BOSE with respect to child sexual exploitation and abuse.	<ul style="list-style-type: none"> <li>• Google</li> <li>• Twitter (now X)</li> <li>• Twitch</li> <li>• TikTok</li> <li>• Discord</li> </ul>	Published in October 2023
21 June 2023	Outline actions to minimise online hate, including how it is enforcing its terms of use.	<ul style="list-style-type: none"> <li>• X</li> </ul>	Summary not yet published

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Lead/Support contact: Bridget Gannon

SB23-000749

**SUBJECT: AMF Grant Election Commitment****Talking Points**

- The first of the Alannah and Madeline Foundation's (AMF) three digital and media literacy educational products have been available to secondary schools across Australia since 1 July 2023.
- Of the \$6 million grant agreement, \$1.88 million has been paid this financial year, to AMF to start delivering its digital and media literacy education products in Australian schools.
- Two further payments (\$2.08 million and \$2.04 million) will be made over the 2024-25 and 2025-26 financial years.
  - This is contingent on the Department of Infrastructure, Transport, Regional Development, Communications and the Arts being satisfied with AMF's progress in delivering its grants.

**Background**

- On 1 July 2023, AMF started delivering its eSmart Media Literacy Lab product in secondary schools across Australia, funded under the Australian Government's Safe Kids are eSmart Kids Initiative.
- Under a grant agreement with AMF, the department:
  - provided \$1.88 million on 1 July 2023, this was the first payment to AMF under the grant agreement
  - will provide the second payment of \$2.08 million, due 1 July 2024
  - will provide the third payment of \$2.04 million, due 1 July 2025
- Media Literacy Lab is one of three AMF digital and media literacy products to be provided free to schools under their grant agreement with the Government. The second and third products, eSmart Digital Licence+ and eSmart Junior Digital Licence, will be released in 2024.
- The Minister for Communications wrote to all State and Territory Education Ministers on 22 June 2023, as well as executives in the Catholic and independent school sectors to endorse the AMF products and seek support to promote its uptake across Australia.
  - As at 28 September 2023, the department has received five responses acknowledging the importance of digital and media literacy education in schools<sup>1</sup>.

<sup>1</sup> The Hon Minister Grace Grace MP, Minister for Education Queensland  
 The Hon Roger Jaensch MP, Minister for Education Tasmania  
 The Hon Eva Lawler MP, Minister for Education Northern Territory  
 The Hon Dr Tony Buti MLA, Minister for Education Western Australia  
 Anne Dunstan, Chief Executive, Association of Independent Schools of South Australia

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Respondents advised that schools within their jurisdictions will be encouraged to participate in the initiative.

- Schools will retain the choice to engage the online safety education provider that best meets their needs, however this commitment ensures that cost is not a barrier to schools providing this education.
- Under the grant agreement, AMF receive a total of \$6.0 million over three years (2023-24 to 2025-26)

Underlying cash (\$ millions)	2023-24	2024-25	2025-26	Total
	1.88	2.08	2.04	6.0

**Media Literacy Lab (12 to 16 year olds)**

Media Literacy Lab (\$ millions)	2023-24	2024-25	2025-26	Total
	0.53	0.53	0.54	1.6

- Of the \$6 million, \$1.6 million over three years (2023-24 to 2025-26) is for AMF to deliver and evaluate the Media Literacy Lab product.
- Since 1 July 2023, the Media Literacy Lab is available to all schools across Australia for three years. This is an online learning tool for secondary students aged 12-16 years to help develop and apply critical thinking skills to media and online civic engagement.

**Digital Licence + (10 to 14 year olds)**

Digital Licence Plus (\$ millions)	2023-24	2024-25	2025-26	Total
	0.0	0.4	0.4	0.8

- Of the \$6 million, \$0.8 million over two years (2024-25 to 2025-26) is for delivery and evaluation of the Digital Licence+ product.
  - No funding is being provided in 2023-24, as its delivery and evaluation will be funded through a grant arrangement with the Accenture Foundation.
- The Digital Licence+ will be made available to all schools across Australia from term 1, 2024 for two years. It is an educational product for students aged 10 to 14 years to learn how to meet the demands and challenges of the digital world through a gamified experience of content, stories and reflections.

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**Junior Digital Licence + (5 to 9 year olds)**

Junior Digital Licence Plus (\$ millions)	2023-24	2024-25	2025-26	Total
	1.35	1.14	1.11	3.6

- Of the \$6 million, \$3.6 million over three years (2023-24 to 2025-26) is for the development, delivery and evaluation of the Junior Digital Licence+ product.
  - \$1.35 million in 2023-24 for AMF to design and develop the product, and then \$2.25 million over two years (2024-25 to 2025-26) for AMF to deliver and evaluate the product.
- The Junior Digital Licence + will be developed in 2023-24 and will be made available from 1 July 2024 for two years. It will be a new product to equip students aged 5 to 9 with foundational digital and media literacy skills.
- The department will absorb the costs to administer the grant to AMF.

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**Key Issues***What support will teachers receive to successfully deliver these products in their classrooms?*

- AMF's products are designed to support teachers in meeting digital and media literacy curriculum obligations – which will increase under the V9.0 curriculum update.
- AMF will engage States, Territories, schools, teachers and community organisations to support delivery.
- Teachers across many disciplines will be supported with Australian Curriculum-aligned content, classroom/remote delivery ideas and professional knowledge.
  - Some examples include:
    - a website providing easy resources, tools, best-practice information and case studies
    - an online system to record, track and report on the school's progress
    - training sessions (including regional) and online training
    - regular support webinars
    - one-on-one support in person (including regional areas)
    - regular newsletters containing current cyber safety and bullying issues, journey helpers, professional development events and helpful tips.

*How are products delivered in schools?*

- At this stage of the initiative, Media Literacy Lab is available to all secondary schools in Australia.
- Schools can register through the eSmart Media Literacy Lab website.
- Educators will be provided with information to support their MLL journey including a product manual, step by step instructions and contact details for one on one support.
- eSmart Digital Licence + and eSmart Junior Digital Licence + will also be delivered online.

*Does AMF have capacity to deliver the products across all Australian schools?*

- Yes, MLL is accessed online and can be delivered to all Australian schools.
- AMF has delivered products to 1 in 4 Australian schools and has existing relationships with state, Catholic and independent education systems.

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*What about delivery in rural and remote communities?*

- AMF will focus on providing additional support to schools with low Australian Digital Inclusion Index (ADII) and low socio-economic (SES) status to support uptake and implementation.
- AMF will partner with and work alongside other organisations that are involved and engaged within their local communities to deliver the products.

*Do these products align with the Australian Curriculum?*

- Yes, these products are aligned with the Australian Curriculum, specifically the Online Safety Curriculum Connection.
- The purpose of the Online Safety Curriculum Connection, is to connect educators to interdisciplinary resources and training that have been developed to support online safety education.
- Products also align with eSafety's Best Practice Framework for Online Safety Education

*How are educators and school communities made aware that the products are now available at no cost?*

- The Minister has written to all state and territory Education Ministers and executives of the Catholic and Independent sectors advising the product is now available.
- Five responses to these letters have been received by the department, all supporting the initiative.
- AMF developed a comprehensive stakeholder engagement plan setting out a list of promotional activities to be delivered across the life of the grant agreement.
- An official launch event will take place at an eSmart school in December 2023 (details TBC).
- AMF and the department continue to work together to seek out promotional opportunities.

*How are these products developed?*

- Products are developed by educational experts in consultation with media literacy experts and young people.
- Products are based on everyday life practices, offering users gamified learning experiences, relatable scenarios and guided reflections of their own experiences with technology.

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- The newly refreshed MLL has been redeveloped after extensive evaluation and consultation with users and media literacy experts to be more accessible, have clear learning design outcomes and a more engaging user experience.

*How will value for money be achieved?*

- Grant payments will be phased and contingent on AMF meeting performance milestones, which will ensure expectations are met before funding is delivered.
- Milestones will be developed and committed to in the grant agreement.
- All products will include an integrated pre and post assessment to measure student outcomes.

*How many schools have signed up since the government have made products freely available?*

- AMF are required to provide twelve-monthly progress reports for the duration of the grant agreement.
- Progress reports will include a range of indicators including the number of participating schools.
- In addition to their progress reports, an independent evaluation will be delivered in December 2025 with a holistic assessment of program outcomes.

*What evidence is there to support digital literacy education?*

- Education is key to preventing online harms and realising the benefits of the digital environment.
- Within the Australian Curriculum, which is developed by the Australian Curriculum, Assessment and Reporting Authority (ACARA), there is a digital technologies component that seeks to support safe, ethical and respectful communications.
- There are seven general capabilities in the Australia Curriculum, including digital literacy.
- AMF's Digital Licence product is aligned with the Australian curriculum.
- ACARA, which is an independent statutory body, last reviewed the Australian Curriculum in 2020-2021. This updated curriculum was endorsed by all Education Ministers in April 2022 and is ready for implementation from 2023.
- In consultation with the eSafety Commissioner, ACARA made significant changes to the Digital Technologies subject to ensure that students learn to use a variety of digital platforms safely.

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*Why was the election commitment delivered through a grant to AMF?*

- The election commitment specified that the Government would support the national rollout of products to be developed and delivered by AMF.
- Delivering a non-competitive grant to AMF is the best way to deliver the Government's election commitment.
- The department's role is to ensure the delivery of the commitment and achieve the best outcome for the Government's investment.
- Grants are widely used to achieve government policy objectives, involving payments to the non-government sector.
- AMF is a large and organisationally mature provider of digital literacy education products.
- Since AMF's eSmart Digital Licence product was established in 2015 it has reached more than 278,000 students in Australia and New Zealand.
- AMF has delivered products to 1 in 4 Australian schools with existing relationships with state, Catholic and independent education systems. This makes the AMF uniquely placed to deliver digital licence products widely and affordably.

*How will this impact other providers of digital literacy products?*

- We understand that there are a range of providers and products that schools engage to meet their unique needs. Schools can still choose to use alternative products.
- This election commitment ensures that every school in Australia will have access to digital literacy products – not just those who can afford them.

*How many schools could this commitment impact?*

- Every school in Australia (9,614 total) will be provided free access to AMF products if they chose to use them.
- According to the Australian Bureau of Statistics, as of 2022, there were 4,042,512 students across:
  - 6,233 primary schools
  - 1,444 secondary schools
  - 1,417 combined schools
  - 520 special schools.

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SB23-000848

**SUBJECT: Online Safety: Age Verification****Talking Points**

- There is wide agreement that children should not be able to access harmful content, including pornography.
- On 31 August 2023, the Australian Government published its Response to the eSafety Commissioner's Age Verification Roadmap.
- The Government notes the roadmap's advice that for age assurance to be effective, it must work reliably without circumvention; be comprehensively implemented and balance privacy and security without introducing risks to the personal information of adults who choose to access legal pornography.
- Since the Roadmap was first commissioned (in February 2020), successive Governments have delivered major regulatory reform through the *Online Safety Act 2021*, which includes initiatives designed to address harmful online content – including pornography.
- The Roadmap makes 6 recommendations.
  - Increased eSafety base funding (from \$10.3m to \$42.5m per year, indexed and ongoing) will allow it to advance 3 of the recommendations calling for research, education, awareness, and resources.
  - \$83.5 million has also been provided through the Department of Education for consent education.
  - The Government has sought more information on a recommendation that it establish a safety tech centre.
  - The Government will consider a pilot of age assurance technology following the conclusion of the industry codes process.
- Minister Rowland has written to the eSafety Commissioner to request that work to develop the next phase of industry codes, to address online pornography, begin as soon as practicable.
- This next phase of industry codes will require platforms to do more to protect children from exposure to online pornography.
- Countries around the world are grappling with the problem of age assurance and how best to prevent children from harmful content. The Government is closely monitoring international and industry developments.

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**Key Issues**

- On 31 March 2023, the eSafety Commissioner delivered the Roadmap for Age Verification (the Roadmap) to Government.
- The Roadmap was commissioned in June 2021 in response to the February 2020 release of the House of Representatives Standing Committee on Social Policy and Legal Affairs' report into age verification for online wagering and online pornography.
- The Roadmap does not recommend the Government legislate to mandate age assurance technology for access to pornography and notes that the technology is immature but developing. The Roadmap advises that stakeholders are concerned about the effectiveness, privacy and security of age assurance technologies.
- The Roadmap makes 6 recommendations.
  - Increased eSafety base funding (from \$10.3m to \$42.5m per year, indexed and ongoing) will allow it to advance 3 of the recommendations calling for research, education, awareness, and resources.
  - \$83.5 million has also been provided through the Department of Education for consent education.
  - The Government has sought more information on a recommendation that it establish a safety tech centre.
  - The Government will consider a pilot of age assurance technology following the conclusion of the industry codes process (see further information below).

The recommended pilot of Age Verification (recommendation 2)

- The eSafety Commissioner has recommended that the Government develop, implement, and evaluate a pilot before seeking to prescribe and mandate age assurance technologies for access to online pornography.
- The Government will consider a pilot of age assurance technology following the conclusion of the industry codes process.
- Running a pilot of age assurance technology would take time and is not a quick fix. It risks delaying and distracting industry from work on the industry codes which promise tangible and practical protections for children from pornography.

The Online Safety Act 2021 and online content scheme

- Pornography is regulated under the *Online Safety Act 2021* as part of the online content scheme in part 9 of the Act. eSafety has a range of powers under the Online Safety Act including code making powers.
  - Some pornography is class 1 content (including fetishes). The eSafety Commissioner can seek to have Class 1 material taken down no matter where it is provided from.
  - Some pornography is Class 2 content. The eSafety Commissioner can seek to have Class 2 material taken down when it is provided from Australia.

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## Environment and Communications

Lead/Support contact: Bridget Gannon

SB23-000848

- eSafety is currently working on industry codes and standards dealing with the most harmful class1 content. Work on codes dealing with pornography will commence when the first tranche of codes and standards are in place.
- The codes promise tangible and practical protections for children from pornography – especially noting that key industry players are already taking action to introduce age assurance that is fit for purpose for their services.
- The Online Safety Act provides examples of matters that can be dealt with in the codes, including
  - procedures aimed at ensuring that online accounts are not provided to children without the consent of a parent or responsible adult: (s138 (3)(f));
  - ensuring that customers have the option of subscribing to a filtered internet carriage service: (s138(3)(g));
  - giving users information about the availability, use and appropriate application of online content filtering software: (s138(3)(h));
  - providing users with access to technological solutions to help them limit access to class 1 material and class 2 material: (s138(3)(i));
  - providing users with advice on how to limit access to class 1 material and class 2 material: (s138(3)(j));
  - giving parents and responsible adults information about how to supervise and control children's access to material provided online ((s138(3)(r)) and (s138(3)(s)).

Online Safety Act and the Basic Online Safety Expectations (BOSE)

- The Basic Online Safety Expectations (BOSE) set out in the *Online Safety Act* will also help to manage children's exposure to online pornography.
  - The eSafety Commissioner can compel industry to report on what it is doing to address these expectations.
  - One of these expectations is that platforms '...will take reasonable steps to ensure that technological and other measures are in effect to prevent access by children to class 2 material [ie. including pornography] provided on the service'.

Consultation to develop the Government Response

- The Government Response to the Roadmap was informed by consultation within Government. Broader consultation, including with industry, was undertaken by the eSafety Commissioner as part of the development of the Roadmap. The Department of Infrastructure, Transport, Regional Development, Communications and the Arts consulted with:
  - The Department of Education
  - The Department of Social Services
  - The Department of Finance
  - The Attorney General's Department

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SB23-000848

**Background**Pornography in Australia

- Pornography is harmful to children because they are not ready to understand it, or its context. There are concerns that some pornography may distort young people's understanding of sex and relationships and consent.
- However, pornography is not illegal in Australia. Many Australian adults access it online.
  - The Australian Study of Health and Relationships (last conducted in 2012-13) found: 84% of men and 54% of women reported that they had looked at pornographic material, with 76% of these men and 41% of these women having viewed pornography in the past year.
  - We think that many of the adults who access pornography online would not want it to be known that they access it.

What is age verification?

- **Age verification** is a very high threshold for confirming that someone is an adult or not. Typically, someone's age can only be truly verified using formal ID documents. This gives rise to considerations of security and privacy.

What is age assurance?

- **Age assurance** is a lower threshold than age verification and instead includes a range of technologies that estimate – or assure the service provider that a user is an adult.
- Age assurance is not an exact science, but technology is available and being developed by industry to assure itself that users are accessing content that is suitable for their age. Technology might look at language used, key strokes, sites accessed, and in some cases check that against the age claimed by a user to limit a young person's access to harmful material.
  - Roblox requires that users of its Chat with Voice feature verify they are at least 13 years of age through an ID scan accompanied by a selfie match to ensure liveness and likeness.
  - In June 2022, Meta announced it was testing new options for users to verify their age on its photo- and video-sharing social media service, Instagram, to give them age-appropriate experiences. In addition to providing ID, new options for users included asking others to vouch for their age and taking a video selfie to be shared with a third party, Yoti, for facial age estimation. In March 2023, this trial was rolled out in Australia.

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Pornography and Australia's Digital Identity System

- The Commonwealth, led by the DTA, is working with States and Territories to deliver Digital ID – a way for Australians to prove who they are when accessing Government services online. The Digital Identity System is for access to Government services.
- The purpose of the Digital ID is to verify an individual's identity and not just age. Its use would therefore give rise to concerns about privacy.
- Further questions about Australia's Digital Identity System are a matter for the DTA.

Age Verification and the Review of the *Privacy Act*

- The Review of the *Privacy Act 1988* considered whether the Privacy Act and its enforcement mechanisms are fit for purpose in an environment where Australians now live much of their lives online.
- On 16 February 2023, the Attorney-General released the Privacy Act Review Report for public consultation, which closed on 31 March 2023.
- The Report referenced stakeholder concerns that the privacy-intrusive nature of age verification would outweigh its benefits and that a broader concept of 'age assurance' should be considered.
  - The Government is now considering its response.
- Questions relating to the *Privacy Act* review should be directed to the Attorney-General's Department.

Roadmap Development

- In September 2022, the Government and eSafety agreed to extend the timeframe for delivering the Roadmap from December 2022 to March 2023.
- This extension allowed eSafety to fully consider the complexity of issues including privacy and security and the wide range of stakeholder views.
- The Committee recommended the Roadmap consider:
  - a) a legislative and regulatory framework;
  - b) consultation with community, industry, and government stakeholders;
  - c) awareness raising and education for the public; and
  - d) recommendations for complementary measures, to ensure that age verification is part of a broader, holistic approach.
- Pornography is currently regulated under the *Online Safety Act's* Online Content Scheme.
  - There are also a wide range of tools available including internet filters, hardware devices and parental controls.
  - The eSafety Commissioner maintains comprehensive advice about preventing children from accessing age-inappropriate material online at [www.esafety.gov.au](http://www.esafety.gov.au).

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Overseas experience with Age verification*United Kingdom*

- The UK's Online Safety Bill includes 'duties' for regulated providers of pornographic content. Under the Bill, providers of pornographic content have a duty to: "Ensure that children are not normally able to encounter pornographic content (for example, by using age verification)."
- The Bill does not mandate the use of specific technologies, although following the passage of the Bill, Ofcom will issue codes of practice on age assurance.
- As at 13 October 2023, Royal Assent has not yet been received for this Bill.

*France*

- In 2020, France legislated age verification requirements for online pornography which allows websites to decide how to verify the age of their users.
- In December 2021, the French digital regulator (Arcom) commenced legal action to block access to sites that were not complying with the law. Litigation is ongoing.

*Germany*

- Germany has legislated age verification by prohibiting the distribution of pornography via media or teleservices if it is accessible to children. Websites can comply by using age verification systems that provide a reliable identification of the user and confirmation that they are of legal age.
- Many websites do not comply and Germany's regulator is considering blocking non-conforming sites.

*United States of America*

- There is a patchwork of legislation in place across America.
- Utah passed age verification requirements for pornographic websites, and in response, websites owned by Aylo, the largest provider of online pornography, blocked access to users based in Utah.
- Louisiana has also legislated age verification requirements for access to online pornography. Under the law, Louisiana users are presented with a webpage that directs them to verify their age with the state's digital ID system, known as LA Wallet.
- Since the Louisiana law went into effect, media reporting indicates that traffic to Aylo from that state has fallen by 80%.
- Texas - Attempts to introduce mandatory age verification in Texas have been blocked due to a ruling that found them unconstitutional.

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Matters to be considered and resolved prior to commencing a pilot of age assurance technology.

- In its decision to await the outcomes of the industry codes process before deciding on a potential trial of age assurance technologies, the Government considered the Roadmap's advice on the issues to be navigated to conduct a pilot, which include:
  - eSafety does not have the expertise to lead the development of the pilot, requiring another appropriate body to be identified.
  - The need to establish a 'cross-Government initiative' with engagement from multiple agencies and departments working on online safety, privacy, security, and human and consumer rights.
  - The requirement to engage internationally – specifically with the euCONSENT consortium to build on their European trial of an interoperable age assurance system.
  - The need for additional consultation with stakeholder groups involved in the development of the roadmap, including children and young people, parents and carers, the adult industry, the online industry, digital rights advocacy groups, academics, researchers and NGOs across a range of relevant disciplines.
  - The need for the pilot to be accompanied by a public information campaign to educate and increase public awareness of how these technologies work, including how they use, store, and protect data.
  - Technical requirements for the pilot including:
    - Requiring a range of 'dummy sites' to trial age assurance in multiple use cases (in addition to pornography, such as establishing minimum age to access a social media service or determining minimum age for the purpose of collecting personal information).
    - The need to provide users with a range of technologies to confirm or estimate their age to preserve user choice.
    - The need to identify and prioritise piloting of technologies that have been approved for use in other jurisdictions, accredited under existing international standards, or already in use by the online industry.
    - Additional technical requirements for the pilot including using a tokenised double-blind approach through digital wallets and a third-party exchange provider to transfer information to protect user privacy.
  - The need for a comprehensive pilot evaluation to include:
    - the accuracy and effectiveness of technology
    - barriers to inclusion and digital participation
    - bias
    - user experience
    - compatibility with human rights

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- extent of interoperability
- whether participants have the option to exercise granular control over their privacy
- whether participants are provided with resources to support their informed consent to sharing data.

**Attachments**

Attachment A – Media release – Minister for Communications – 31 August 2023

Attachment B – Media release – Shadow Minister for Communications – 31 August 2023

Attachment C – Media release – eSafety Commissioner – 31 August 2023

Attachment D – Media release – Liberal Party of Australia – 6 September 2023

Attachment E – Media release – Collective Shout – 31 August 2023

Attachment F – Sydney Morning Herald article – 30 August 2023

Attachment G – The Guardian article – 31 August 2023

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**The Hon Michelle Rowland MP**  
Minister for Communications

## **MEDIA RELEASE**

### **Albanese Government publishes eSafety's Roadmap for Age Verification**

The Albanese Government has today published the eSafety Commissioner's *Roadmap for age verification and complementary measures to prevent and mitigate harms to children from online pornography*, along with the Government's response.

Delivered to Government for consideration in March 2023 following extensive consultation, the Roadmap is a key recommendation of the 2020 House of Representatives Standing Committee on Social Policy and Legal Affairs Report, *Protecting the Age of Innocence*.

The Roadmap considers the feasibility of implementing a regime of mandatory age verification to address risks and harms associated with children's encounters with online pornography.

The Roadmap does not recommend the Government legislate to mandate age assurance technology for access to online pornography and notes that technological developments in this space are still new and evolving. Stakeholders have also raised concerns about the effectiveness, privacy and security of these technologies.

The Roadmap details work to implement the *Online Safety Act 2021* including the development of industry codes to deal with children's access to online pornography. It also describes powers available to the Commissioner to require the online industry to report on their compliance with a set of Basic Online Safety Expectations, which include taking reasonable steps to make sure technological or other measures are in effect to prevent children accessing pornography.

The Government supports this approach, with the forthcoming industry codes requiring the digital sector to do more to protect children from exposure to online pornography.

The eSafety Commissioner is well placed to assist industry develop these codes and assess their codes, having already successfully registered new industry codes that deliver enhanced protections against child sexual exploitation and terrorism material.

The Government will seek further information on consideration of a pilot as recommended by the eSafety Commissioner – following the conclusion of the industry codes process, which is a critical step in keeping children safe online.

The Government is continuing its comprehensive approach to addressing the harms that can result from children's exposure to pornography through the delivery of a variety of initiatives.

Released under the FOI Act 1982 by the Department of Infrastructure,  
Transport, Regional Development, Communications and the Arts

The Roadmap calls out the importance of respectful relationships education, and that the related topics of online safety, sexuality and consent are integral to addressing the harms associated with online pornography. The Government is delivering on these by providing:

- \$83.5 million over 6 years to support the delivery of age-appropriate, evidence-based, and expert-developed respectful relationships education, aligned to the Australian Curriculum.
- \$39.9 million under the *National Plan to End Violence against Women and Children 2022-2032* (the National Plan) to develop a prevention campaign on consent and respectful relationships.
- \$100.4 million over 5 years to support Our Watch to deliver on priorities of the National Plan, and continue successful initiatives for the primary prevention of violence against women and children.
- \$23.3 million over 5 years for the ANROWS National Priority Research Fund, which will continue to build the evidence base that supports ending violence against women and children in Australia.

The Albanese Government is committed to supporting eSafety to improve online safety for Australians. The 2023-24 Federal Budget quadrupled ongoing base funding to the regulator, addressing funding uncertainty resulting from a failure of the former Coalition Government to fund terminating measures into the future.

The eSafety Commissioner's Age Verification Roadmap is available at: [www.esafety.gov.au/about-us/consultation-cooperation/age-verification](http://www.esafety.gov.au/about-us/consultation-cooperation/age-verification)

The Government's response is available at: [www.infrastructure.gov.au/response-age-verification](http://www.infrastructure.gov.au/response-age-verification)

#### **Quotes attributable to Minister for Communications, the Hon Michelle Rowland MP:**

*"The Albanese Government is committed to improving the safety of our online environment – particularly when it comes to children accessing inappropriate content on the internet."*

*"We thank eSafety for its extensive research and work on the Age Verification Roadmap."*

*"The Age Verification Roadmap underscores the important role the regulator plays in registering industry codes or developing standards to keep children safe."*

*"The Government supports this approach, and will work with the regulator to ensure the full and successful implementation of the Online Safety Act."*

*"While the Government awaits the outcome of this process, the digital industry is on notice that we will not hesitate to take further action should it fail to keep children safe".*

**THURSDAY, 31 AUGUST 2023**

**MEDIA CONTACT:** s22(1)(a)(ii)

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**THE HON DAVID COLEMAN MP**  
FEDERAL MEMBER FOR BANKS  
SHADOW MINISTER FOR COMMUNICATIONS

31 August 2023

## **MEDIA RELEASE**

### **GOVERNMENT REJECTS CRITICAL CHILD SAFETY RECOMMENDATION FROM eSAFETY COMMISSIONER**

#### **INEXPLICABLE DECISION MEANS GOVERNMENT WON'T ACT ON AGE ASSURANCE**

The Albanese Government has today announced its refusal to act on a critical recommendation aimed at protecting children from pornography and other online harm.

In a major report to Government, *Roadmap for Age Verification*, the eSafety Commissioner has recommended a pilot of Age Assurance technologies. On page 8 of the Roadmap the eSafety Commissioner included in its Recommendations for the Australian Government:

*Trial a pilot before seeking to prescribe and mandate age assurance technology.*

This was a significant report, commissioned by the Coalition Government, that considered options to protect children online. The report has been with Communications Minister Michelle Rowland since March this year and was not released until today.

At the same time as releasing the Report, the Minister has shut down plans for the trial recommended by the eSafety Commissioner.

Shadow Communications Minister David Coleman said this was an extraordinary response by the Government.

"Every day, thousands of children access pornography online. As the eSafety Commissioner's report notes, this can have very damaging impacts. And children are also accessing a large volume of other damaging content, such as material related to self-harm," Mr Coleman said.

"The US Surgeon General has stated that there is ample evidence that access to damaging material online is harming the mental health of children. This is a defining issue of our era, and governments must take strong steps to protect children.

"An Age Assurance system would require technology companies to take specific steps to identify under-aged users and stop children from accessing dangerous material.

“The Government has refused to even trial an Age Assurance program, despite a clear recommendation from the eSafety Commissioner. It’s impossible to understand why the Albanese Government would not even trial such a system.

“On one hand we have a Government that wants to regulate political speech through its appalling Misinformation Bill. On the other we have a Government that refuses to trial crucial technology to keep children safe online. Minister Rowland’s decisions continue to defy logic, to the great detriment of Australians.”

**Media contact:** s22(1)(a)(ii)

Released under the FOI Act 1982 by the Department of Infrastructure,  
Transport, Regional Development, Communications and the Arts

# eSafety welcomes government's response to age verification roadmap

31/8/23

The eSafety Commissioner welcomes the Australian Government's response to the age verification roadmap and the government's support to keep using powers under the Online Safety Act to protect children from harmful, age-inappropriate content.

*The roadmap for age verification and complementary measures to prevent and mitigate harms to children from online pornography* was provided to government in March 2023, and was the result of almost two years of cross-sector consultation, extensive research and an independent technical assessment of age assurance technologies, including age verification technologies.

The roadmap explores how age verification and other measures could be used to prevent and mitigate harms to children from online pornography. eSafety took a holistic approach that respected and affirmed a range of human rights, such as the right to privacy, and promoted the best interests of the child.

eSafety was tasked by the previous government to develop the roadmap as part of its response to the House of Representatives Standing Committee on Social Policy and Legal Affairs report, 'Protecting the age of innocence'.

The roadmap identifies 'next steps' for eSafety to carry out as part of its existing regulatory and educative functions.

In particular, eSafety will support industry associations to draft a set of industry codes to limit children's access to 'class 2' material, including online pornography. If an industry drafted code doesn't meet the statutory requirements, the eSafety Commissioner can develop a mandatory industry standard for that section of the online industry. This work will commence in earnest after the first phase of codes and standards is complete, which deals with 'class 1' content, such as child sexual abuse material and pro-terror content.

The background report to the roadmap includes considerations for industry to protect children from harmful, age-inappropriate content. eSafety expects industry associations to draw on these considerations when drafting the next phase of the codes.

Read the Australian Government's response.

Read the age verification roadmap and the full background report.

**For more information or to request an interview, please contact:**

Phone: s22(1)(a)(ii) (virtual line – please do not send texts)  
or media@esafety.gov.au



SEP  
06  
2023

# Pornography industry welcomed government refusal to implement esafety commissioner recommendation

## MEDIA RELEASE

The eSafety Commissioner has faced questions about the Albanese Government's refusal to support an age assurance trial aimed at protecting children from online harm.

Age assurance technology is designed to stop children from accessing inappropriate material online.

Communications Minister Michelle Rowland has been criticised by child protection advocates after rejecting a recommendation from her own online safety agency for the trial.

The eSafety Commissioner's *Roadmap for age verification* had recommended that the Government:

"Trial a pilot before seeking to prescribe and mandate age assurance technology."

Appearing on ABC 24 this afternoon, the eSafety Commissioner, Julie Inman Grant was asked what she made of the Government's refusal to support the trial she'd recommended. She told the ABC:

"That was a question for Government. The Government made its decision and I need to get on with using the tools that I have."

Released under the FOI Act 1982 by the Department of Infrastructure, Transport, Regional Development, Communications and the Arts

The comments come after the National Children's Commissioner expressed disappointment at the Government's failure to support the trial. Commissioner Anne Hollonds told ABC Television on the weekend that the trial was needed:

"So that we can safeguard children for whom this material, this content is really inappropriate, and actually can be quite dangerous."

In contrast, the Eros Foundation General Manager Graeme Dunne welcomed the Government's decision, in an interview with the ABC on 1 September.

Shadow Communications Minister David Coleman said the trial on age assurance technology should go ahead, as the eSafety Commissioner has recommended.

"Child online safety is a defining issue of our time and we must do everything we sensibly can to keep kids safe. It is impossible to understand why the Government is refusing to act on this recommendation."

# Porn profits before child protection: Government dismisses age-verification

August 31, 2023

Media Release

## **Porn profits before child protection: Government dismisses age verification**

Collective Shout has condemned the Federal Government for refusing to adopt an age verification system as one obstacle to help protect children from exposure to pornography.

The Federal Government today published the eSafety Commissioner's Roadmap for Age Verification along with its response.

This is a sad day for child safeguarding stakeholders who lobbied for years for an age verification system, contributing to Federal inquiries and stakeholder roundtables.

The Government has caved to the vested interests of the porn industry.

The Government has passed the buck to the development of industry codes which are still years away from being finalised. It is highly unlikely a pilot, as recommended by the eSafety Commissioner, will ever get off the ground.

It's time to stop calling this process a "Roadmap". There is no "Roadmap". There are only delays and obstacles to doing anything that would bring the predatory porn industry into line.

Even while acknowledging porn as a driver of violence against women, as reflected in its National Plan to Address Violence Against Women and Children (2022-2023), the Government has allowed itself to be swayed by industry resistance to an age-verification system.

If France, Germany, UK, Louisiana and Utah can roll out age verification systems, why can't we?



Vested interests should not be put before the wellbeing of children.

The Government's initiatives regarding respectful relationships and consent education cannot compete with the world's largest department of education – the global pornography industry.

Every day without Government action, more and more children are being exposed to rape, torture, sadism and extreme degradation of women, deforming their developing sexual templates. We are seeing the results in our schools every day, with a rise in sexual harassment, rape threats and demands for nudes. Primary school girls are routinely sent dick pics.

Adolescent boys aged 15-19 are the largest cohort of sexual offenders in this country,

In its response to the eSafety report, the Government concludes: "The first duty of any Government is to protect its citizens from harm." In dismissing the adoption of proof-of-age protections for children, it has failed in this duty.

Thursday August 31, 2023

Contact: s22(1)(a)(ii)

Movement Director

s22(1)(a) @collectiveshout.org

Released under the FOI Act 1982 by the Department of Infrastructure,  
Transport, Regional Development, Communications and the Arts

## **‘Kicked down the road’: Australians to wait for porn passport**

**Sydney Morning Herald – 30 August 2023**

By Jordan Baker

The federal government has shied away from making people prove they are old enough to watch pornography, preferring to let the industry police itself before considering a trial of technology that would stop minors accessing explicit content.

In a government-commissioned report, the e-Safety Commission recommended a pilot of so-called age verification technology, which would involve handing out electronic access “tokens” to those who can prove they are above the age of consent.

But the government said it would only consider a trial of the technology – opposed by privacy advocates and the adult industry – after providers and the commission have negotiated a set of codes to reduce harm, such as giving parents more information and filters. That process has not yet begun and is likely to take several years.

Children’s advocates said they were disappointed a trial would be years away. “I’d like to see a greater sense of urgency for reform that will safeguard our most vulnerable children,” Children’s Commissioner Anne Hollonds said.

Countries across the world are taking steps to limit children’s access to online pornography due to concern about the amount of content on popular adult sites that involves violence and its link to real-life gendered violence.

E-Safety research found 75 per cent of 16- to 18-year-olds had viewed online pornography, and a third of those first saw it before they were 13. Delaying their exposure made it more likely they had the maturity to understand what they saw on screen wasn’t a script for real life.

So-called age-assurance technology can involve a “porn passport” based on government identification, such as in France, or less intrusive approaches such as biometric systems that use a selfie to estimate age based on a user’s face.

The e-Safety Commission was asked to develop an “age verification roadmap” by the previous government. Over two years, it consulted everyone from the adult industry to educators, examined the privacy issue and looked at potential technological fixes.

The roadmap, to be released publicly on Thursday, found age assurance technology was immature but developing, and said it should be trialled in Australia – drawing on experience overseas – before any steps were taken to mandate it.

The pilot would use dummy sites, and trial a range of approaches. It could also take in online wagering and alcohol sales sites, and use technologies approved for use in other jurisdictions, such as the token system.

But in its report, the government said it would not consider a trial until after code negotiations. Phase one of those negotiations, targeting illegal content such as child pornography, will take about two years by the time they are finalised.

The second phase, involving discussions with websites, internet service providers and social media companies, will address potentially harmful but legal content such as online pornography. It will not begin until phase one is complete.

"The government will await the outcomes of the class 2 industry codes process before deciding on a potential trial of age assurance technologies," it said.

Hollonds said approaches such as parent education and optional filters did not work for children who were at the most risk of harm, including those whose families were poor, disadvantaged and had little education themselves.

"I was disappointed that the e-safety commissioner's recommendation for a pilot has not been accepted," she said. "In view of the risks to the most vulnerable children in this country, I would have liked to see a greater sense of urgency."

Michael Salter, an associate professor in criminology at the University of NSW, said the codes were not enough, and the pilot should be conducted at the same time.

"It's concerning to see real action on child pornography to be kicked down the road many years away," he said. "We know exposure to pornography is causing significant population-level harm. How many children need to be harmed through exposure through span, through social media sites, through all sorts of means until the government takes effective action?"

## Australia will not force adult websites to bring in age verification due to privacy and security concerns

The Guardian – 31 August 2023

The eSafety commissioner is to work with industry on a new code to educate parents about how to access filtering software and limit children's access

The federal government will not force adult websites to bring in age verification following concerns about privacy and the lack of maturity of the technology.

On Wednesday, the communications minister, Michelle Rowland, released the eSafety commissioner's long-awaited roadmap for age verification for online pornographic material, which has been sitting with the government since March 2023.

The federal government has decided against forcing sites to bring in age verification technology, instead tasking the eSafety commissioner, Julie Inman Grant, to work with the industry to develop a new code to educate parents on how to access filtering software and limit children's access to such material or sites that are not appropriate.

"It is clear from the roadmap at present, each type of age verification or age assurance technology comes with its own privacy, security, effectiveness or implementation issues," the government's response to the roadmap said.

The technology must work effectively without circumvention, must be able to be applied to pornography hosted outside Australia, and not introduce the risk to personal information for adults who choose to access legal pornography, the government stated.

"The roadmap makes clear that a decision to mandate age assurance is not yet ready to be taken."

The new tranche of codes will be developed by eSafety following the implementation of the first set of industry codes in December this year.

The government will also bring forward an independent statutory review of the Online Safety Act in 2024 to ensure it is fit for purpose and this review will be completed in this term of government. The UK's approach to age assurance will also be monitored as the UK is "a key likeminded partner".

In the roadmap, eSafety's research found of the 75% of 16 to 18-year-olds who said they had seen online pornography, nearly one-third had seen it before the age of 13, and nearly half between 13 and 15.

The report suggested to trial a pilot of age assurance technologies, but this was not adopted by the government. The report also noted the government's development of a digital ID in the wake of the Optus and Medibank data breaches, but said it was not suggesting the government ID be used for confirming ages on pornographic websites.

The roadmap said there was also a gap in sex education, particularly for LGBTQ+ people, with online pornography filling the place in many cases.

"In our research, [participants who identified as lesbian, gay or bisexual] were also significantly more likely to say there were some positive effects of online pornography on

young people learning about sex and exploring sexuality than straight participants. Some stakeholders reflected this may be due to a lack of other representations or learning sources for young LGBTIQ+ people – including a lack of inclusive sex education in schools.”

The government said it had funded \$83.5m over six years for age-appropriate, evidence-based respectful relationships education.

While Pornhub remained the most popular pornographic site for Australian users, the report also noted that Australian-based industry bodies reported the local creators tended to be female or LGBTQ+, operating as sole traders.

“Between these two ends of the spectrum are a variety of businesses with different business models and levels of size, maturity, capacity, and capability to adopt technological measures to promote children’s safety. What constitutes appropriate steps for one provider might create an undue burden for another.”

Rowland said the roadmap underscored the value of the industry codes and developing standards to keep children safe.

“The government supports this approach, and will work with the regulator to ensure the full and successful implementation of the Online Safety Act,” she said.

“While the government awaits the outcome of this process, the digital industry is on notice that we will not hesitate to take further action should it fail to keep children safe.”

## 2023 - 2024 Supplementary Budget Estimates

## Environment And Communications

Lead/Support contact: Bridget Gannon/James Penprase

SB23-000750

**SUBJECT: Media Reform****Talking points**

- The Australian Government is committed to modernising media regulations to ensure they are fit for the digital age. The objective for this reform program is to consistently regulate services that make available 'like' content, while ensuring the flexibility to accommodate new and emerging technologies.
- Immediate priorities include:
  - legislating a prominence framework to support the prominence of local television services on smart TVs;
  - reviewing and reforming the anti-siphoning scheme and list;
  - introducing Australian content obligations on streaming services;
  - implementing the first stage of reforms to the National Classification Scheme, including to address gambling-like content in games;
  - completing the sustainability review of the community broadcasting sector;
  - developing a News Media Assistance Program, or 'News MAP'; and
  - considering the 31 recommendations in the final report of the inquiry into online gambling (undertaken by the House of Representatives Standing Committee on Social Policy and Legal Affairs).
- Work on these priorities is well underway, informed by recently completed or current consultation processes.
- The Minister for Communications, the Hon Michelle Rowland MP, has indicated this reform program will also consider other areas acknowledged as in need of attention, such as broader classification reforms, advertising restrictions, consumer safeguards and protections, and media literacy.
- The Government has also initiated:
  - The extension of funding for the Viewer Access Satellite Television (VAST) safety-net service to June 2031;
  - The remaking of the Broadcasting Services ("Broadcasting Service" Definition – Exclusion) Determination 2022; and
  - Consideration of the broader future of free-to-air television services.

**Key Issues**Media reform agenda

On 14 November 2022, the Minister delivered a seminar to the Communications and Media Law Association (CAMLA) titled *Media Policy: Priorities for a New Government*.

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The seminar set out the immediate, medium-term and long-term priorities for the Government's media reform program.

The immediate priorities are:

- a review of the anti-siphoning scheme and list;
- legislating a prominence framework for connected television devices; and
- implementing Australian content requirements on streaming services.

Work on these priorities, and others subsequently announced, is underway and is being informed by consultation processes.

In the medium term, issues like broader classification reform; advertising restrictions; consumer safeguards and protections; and media literacy will be examined.

In the long term, work will be undertaken around the future of television. This work will be informed by the Future of Broadcasting Working Group, an industry-led forum established in early 2022 to consider future television technologies and related market reforms.

Work to develop, sequence and implement this broad media reform agenda is underway and will be subject to normal Government decision making processes.

#### Anti-siphoning scheme and list review

Consistent with its 2022 election commitment, the Government initiated a review of the anti-siphoning scheme (the scheme) and anti-siphoning list (the list). This process commenced with a public consultation process which ran from 11 October 2022 to 6 December 2022, providing an opportunity for all stakeholders to have their say. Ahead of its expiry on 1 April 2023, the list was remade from 25 March 2023 to 25 March 2026 without substantive change.

On 19 August 2023, the Government released a proposals paper setting out options for reform of the scheme and list, including the Government's preferred approaches. Submissions closed 17 September 2023. 17 submissions were received. 9 of these were not confidential and were published on the Department of Infrastructure, Transport, Regional Development, Communications and the Arts website on 20 October 2023.

The Government is considering issues raised in the submissions and this will inform the development of legislation to reform the scheme and list. It is expected that amending legislation will be introduced to the Parliament in the coming months.

Amendments to the current list commenced on 15 September 2023 to include select FIFA Women's World Cup matches and qualifiers. These changes were made ahead of the deadline to submit bids for the Australian media rights to the 2027 FIFA Women's World Cup on 19 September 2023 (ensuring that the arrangements were in place before negotiations commenced). The amended list provides equivalence in terms of the events on the list with the FIFA World Cup (the equivalent men's tournament).

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Further information is provided under SB23-000751 – Anti-siphoning.

#### Developing a prominence framework

The Government has committed to legislating a prominence framework to ensure Australian TV services can easily be found on connected TV platforms.

Targeted consultation was undertaken in August and September 2022, which yielded early stakeholder feedback on the potential design of the framework. This feedback informed a proposal paper released for consultation on 23 December 2023. The nine-week public consultation period closed on 24 February 2023. The Government received 31 responses to the proposal paper – 22 public responses were published on the department's website on 24 March 2023.

Government decision on a settled framework is expected by the end of 2023.

Further information is provided under SB23-000752 Prominence.

#### Australian content obligation on streaming services

Under Australia's National Cultural Policy, *Revive*, the Government committed to introduce an Australian screen content obligation on streaming (Subscription Video on Demand) services.

The obligation will be implemented as part of the Government's broader reforms to media legislation and is the joint responsibility of the Minister for Communications and the Minister for the Arts.

Any reporting about specific details of the obligation the Government will impose is incorrect: no model has yet been agreed.

The Minister for Communications and the Minister for the Arts undertook a joint consultation process with a targeted set of industry stakeholders in the first half of 2023.

Additional data and input has been requested from streaming services in Q3 2023 and further targeted consultation on the Government's refined approach will occur in Q4 2023.

Ministers are working to finalise a regulatory model to introduce Australian screen content requirements on streaming services, to commence on 1 July 2024.

Further questions on this reform should be referred to the Office for the Arts.

Further information is provided under SB23-000706 Australian Content on Streaming Services.

#### Classification reform

On 29 March 2023, the Government announced a two-stage classification reform process.

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Stage one prioritises immediate improvements to the National Classification Scheme (the Scheme) to: expand options for industry to self-classify content; expand classification exemptions for low-risk content; and enable films and TV shows that have been classified for broadcast under relevant legislation, and have not changed, to be 'deemed' as also classified under the Classification Act.

Legislation to implement these reforms passed the Parliament on 5 September 2023 and will come into effect from early 2024.

Stage one also includes a commitment to introduce mandatory minimum classifications to reduce harm from gambling-like content in computer games; The proposed mandatory minimum classifications were agreed at the Standing Council of Attorneys-General meeting on 22 September 2023.

Stage two will include more comprehensive reforms to establish a modern classification framework, including: clarifying the purpose and scope of the Scheme; establishing fit-for-purpose regulatory and governance arrangements; and ensuring that classification criteria are aligned with, and responsive to, evolving community standards and expectations.

Further information in relation to the reform program is provided under SB23-000754.

Further information about Updates to Games Guidelines is provided under SB23-000755

#### Community Broadcasting Reforms

To support the identification of a sustainable funding basis, the department has commenced a review of the community broadcasting sector.

The first stage, an evaluation of the Community Broadcasting Program (CBP), has now been completed. The evaluation's aim was to understand the extent to which assistance provided to community broadcasting licensees and grant applicants meets the needs of community broadcasting organisations.

A broader review of the sector's sustainability now underway. This includes examining the extent to which emerging priorities are being met through the CBP (including, but not limited to, the role of community broadcasting in emergencies and public interest journalism) and proposed regulatory improvements and will draw on both the evaluation and the recently completed community broadcasting 10-year vision Roadmap.

In another early reform, the *Broadcasting Services Amendment (Community Radio) Act 2022* received Royal Assent on 13 December 2022. These minor legislative amendments streamlined and simplified community licensing arrangements, which benefits community radio stations, listeners and the regulator, the Australian Communications and Media Authority (ACMA).

Further information is provided under SB23-000742 Community Broadcasting.

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News Media Assistance Program (NewsMAP)

The Government is developing a News Media Assistance Program, or 'News MAP' to lay foundations for principled, targeted and evidence-based interventions to support a vibrant and diverse news media sector. Support is also being provided for two early initiatives to gather data and build capacity while the News MAP is developed:

- \$900,000 for the Public Interest Journalism Initiative (PIJI) to continue producing the Australian News Data Report, which assesses media diversity and plurality in Australia, and maintain datasets on changes in the state of public interest journalism and news media production in Australia; and
- \$1.5 million for the Local and Independent News Association (LINA) to gather information and evidence related to activities that build capacity among local and hyperlocal news publishers.

Further information is provided under SB23-000744 News Media Assistance Program.

Advertising content restrictions (Gambling advertising)

The Government has indicated its broader media reform program will consider areas acknowledged as in need of attention, including advertising restrictions.

On 28 June 2023 the Government received the final report of the inquiry into online gambling and its impacts on those experiencing gambling harm by the House of Representatives Standing Committee on Social Policy and Legal Affairs.

The inquiry received 161 submissions, 26 exhibits and held 13 public hearings. The Government is considering the Committee's 31 recommendations.

Further information is provided under SB23-000740.

The timing and process associated with any broader consideration of advertising restrictions will be a matter for Government.

Future of Television & VAST

The Government is also considering the broader future of free-to-air television services. The Future of Broadcasting Working Group was established early in 2022 to provide a forum for industry and Government to work through issues relating to broadcasting technologies and related television reforms.

Further information is provided under SB23-000753 Future of Television.

The 2023-24 Budget included funding for the extension of the Viewer Access Satellite Television (VAST) safety-net service across regional and remote Australia for an additional seven years until 2030-31.

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Further information is provided under SB23-000775 VAST.

### The 2022 Broadcasting Service Exclusion Determination

The *Broadcasting Services ("Broadcasting Service" Definition—Exclusion) Determination 2022* was made by the Minister for Communications on 13 September 2022 and registered on the Federal Register of Legislation (taking legal effect) on 14 September 2022.

The 2022 Determination maintains the regulatory arrangements for online live-streamed services that have been in place for the past 22 years, and extends it for a further five years.

This is intended to provide stability for industry while the Government considers and progresses broader regulatory reform. All submissions received through a preceding consultation process supported the making of the instrument (see background).

The 2022 Determination excludes live online streaming services – including online simulcasts, online radio stations and live streaming functions on social media platforms – from the definition of 'broadcasting service' under the *Broadcasting Services Act 1992*.

### **Background**

#### Election commitments

On 7 May 2022, the Government issued a media release titled 'Labor will support local TV and free sport in the streaming age' and committed to:

- Reviewing the anti-siphoning scheme and give Australians the chance to watch, for free, events of national and cultural significance.
- Legislating a prominence regime to ensure Australian TV services can easily be found on connected TV platforms.

#### Consultation process & foreword for the 2022 Broadcasting Service Exclusion Determination

On 17 August 2022, the Minister for Communications released a public consultation paper to inform the proposed remaking of the *Broadcasting Services ("Broadcasting Service" Definition – Exclusion) Determination 2019* (the 2019 Determination). A total of 23 submissions were reviewed by the closing date of 8 September 2022. This paper included a foreword from the Minister which: noted that the objectives of media policy remain sound, but that the mechanisms to support them are not fit-for-purpose; sought views on the remaking of the 2019 Determination; and provided a commitment to systemic regulatory reform.

The foreword indicated that the goal of the broader reform program is to:

*establish a regulatory framework that provides for consistent regulation of audiovisual and audio services that make available content like television and*

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*radio, and supports the achievement of key policy objectives with the flexibility to accommodate new and emerging technologies.*

In addition to progressing its election commitments in relation to the anti-siphoning scheme and prominence (see below), the foreword indicated that the Government will engage further with industry in the coming months on the broader reform agenda, and the principles, priorities and process that could guide and shape this work.

All 23 submissions supported the remaking the Determination for a time-limited period, as proposed in the consultation paper. Most submissions indicated that remaking the Determination for a period of 5 years or more would provide short term certainty for industry and consumers, while allowing the Government time to consult on broader regulatory reforms.

All stakeholders considered that the alternatives to remaking the Determination proposed in the consultation paper, including the options of allowing the Determination to expire and legislating new arrangements for online live-streamed services, were not viable at this time.

#### Previous reviews

A number of previous reviews have highlighted the fragmented and inconsistent nature of current regulatory arrangements. These include:

- The Australian Media and Communications Authority's (ACMA) 'Broken Concepts: The Australian communications legislative landscape' and 'Enduring Concepts—Communications and media in Australia' reports (2011);
- The Australian Law Reform Commission's 'Classification – Content Regulation and Convergent Media' report (2012);
- Independent Inquiry into the Media and Media Regulation (2012);
- Convergence Review (2012);
- Australian Competition and Consumer Commission's (ACCC) Digital Platforms Inquiry (2019);
- Review of Australian Classification Regulation (Stevens Review) (2020);
- Senate Inquiry into Media Diversity in Australia (2021) and;
- ACCC's Digital Platform Services Inquiry - interim report (2022)

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SB23-000751

**SUBJECT: Anti-siphoning****Talking Points**

- The anti-siphoning scheme prevents subscription television broadcasters from acquiring the right to televise an event on the anti-siphoning list until a free-to-air television broadcaster has acquired a right. Events are generally removed from the list 26 weeks prior to their commencement.
- In line with its 2022 election commitment, the Australian Government is undertaking a review of the anti-siphoning scheme and the anti-siphoning list.
  - A consultation paper was released on 11 October 2022. Submissions closed 6 December 2022.
  - Three roundtables were held with stakeholders in November 2022.
  - Ahead of its expiry on 1 April 2023, the list was remade from 25 March 2023 to 25 March 2026 without substantive change.
  - On 19 August 2023, the Government released a proposals paper setting out options for reform of the scheme and list, including the Government's preferred approaches. Submissions closed 17 September 2023.
  - 17 submissions were received. 9 of these were not confidential and published on the Department of Infrastructure, Transport, Regional Development, Communications and the Arts' website on 20 October 2023.
- The Government is considering issues raised in the submissions. The feedback will inform the development of legislation to amend the anti-siphoning scheme and list, which will be introduced to the Parliament in the coming months.
- Separate from the review, the list was amended from 15 September 2023 to include certain matches of the Fédération Internationale de Football Association (FIFA) Women's World Cup.
- The changes were made ahead of the deadline to submit bids for the Australian media rights to the 2027 FIFA Women's World Cup on 19 September 2023.
- Decisions on the future of the anti-siphoning scheme and the list are a matter for Government.

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**Key Issues**Review of the scheme

On 19 August 2023, the Minister for Communications, the Hon Michelle Rowland MP, released a proposals paper on outlining three reform models to modernise the anti-siphoning scheme (the scheme) and three options for a new anti-siphoning list (the list).

The paper also outlined the preliminary findings of the consultation to date, which found that the core objective of free access to important events remains sound, but that the scheme needs to be modernised to include online media services.

Three possible models to reform the scheme are canvassed in the paper, which indicates the Government's preferred approach is the 'broadcasting safety net' model. This model would prevent streaming and other online services, along with subscription broadcasters, from acquiring a right to provide coverage of an event on the anti-siphoning list until a free-to-air broadcaster has a right to televise the event on a free to air broadcasting service.

The paper also includes three options to revise the anti-siphoning list. The Government's preferred approach includes more events with respect to women's sports and Para-sports.

Issues raised in the proposals paper

Views expressed by key stakeholders was generally consistent across industry sectors (see background for full explanation of model and list options):

- Free-to-air broadcasters supported extending the scheme to online services. Model 3 ('free-to-air first') – was generally supported, particularly by commercial free-to-air broadcasters. There was some support for the Government's preferred model (Model 2 – 'broadcasting safety net'). The 'expanded list' (or expanding the 'modernised list' where it became close to the 'expanded list') was supported.
- Subscription television and streaming services supported Model 1 ('free-to-view'). It was argued that Model 2 ('broadcasting safety net') would add to the scheme's anti-competitiveness (by favouring free-to-air broadcasters) and that online services are capable enough to support Model 1. There was also some support for List 1 (the 'streamlined list').

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Recent amendments to the list

On 12 September 2023, the Minister for Communications made the *Broadcasting Services (Events) Amendment Notice 2023*. The Notice amended the *Broadcasting Services (Events) Notice 2023* (the anti-siphoning list) to include:

- matches of the Fédération Internationale de Football Association (FIFA) Women's World Cup involving the senior Australian representative team
- the final of the FIFA Women's World Cup; and
- FIFA Women's World Cup qualifying matches involving the senior Australian representative team that are played in Australia.

This ensured equivalence in terms of the events on the list with the FIFA World Cup (the equivalent men's tournament). These changes to the anti-siphoning list took effect on 15 September 2023, ahead of the deadline to submit bids for the Australian media rights to the 2027 FIFA Women's World Cup, which closed on 19 September 2023.

The amending instrument and explanatory statement are at **Attachment B**.

**Background**The scheme

The regulatory framework for the scheme is set out in the *Broadcasting Services Act 1992*. The scheme regulates the order in which the rights to listed events may be acquired, and prevents a subscription television broadcasting licensee from acquiring the rights to televise an event on the list until a free-to-air broadcaster has the right. The scheme does not require free-to-air television broadcasters to:

- acquire the right to televise listed events; or
- televise the events for which they acquire the rights.

The scheme does not apply to online content service providers, such as streaming services and digital platforms (e.g. Google, Twitter, Facebook), enabling them to acquire events on the list without restriction. The scheme also does not prevent free-to-air broadcasters from on-selling rights to subscription television broadcasters (i.e. Foxtel or Fetch TV), or streaming services, such as Kayo, Stan Sport, Amazon Prime and Optus Sport.

The list

The list – the *Broadcasting Services (Events) Notice 2023* – is a legislative instrument made by the Minister that specifies the events, or the events of a kind, the televising of which

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should, in the Minister's opinion, be available free to the public. The Minister may add or remove an event from the list at any time. The current list is at **Attachment A**.

An event is automatically removed from the list 26 weeks before the event is due to start. The scheme does not prevent subscription television broadcasters from acquiring the rights to an event that is no longer listed.

Administration

The Australian Communications and Media Authority (ACMA) is responsible for enforcing compliance with the scheme. There are no notification obligations in the scheme, and the department understands ACMA would not expect to be notified if the rights to listed events changed hands.

The proposals paper

The anti-siphoning review proposals paper outlines three models to reform the anti-siphoning scheme:

- The 'free-to-view' model – would replace the current anti-siphoning scheme with a new scheme. Any party would be able to purchase the Australian coverage rights to events on the anti-siphoning list, but they must provide the event 'free', 'live' and 'in full' on a broadly available platform.
- The 'broadcasting safety net' model – the Government's preferred approach – would expand the current scheme. Parties other than free-to-air broadcasters would be prohibited from acquiring coverage rights to events on the anti-siphoning list until a free to air broadcaster has acquired a broadcasting right. Events will be automatically removed from the list 26 weeks prior to their commencement.
- The 'free-to-air first' model – would prevent all parties from acquiring a coverage right to events on the anti-siphoning list until a free-to-air broadcaster has acquired a broadcasting and online right. Events will be automatically removed from the list 26 weeks prior to their commencement.

The proposals paper outlines three options for reform to the anti-siphoning list. The same 11 sports are still included on the list, but the number of events vary:

- The 'streamlined' list would reduce the number of events that are subject to the scheme, including the Olympic Games, Commonwealth Games, AFL, rugby league, rugby union, cricket, soccer, and tennis. Women's soccer would be added to this list, so it's listing would be the same as the men's soccer.

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- The 'modernised' list – the Government preferred list – would make the following additions:
  - all events held as part of the Summer Paralympic Games;
  - the finals matches of the AFL Women's Premiership;
  - the finals matches of the NRL Women's Premiership;
  - the NRL Women's State of Origin Series; and
  - Women's FIFA World Cup matches involving the Australian representative team, the tournament final, and the qualifiers held in Australia involving the Australian representative team (this was added to the list by the recent amendments made via the Broadcasting Services (Events) Amendment Notice 2023); and
  - the complete Women's "Ashes" played in the United Kingdom (currently only test matches are listed).
- The modernised list would also include men's and women's Rugby World Cup matches involving the senior Australian representative team that are played in Australia or New Zealand. This would reduce the number of Rugby World Cup matches listed, as currently all matches involving the senior Australian representative team are on the list.
- The 'expanded' list would include a number of additions:
  - all events held as part of the Summer Paralympic Games;
  - all matches of the AFL Women's Premiership, including the finals series;
  - all matches of the NRL Women's Premiership, including the finals series;
  - the NRL Women's State of Origin Series;
  - each match of the Super Rugby Pacific and Super W finals series that involving at least one Australian team;
  - all matches of the FIFA Men's World Cup and the FIFA Women's World Cup;
  - each match in each tie of the International Tennis Federation Davis Cup World Group tennis tournament that involves an Australian representative team (currently only matches played in Australia are included);
  - each match in each tie and the final of the International Tennis Federation Billie Jean Cup tennis tournament that involves an Australian representative team;
  - the complete Women's "Ashes" played in the United Kingdom (currently only test matches are listed); and
  - all international Netball matches that involve the senior Australian women's representative team that are played in Australia.

Online streaming rights

The acquisition of the rights to sports events by online services has been highlighted as a key issue for the review. Although no events on the list have been exclusively acquired by online platforms, the provision of online coverage is increasing.

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- The new cricket TV rights deal is a partnership between the Seven Network and Foxtel from 2024 to 2031 for free-to-air matches and digital streaming rights. [January 2023]
- The rights for the 2023 Fédération Internationale de Football Association (FIFA) Women's World Cup were secured by the Seven Network and Optus Sport. In announcing the deal, the Seven Network would broadcast 15 matches – including all of the Matilda's matches, the opening match, quarterfinals, semi-finals and the final – live and free on Seven and 7plus. [October 2022]
- The new AFL rights deal for 2025 to 2031 includes streaming rights for the Seven Network and Kayo Sports. [September 2022]
- The Seven Network has held exclusive rights for the last two Olympic Games, including streaming rights. This was the first time that a commercial television licensee obtained online rights for a sporting event (and not just the right to simulcast its broadcast coverage). Nine Entertainment Co. has won the rights to the Summer and Winter Olympic Games through to Brisbane 2032 and plans on providing coverage via its streaming, television, audio and digital platforms, including the Nine Network and Stan. [February 2023]
- Amazon Prime had a two-year exclusive agreement with Swimming Australia to stream several Australian swimming events live, including the Australian Swimming Trials for the Tokyo Olympic and Paralympic Games, and qualifying events for the 2022 Fédération Internationale De Natation (FINA) World Swimming Championships and Birmingham Commonwealth Games. These events are not on the list. [February 2021]
- Netball Australia has a five-year deal with Foxtel to stream Super Netball premiership and international matches involving the Australian national team on Kayo. The deal does not include events on the list. [February 2021]
- Nine Entertainment Co. has the broadcasting rights to Australian rugby union from the 2021 season. As part of the deal, Nine created Stan Sport to stream rugby union in Australia. Events on the list will be simulcast on Channel Nine. [November 2020]
- Media reports suggest that Tabcorp has acquired the rights to broadcast the Melbourne Cup. The reports state that Seven West Media and Nine Entertainment are bidding to be on-sold the rights, with Network 10 dropping out<sup>1</sup> [June 2023].

<sup>1</sup> [Ten Network drops bid to secure Melbourne Cup rights over Tabcorp deal](#) | [Channel Ten](#) | [The Guardian](#)

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Prior amendments to the anti-siphoning list

The list was remade in March 2023 with minimal changes to reflect updates to the names of sporting organisations and competitions. The scheme and list were previously amended in 2017 to:

- remove golf events, the English Football Association Challenge Cup final and a number of other sporting events from the list;
- remove the restriction that prevented free-to-air broadcasters from televising events solely on their digital multichannels, rather than premiering or simulcasting the events on their main broadcast channel; and
- increase the time events were delisted from 12 to 26 weeks from the commencement of that event.

The initial consultation process

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- Free-to-air broadcasters support the current scheme, with protections extended to their Broadcast Video on Demand services. This would provide free-to-air broadcasters with preferential access to both digital and broadcast rights.
- Subscription television and streaming services consider the scheme to be anti-competitive. They recommend a technology-neutral arrangement which would involve a significant reduction to the list with an obligation for any party that acquires the right to a listed event to broadcast it live, in full and for free.

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Submissions noted the need for the scheme to better align with the modern media environment and consumer preferences to watch events at the time and on the platform that best suits them. A smaller number of submissions discussed the need for continued.

**Attachments:**Attachment A – *Broadcasting Services (Events) Notice 2023*Attachment B – *Broadcasting Services (Events) Amendment Notice 2023 and associated Explanatory Statement***Contact:** James Penprase**Cleared by First Assistant Secretary:** Bridget Gannon**Phone:** (02) s22(1)(a)(ii)**Version Number:** 02**Date:** 20/10/2023

## ATTACHMENT A



## Broadcasting Services (Events) Notice 2023

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I, Michelle Rowland, Minister for Communications, make the following notice.

Dated 23 March 2023

Michelle Rowland  
Minister for Communications

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Released under the FOI Act 1982 by the Department of Infrastructure,  
Transport, Regional Development, Communications and the Arts

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## 1 Name

This instrument is the *Broadcasting Services (Events) Notice 2023*.

## 2 Commencement

- (1) Each provision of this instrument specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. The whole of this instrument.	The day after this instrument is registered.	

Note: This table relates only to the provisions of this instrument as originally made. It will not be amended to deal with any later amendments of this instrument.

- (2) Any information in column 3 of the table is not part of this instrument. Information may be inserted in this column, or information in it may be edited, in any published version of this instrument.

## 3 Authority

This instrument is made under subsection 115(1) of the *Broadcasting Services Act 1992*.

## 4 Definitions

In this instrument:

*Act* means the *Broadcasting Services Act 1992*.

## 5 Schedules

Each instrument that is specified in a Schedule to this instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this instrument has effect according to its terms.

## 6 Specified Events

For the purposes of subsection 115(1) of the Act, each event specified in Schedule 1 to this Notice is an event specified of a kind, the televising of which should, in my opinion, be available free to the general public.

## 7 Repeal

This instrument is repealed the day after the end of the period of 36 months beginning on the day this instrument commences.

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## Schedule 1 — Specified Events

### 1 Olympic Games

- (1) Each event held as part of the Summer Olympic Games, including the Opening Ceremony and the Closing Ceremony.
- (2) Each event held as part of the Winter Olympic Games, including the Opening Ceremony and the Closing Ceremony.

### 2 Commonwealth Games

Each event held as part of the Commonwealth Games, including the Opening Ceremony and the Closing Ceremony.

### 3 Horse racing

Each running of the Melbourne Cup organised by the Victoria Racing Club.

### 4 Australian rules football

Each match in the Australian Football League Premiership competition, including the Finals Series.

### 5 Rugby league football

- (1) Each match in the National Rugby League Premiership competition, including the Finals Series.
- (2) Each match in the National Rugby League State of Origin Series.
- (3) Each international rugby league test match that:
  - (a) involves the senior Australian representative team; and
  - (b) is played in Australia or New Zealand.
- (4) Each match of the Rugby League World Cup that:
  - (a) involves the senior Australian representative team; and
  - (b) is played in Australia, New Zealand or Papua New Guinea.

### 6 Rugby union football

- (1) Each international test match that:
  - (a) involves the senior Australian representative team selected by Rugby Australia; and
  - (b) is played in Australia or New Zealand.
- (2) Each match of the Rugby World Cup tournament that involves the senior Australian representative team selected by Rugby Australia.
- (3) The final of the Rugby World Cup tournament.

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## 7 Cricket

- (1) Each test match that:
  - (a) involves the senior Australian representative team selected by Cricket Australia; and
  - (b) is played in Australia.
- (2) Each test match that:
  - (a) involves both:
    - (i) the senior Australian representative team selected by Cricket Australia; and
    - (ii) the senior English representative team; and
  - (b) is played in the United Kingdom.
- (3) Each one day cricket match that:
  - (a) involves the senior Australian representative team selected by Cricket Australia; and
  - (b) is played in Australia.
- (4) Each Twenty20 (T20) cricket match that:
  - (a) involves the senior Australian representative team selected by Cricket Australia; and
  - (b) is played in Australia.
- (5) Each match of the International Cricket Council Cricket World Cup that:
  - (a) involves the senior Australian representative team selected by Cricket Australia; and
  - (b) is played in Australia or New Zealand.
- (6) The final of the International Cricket Council Cricket World Cup if the final is played in Australia or New Zealand.
- (7) Each match of the International Cricket Council T20 World Cup that:
  - (a) involves the senior Australian representative team selected by Cricket Australia; and
  - (b) is played in Australia or New Zealand.
- (8) The final of the International Cricket Council T20 World Cup if the final is played in Australia or New Zealand.

## 8 Soccer

- (1) Each match of the Fédération Internationale de Football Association World Cup tournament that involves the senior Australian representative team selected by Football Australia.
  - (2) The final of the Fédération Internationale de Football Association World Cup tournament.
  - (3) Each match in the Fédération Internationale de Football Association World Cup Qualification tournament that:
    - (a) involves the senior Australian representative team selected by Football Australia; and
    - (b) is played in Australia.
-

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## 9 Tennis

- (1) Each match in the Australian Open tennis tournament.
- (2) Each match in each tie of the International Tennis Federation Davis Cup World Group tennis tournament that:
  - (a) involves an Australian representative team; and
  - (b) is played in Australia.
- (3) The final of the International Tennis Federation Davis Cup World Group tennis tournament if the final involves an Australian representative team.

## 10 Netball

- (1) A semi-final of the Netball World Cup if the semi-final involves the senior Australian representative team selected by Netball Australia.
- (2) The final of the Netball World Cup if the final involves the senior Australian representative team selected by Netball Australia.

## 11 Motor sports

- (1) Each race in the Fédération Internationale de l'Automobile Formula One World Championship (Grand Prix) held in Australia.
- (2) Each race in the Fédération Internationale de Motocyclisme MotoGP World Championship held in Australia.
- (3) Each Bathurst 1000 race in the Supercars Championship.

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## Schedule 2 —Repeals

### *Broadcasting Services (Events) Notice (No. 1) 2010*

#### **1 The whole of the instrument**

Repeal the instrument.

**ATTACHMENT B**



## **Broadcasting Services (Events) Amendment Notice 2023**

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I, Michelle Rowland, Minister for Communications, make the following notice.

Dated

Michelle Rowland

Minister for Communications

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released under the FOI Act 1982 by the Department of Infrastructure, Transport, Regional Development, Communications and the Arts

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**1 Name**

This instrument is the *Broadcasting Services (Events) Amendment Notice 2023*.

**2 Commencement**

This instrument commences the day after this instrument is registered.

**3 Authority**

This instrument is made under subsection 115(1A) of the *Broadcasting Services Act 1992*.

**4 Schedules**

Each instrument that is specified in a Schedule to this instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this instrument has effect according to its terms.

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nsport, Regional Development, Communications and the Arts

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## Schedule 1—Amendments

### *Broadcasting Services (Events) Notice 2023*

#### **1 After subclause 8(3) of Schedule 1 (soccer)**

Insert:

- (4) Each match of the Fédération Internationale de Football Association Women's World Cup tournament that involves the senior Australian representative team selected by Football Australia.
- (5) The final of the Fédération Internationale de Football Association Women's World Cup tournament.
- (6) Each match in the Fédération Internationale de Football Association Women's World Cup Qualification tournament that:
  - (a) involves the senior Australian representative team selected by Football Australia; and
  - (b) is played in Australia.

released under the FOI Act 1982 by the Department of Infrastructure, Sport, Regional Development, Communications and the Arts

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## **Explanatory Statement**

### *Broadcasting Services Act 1992*

#### *Broadcasting Services (Events) Amendment Notice 2023*

Issued by the Authority of the Minister for Communications

#### **Authority**

The *Broadcasting Services (Events) Amendment Notice 2023* (the Notice) is made by the Minister for Communications (the Minister) under subsection 115(1A) of the *Broadcasting Services Act 1992* (the Act).

#### **Purpose**

The purpose of this Notice is to amend the *Broadcasting Services (Events) Notice 2023* (the Principal Notice) to include certain events from the Fédération Internationale de Football Association (FIFA) Women's World Cup. The listing of certain events from the FIFA Women's World Cup mirrors the listing of certain events from the FIFA World Cup (the equivalent men's tournament) in the Principal Notice.

Subsection 115(1) of the Act provides that the Minister may give notice, by legislative instrument, specifying an event, or events of a kind, the televising of which should, in the opinion of the Minister, be available free to the general public.

A notice made under subsection 115(1) of the Act is commonly known as the 'anti-siphoning list' (the list). The anti-siphoning list forms an integral part of the anti-siphoning scheme (as set out in section 115 of the Act and paragraph 10(1)(e) of Schedule 2 to the Act).

Subsection 115(1A) of the Act provides that the Minister may give notice, by legislative instrument, amending a notice under subsection 115(1) to specify an additional event, or events of a kind, the televising of which should, in the opinion of the Minister, be available free to the public.

This Notice amends the Principal Notice to add certain events from the FIFA Women's World Cup to the list. This will ensure that these events are subject to the anti-siphoning scheme while a broader review of the scheme and list is conducted.

This instrument is a legislative instrument for the purposes of section 8 of the *Legislation Act 2003*.

#### **Background**

The anti-siphoning scheme operates through the inclusion of an event on the anti-siphoning list (in accordance with subsection 115(1) of the Act). This triggers a licence condition for subscription television broadcasting licensees which prohibits them from acquiring a right to televise the event ahead of a commercial television broadcasting licensee or a national broadcaster (see section 99 of the Act and paragraph 10(1)(e) of Schedule 2 to the Act).

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Events are taken to be removed from the anti-siphoning list 4,368 hours (approximately 6 months) before their start unless the Minister intervenes to retain an event on the list (see subsection 115(1AA)) of the Act). The anti-siphoning list has been amended a number of times since it was first made on 6 July 1994, with events added and removed. To date, all events included on the list have been sporting events.

The inclusion of an event on the anti-siphoning list does not guarantee that it will be broadcast on free-to-air television. Rather, the list (and the anti-siphoning scheme) aim to encourage free-to-air coverage of events on the list by giving free-to-air broadcasters an opportunity to acquire the right to televise those events ahead of subscription television broadcasting licensees.

### Consultation

The Department of Infrastructure, Transport, Regional Development, Communications and the Arts (the Department) undertook a consultation process as part of a broader review of the anti-siphoning scheme and list. On 11 October 2022, the *Review of the anti-siphoning scheme: consultation paper* (the consultation paper) was released to initiate the review and the submissions period for the consultation paper closed on 6 December 2022.

A total of 25 submissions were received in response to the consultation paper. All 13 public submissions were published on the Department's website. The remaining 12 submissions were confidential. Three stakeholder round tables were also held with free-to-air broadcasters, subscription television and streaming services, and sporting bodies in November 2022.

On 19 August 2023, the *Anti-siphoning review: proposals paper* (the proposals paper) was released for consultation. The proposals paper canvassed potential models for reform of the scheme and potential options for a new list to be made once those reforms were enacted. The consultation period for the proposals paper closes on 17 September 2023.

A variety of views were put forward in relation to the composition of the anti-siphoning list through the initial consultation process, with a number of stakeholders arguing that it should be expanded to include more women's sports. Stakeholders that supported increasing the representation of women's sports on the list included some sporting bodies, free-to-air broadcasters and community groups.

### Regulatory impact analysis

The Office of Impact Analysis (OIA) has advised that self-assessment by the Department can be conducted in lieu of an Impact Analysis.

The Department has certified that the addition of events from the FIFA Women's World Cup in a manner that mirrors existing inclusion of events from the FIFA World Cup (the equivalent men's tournament) is a minor addition and, as such, that an Impact Analysis is not required for this amendment.

A certification letter advising of this will be published on the OIA website. The OIA reference number is OIA23-05544.

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Further information about the Notice is at **Attachment A.**

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nsport, Regional Development, Communications and the Arts

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**Attachment A****Notes On Clauses**

Section 1 provides that the name of the Notice is the *Broadcasting Services (Events) Amendment Notice 2023*.

Section 2 provides that the Notice will commence the day after the instrument is registered.

Section 3 provides that the Notice is made under subsection 115(1A) of the Act.

Section 4 provides that the Principal Notice is amended in accordance with the items contained in Schedule 1 to the Notice.

**Schedule 1 – Amendments**

This Notice amends the Principal Notice in the following manner:

After subclause 8(3) of Schedule 1 (soccer) insert:

- (4) Each match of the Fédération Internationale de Football Association Women's World Cup tournament that involves the senior Australian representative team selected by Football Australia.
- (5) The final of the Fédération Internationale de Football Association Women's World Cup tournament.
- (6) Each match in the Fédération Internationale de Football Association Women's World Cup Qualification tournament that:
  - (a) involves the senior Australian representative team selected by Football Australia; and
  - (b) is played in Australia.

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**Statement of compatibility with human rights**

A statement of compatibility with human rights for the purposes of Part 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011* is set out in **Attachment B**.

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nsport, Regional Development, Communications and the Arts



## Attachment B

## Statement of Compatibility with Human Rights

(Prepared in accordance with Part 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*)

This *Broadcasting Services (Events) Amendment Notice 2023* (the Notice) amends the *Broadcasting Services (Events) Notice 2023* (the Principle Notice) to include additional events on the Principle Notice from the Fédération Internationale de Football Association (FIFA) Women's World Cup.

The Notice is a legislative instrument made by the Minister under subsection 115(1A) of the *Broadcasting Services Act 1992* (the Act), specifying additional events which should, in the opinion of the Minister, be available free to the general public.

The Notice adds additional events to the Principle Notice, which is a legislative instrument made by the Minister under subsection 115(1) of the Act. A notice made under subsection 115(1) of the Act is commonly known as the 'anti-siphoning list'. The anti-siphoning list forms an integral part of the anti-siphoning scheme (as set out in section 115 of the Act and paragraph 10(1)(e) of Schedule 2 to the Act).

The Notice adds certain events from the FIFA Women's World Cup to the Principle Notice in a manner which mirrors the listing of events in the Principle Notice from the FIFA World Cup (the equivalent men's tournament). This will ensure that these events are subject to the anti-siphoning scheme while a broader review of the scheme and list is conducted.

The anti-siphoning scheme operates through the inclusion of an event on the anti-siphoning list (in accordance with subsection 115(1) of the Act). This triggers a licence condition for subscription television broadcasting licensees which prohibits them from acquiring a right to televise the event ahead of a commercial television broadcasting licensee or a national broadcaster (see section 99 of the Act and paragraph 10(1)(e) of Schedule 2 to the Act).

Events are taken to be removed from the anti-siphoning list 4,368 hours (approximately 6 months) before their start unless the Minister intervenes to retain an event on the list (see subsection 115(1AA) of the Act).

The anti-siphoning list has been amended a number of times since it was first made on 6 July 1994, with events added and removed. To date, all events included on the anti-siphoning list have been sporting events.

The inclusion of an event on the anti-siphoning list does not guarantee that it will be broadcast on free-to-air television. Rather, the list (and anti-siphoning scheme) aim to encourage free-to-air coverage of events on the list by giving free-to-air broadcasters an opportunity to acquire the right to televise those events ahead of subscription television broadcasting licensees.

## Statement of compatibility with human rights

Subsection 9(1) of the *Human Rights (Parliamentary Scrutiny) Act 2011* requires the rule-maker in relation to a legislative instrument to which section 42 (disallowance) of the *Legislation Act 2003*

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applies to cause a statement of compatibility with human rights to be prepared in respect of that legislative instrument.

The statement of compatibility set out below has been prepared to meet that requirement.

Australia is a signatory to the International Covenant on Civil and Political Rights (the ICCPR) and the International Covenant on Economic, Social and Cultural Rights (ICESCR) (two of the international instruments listed in section 3 of the Human Rights (Parliamentary Scrutiny) Act 2011).

Article 15(1) of the ICESCR recognises the right of everyone to take part in cultural life. Cultural life includes sports. Articles 19(2) and 27 of the ICCPR also respectively:

- recognise the right to freedom of expression, including the right to receive and impart information and ideas of all kinds, regardless of frontiers, either orally, in writing or in print, in the form of art, or through any other media of a person's choice; and
- provide that ethnic, religious or linguistic minorities shall not be denied the right to enjoy their own culture.

The UN Committee on Economic, Social and Cultural Rights has given a very broad interpretation to the term 'culture'. This could potentially include the ability to access or participate in sporting events through viewing these events live or on television. The anti-siphoning list consists entirely of sporting events. There are no limitations on events which could be added to the anti-siphoning list, other than that the Minister must be of the opinion that those events should be available free to the public. Arguably, the inclusion of events on the anti-siphoning list promotes both the right to receive information and to take part in culture.

### **Human rights implications**

The Notice is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*. This is because the Notice promotes freedom of expression and cultural rights by supporting greater access for Australians to free coverage of sporting events.

### **Conclusion**

This Notice is compatible with human rights as it does not raise any human rights issues.

## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Bridget Gannon / James Penprase

SB23-000752

**SUBJECT: Prominence****Talking points**

- The Australian Government has committed to legislate a prominence framework to ensure Australian TV services can easily be found on connected TV platforms.
- This work is being progressed in a number of phases.
- In August 2022, the Minister for Communications, the Hon Michelle Rowland MP, asked industry stakeholders to consider and provide input to support the initial design and scoping work for the prominence framework.
- Feedback from this initial phase of work was received in early October 2022 and informed the development of a proposal paper released on 23 December 2022. The nine-week public consultation period closed on 24 February 2023.
- The Government received 31 responses to the proposal paper. All 22 public responses were published on the Department of Infrastructure, Transport, Regional Development, Communications and the Arts' website on 24 March 2023.
- A decision by Government on a settled framework is expected by the end of 2023.

**Radio prominence:**

- The Government is conscious of issues raised by radio broadcasters in relation to the prominence of radio services such as smart speakers and car consoles. It recognises the importance of radio services to audiences across the country, particularly those in regional and remote areas.
- The Government will consider the issue of radio prominence once the television prominence framework is more advanced, taking on board the learnings from that process.
- The Government is closely monitoring developments in media policy in overseas jurisdictions, including the recent release of a Draft Media Bill in the United Kingdom.
- No other government has legislated for radio prominence to date.

**Key Issues**

Prominence refers to the relative visibility of apps to users on connected TV devices. The development of a framework to support the prominence of television apps will be complex and contested.

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Lead/Support contact: Bridget Gannon / James Penprase

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Development of the framework

On 10 August 2022, at the meeting of the Future of Broadcasting Working Group, the Minister for Communications tasked the members of the Group to provide input to support the initial design and scoping work for the prominence framework.

A background paper prepared by the department was circulated to members to guide this process of engagement. Comments were received by mid-October 2022.

In parallel, the Minister asked the department to circulate the background paper to a number of additional stakeholders who are not members of the Working Group but are likely to have an interest in the development of a prominence framework. These parties were: Google, Apple, Amazon, Foxtel, Optus, Telstra, Fetch, Netflix, Amazon Prime Video, Disney+, Stan and the Interactive Games and Entertainment Association.

This input informed the development of a proposals paper that was released for public consultation on 23 December 2022. Consultation closed on 24 February 2023. Thirty-one responses were received, with all 20 public submissions, and 2 comments by private individuals, published on the Department's website on 24 March 2023.

**Background**International jurisdictions

A number of jurisdictions have implemented, or are considering, regulatory interventions to support the availability of broadcasting services and apps on smart televisions and other connected devices.

The UK has released a Draft Media Bill which addresses a number of legislative commitments from the UK Government's 2022 white paper on the broadcasting sector. It includes a new prominence regime for online television services of Public Service Broadcasters (PSB) or an online service associated with a PBS. It will be a principles-based framework, affording Ofcom (the UK's communications regulator) significant discretion to develop, oversee and enforce the new framework. Regulated television device providers will (indicatively) include smart TVs, pay TV operators, connected TV devices (such as streaming sticks and set top boxes).

Prominence would be provided in exchange for the fulfilment of certain obligations by PSBs, including original programming and local news provision. Relevant broadcasters would be required to supply their online services to regulated television device providers who would then be required to carry these services. Television device providers would be required to

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provide 'appropriate prominence' to on-demand services, although there is provision to allow for regional variation in the degree of prominence provided.

The draft Bill also proposes a prominence scheme for audio devices such as smart speakers. The department is continuing to engage with counterparts in the Department of Culture, Media and Sports as they progress the draft Bill.

The EU and its member states have also pursued similar regulatory interventions. In 2018, the EU Audiovisual Media Services Directive (AVMSD) adopted a range of recommendations for local content prominence within video on-demand platforms, including a 30% quota and visibility requirements for EU content on homepages.

Germany implemented a two-tiered rule in the Inter State Media Treaty, which adopted the AVMSD recommendations, though broadened its application to capture the user interfaces of TV platforms. Broadcast services (both public and private) that contribute to plurality must be directly accessible and easy to find in their entirety on the first level of a user interface. The treaty also mandates algorithmic transparency from those platforms regarding how content is aggregated, accessed, found and presented.

In November 2022, Poland's Council of Ministers proposed changes to the country's Broadcasting Act. The draft bill proposes that the public broadcaster's TV channels must occupy the first five places in the Electronic Programme Guide (EPG) of set-top boxes.

#### Radio prominence

Commercial Radio and Audio (CRA) has advocated for a regulatory guarantee that radio is prominent in all new vehicles in Australia, and on smart speakers.

Car radios are a key delivery method for radio, and CRA contends that without prominence regulation vehicle manufacturers do not have an incentive to ensure that Australian radio stations are easily accessible through car dashboards. In CRA's view, this would prevent consumers from accessing Australian radio content and is a safety issue because radio plays an important role during natural disasters and other emergencies.

CRA has written to the Minister for Communications, the Hon Michelle Rowland MP, about this issue of in-car radio. CRA attached a draft an industry code that, if applied to vehicle manufacturers under the *Competition and Consumer Act 2010*, would require radio to be prominent in all new vehicles.

CRA has also expressed interest in a prominence framework for audio devices like smart speakers. The UK Draft Media Bill includes such a scheme, which would ensure access to all licenced UK radio stations from major national stations to the smallest community stations.

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Providers of these devices would be prevented from charging stations for being hosted on their services, changing the content or data associated with radio programmes, or overlaying their own adverts over the top of those programmes.

Notably, the UK Draft Media Bill would not require radio tuners or interfaces to be prominent in vehicles.

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## Environment and Communications

Lead/Support contact: Bridget Gannon / James Penprase

SB23-000753

**SUBJECT: Future of Television****Talking points**

- The Future of Broadcasting Working Group was established in early 2022 to provide a forum for industry and Government to work through issues relating to broadcasting technologies and related television reforms.
- The Group is industry-led and (at the request of industry) chaired by the Department of Infrastructure, Transport, Regional Development, Communications and the Arts. To the extent possible, it is intended to be consensus-based. The Australian Communications and Media Authority (ACMA) and the department are associate members of the Group, participating in discussions but with no voting and decision-making rights. The department provides secretariat and other support for the Group and both the department and ACMA are commissioning research relevant to the Group's work.
- The Working Group has met three times since its inception: 8 April and 10 August 2022, and 30 March 2023. The then Minister for Communications, the Hon Paul Fletcher MP, attended the first meeting and the Minister for Communications, the Hon Michelle Rowland MP, attended the latter two.
- Participants have identified three work streams to be progressed through this forum; connected TV prominence; remote broadcasting and satellite television issues; and DVB-T2 transmission options.
- Decisions and outputs from the Working Group will not bind industry or Government, but they will be important inputs to future technology choices and consideration of media policy settings.

**Key Issues**Connected TV prominence

The Working Group was engaged in the early phases of the development of a prominence framework. On 10 August 2022, at the meeting of the Group, the Minister for Communications tasked the members of the Group to provide input to support the initial design and scoping work for a framework. A range of other industry stakeholders were also invited to provide input to this process.

Further detail is provided under SB23-000565.

Remote broadcasting and satellite television

In the 2023-24 Budget, the Australian Government provided funding to extend the contract for the Viewer Access Satellite Television (VAST) service for an additional seven years until 2030-31. This extension was one of a number of proposals put forward by members of the

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Working Group and will provide stability and certainty for the 1.5 million Australians that rely on the VAST service for access to television services. It will also provide the capacity for industry to make strategic decisions about its long-term regional delivery model – including through the work being undertaken through the Working Group.

In addition to extending the VAST contract from 2024-25, the Government will provide additional funding for the VAST service that covers Central and Eastern Australia in 2023-24. This will ensure the continuity of services in these areas while the new VAST contract is negotiated. Funding will also be provided in 2023-24 to initiate work to assess the state of broadcasting transmission and reception equipment in remote and regional Australia, including gaps and deficiencies in service provision with a focus on First Nations communities.

Further detail about the contract extension is provided under SB23-000775.

DVB-T2 transmission options

The Working Group is continuing to consider future options for television transmission and reception in Australia, including a potential transition to the DVB-T2 television standard. This will include consideration of the impacts:

- for consumers (in terms of upgrading sets and potential changes to antennas);
- for industry (in terms of sharing spectrum and the costs of new distribution and transmission arrangements); and
- for Government (in terms of potential support to facilitate the transition).

The Group discussed the potential development of a Television Technology Roadmap at its meeting of 30 March 2023, and range of views were put forward. In its role as secretariat for the Group, the department will develop further documentation for consideration by members, noting (as with remote and regional broadcasting issues) that such materials will not represent agreed actions on the part of members, or any decision or commitments on the part of Government.

Membership

The membership of the Group is determined by the Minister, but it is intended to be flexible. The initial membership was determined in 2022 by the then Minister for Communications, Urban Infrastructure, Cities and the Arts, the Hon Paul Fletcher MP, and reflected the anticipated work program of the Group (with a focus on prominence). This comprises free-to-air broadcasters, transmission service providers, consumers groups and television set manufacturers. A full membership list is at **Attachment A**.

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In February 2023, the Minister for Communications, the Hon Michelle Rowland MP, invited a number of additional parties to join the Group: Community Broadcasting Association of Australia; Channel 31 in Melbourne; Channel 44 in Adelaide; First Nations Media Australia and Optus.

Radio issues

The Working Group is, by design, focused on television issues and not radio, however some members have a joint interest due to commercial arrangements. There are a range of issues that are relevant to the future of radio, including the role of AM and FM broadcasting and the future of digital radio. These matters will be considered by Government as part of its broader media reform program. Radio prominence is also being considered separately.

Further detail is provided under SB23-000565.

**Background**Objective and remit

The objective of the Working Group, as set out in the Group's terms of reference, is to develop a holistic vision for the sustainable development and future of free-to-air television services; one that supports a vibrant and competitive local free-to-air television industry into the future. This may address the future of terrestrial television, online-delivered television, satellite-delivered television and the convergence or transition of audiences from one platform to another. This may also examine audience expectations, impacts and accessibility.

Outputs and decision-making

Materials prepared by the Working Group, including any advice or recommendations, do not represent Government policy and are not binding on members or any sector of industry. However, they are expected to be important inputs to policy development processes and of value to industry in considering future technology options and issues. To the extent feasible, the recommendations of the Working Group will be consensus-based.

Role of the department

Officials from the department and ACMA participate in the Group as associate members. Associate members contribute to discussions and the development of Group materials, but do not have the voting and decision-making rights of full members. A departmental official chairs the meetings of the Group, at the request of industry. The department also provides secretariat and administrative support.

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Contributions by members

Working Group members contribute time and expertise to support the deliberations of the Working Group. Any financial or in-kind contributions from members are to be provided on a voluntary basis.

Research initiatives

The department and ACMA were funded through the 2021-22 Mid-Year Economic and Fiscal Outlook process to undertake a range of policy work along with technical, market and consumer research. This measure – Media Sector Reforms – was included in the 2021-22 Portfolio Additional Estimates Statements.

**Table 1: Media Sector Reforms**

Financial Impacts	2021-22 (\$M)	2022-23 (\$M)	2023-24 (\$M)	2024-25 (\$M)	4 year Total (\$M)
Department	2.146	1.557	1.367	0.000	5.070
ACMA	0.140	1.873	0.180	0.000	2.193
Total	2.286	3.430	1.547	0.000	7.263

For the department, this funding is supporting the development and provision of policy advice to Government in relation to media reforms. It is also being used to support:

- a consumer survey, to map the preferences, attitudes and expectations of Australian television audiences;
- a television fleet assessment, to examine the technical capability of Australia's existing television population; and
- a television market assessment, to examine the current and future market trends for televisions in Australia.

For ACMA, the work program consists of preparatory activities to ready ACMA to undertake channel replanning activities (if required) to support possible future Government policy decisions regarding television services. There are four initiatives being advanced through this complementary technical research program:

- television receivers' technical performance capabilities and viewer antenna survey;
- exploring new channel planning methodologies and tools;
- investigating channel planning approaches; and
- television licence area plan (TLAP) template and licensing options.

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**Attachments**

- Attachment A: Membership of the Future of Broadcasting Working Group

released under the FOI Act 1982 by the Department of Infrastructure, Regional Development, Communications and the Arts

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## ATTACHMENT A

**WORKING GROUP MEMBERS**

Organisation	Primary representative name and title
1. Australian Broadcasting Corporation (ABC)	s47F [REDACTED]
2. Australian Communications Consumer Action Network (ACCAN)	s47F [REDACTED]
3. Australian Industry Group (Ai Group)	s47F [REDACTED]
4. BAI Communications	s47F [REDACTED]
5. Channel 31	s47F [REDACTED]
6. Channel 44	s47F [REDACTED]
7. Community Broadcasting Association of Australia (CBAA)	s47F [REDACTED]
8. Consumer Electronics Suppliers Association (CESA)	s47F [REDACTED]
9. First Nations Media Australia	s47F [REDACTED]
10. Free TV Australia	s47F [REDACTED]
11. Hisense Group	s47F [REDACTED]
12. Imparja Television	s47F [REDACTED]
13. Nine Entertainment Company	s47F [REDACTED]
14. Optus	s47F [REDACTED]
15. Paramount Australia & New Zealand (Network Ten)	s47F [REDACTED]
16. Samsung Electronics	s47F [REDACTED]
17. Seven West Media	s47F [REDACTED]
18. Sony Group Corporation	s47F [REDACTED]
19. Southern Cross Austereo	s47F [REDACTED]
20. Special Broadcasting Service (SBS)	s47F [REDACTED]

released under the FOI Act 1982 by the Department of Infrastructure, Transport, Regional Development, Communications and the Arts

21. TCL Electronics	s47F [REDACTED]
22. TX Australia	s47F [REDACTED]
23. WIN Corporation	s47F [REDACTED]

Note: only the primary representative for each organisation is shown.

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**SUBJECT: Classification Reform****Talking Points**

- On 29 March 2023, the Australian Government announced a two-stage process to reform the National Classification Scheme (the Scheme) and released the 2020 Review of Australian classification regulation (Stevens Review).
- Stage 1 comprises reforms in the Classification (Publications, Films and Computer Games) Amendment (Industry Self-Classification and Other Measures) Act 2023 which passed the Parliament on 4 September 2023, received royal assent on 14 September 2023 and will commence on 15 March 2024:
  - expands options for industry to self-classify content, with oversight from the Classification Board
  - removes the need for content that has been classified by broadcasters to be re-classified under the *Classification (Publications, Films and Computer Games) Act 1995* (Classification Act) for online and other platforms, and
  - expands classification exemptions for low-risk cultural content to promote community access.
- Stage one reforms also include the introduction of the following minimum classifications for gambling-like content in computer games. The Standing Council of Attorneys-General (SCAG) agreed to introduce minimum classifications of R 18+ for games containing simulated gambling, and M 15+ for games containing in-game purchases linked to elements of chance, including loot boxes, at its meeting on 22 September 2023.
- Second stage reforms aim to bring the Scheme into alignment with a modern media environment, particularly the treatment of online content. The reforms will:
  - refine the purpose and scope of the National Classification Scheme
  - establish fit-for-purpose governance and regulatory arrangements, including enforcement, compliance and monitoring, and
  - ensure classification criteria are evidence-based and responsive to evolving community standards and expectations.
- The 2020 Stevens Review and the ALRC Report (2012) will inform the development of options for these reforms.
- Informal consultation with government stakeholders has commenced, public consultation will occur in early 2024. There will be further opportunities for consultation with interested stakeholders as options for second stage reforms are developed.

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**Key Issues**

- Research from the Department of Infrastructure, Transport, Regional Development, Communications and the Arts shows that classification is wanted and valued by Australians to make informed choices on media content they and those in their care access.
- The current Scheme was established in 1995 under cooperative arrangements between the Commonwealth and the states and territories.
- Several reviews have called for reform to the Scheme, including the Australian Law Reform Commission's 2012 review (*Classification: Content regulation and convergent media*) (ALRC review) and the 2020 Stevens Review - released by Government on 29 March 2023 because it:
  - is no longer fit-for-purpose
  - does not adequately regulate content delivered online
  - relies on the Classification Board making decisions, which is no longer efficient or effective given the rapid growth in content available to Australians
    - Classification Board Decisions in 2022-2023: 2,195 (11.4% reduction from 2021-22)
    - Classification Tool Decisions in 2022-2023: 302,458 (9.4% increase from 2021-22) (IARC – 300,596, Netflix – 1,421 and Spherex – 441)
  - is inconsistent with the self-classification model that applies to broadcasters, and
  - have not kept pace with evolving community standards.
- This has created an unequal regulatory burden and variable compliance across content types and platforms, threatening the utility of the Scheme as a trusted source of information.

*Why are classification reforms being progressed in two stages?*

- The Government's reforms aim to deliver a contemporary classification framework that reflects the modern media environment so that Australians can continue to make informed media choices.
- A two-staged approach will:
  - provide immediate improvements to the current Scheme such as:
    - addressing concerns about children's access to gambling-like content in games, and
    - improving the capacity of the Scheme to deal with large volumes of online content.
  - allow Government time to undertake necessary consultations with key stakeholders to develop fit-for-purpose options for more comprehensive second stage classification reforms.

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*What consultations have been undertaken on the proposed classification reforms?*

Stage 1 reforms – Classification Amendment Act

- Stage 1 reforms were drawn from recommendations of the Stevens Review.
- A comprehensive consultation process was undertaken as part of the Stevens Review in 2020. This included:
  - a 6-week public submissions process (104 submissions received), and
  - meetings with key industry and community stakeholders.
- The department undertook targeted consultations during the development of the Classification Amendment Act, including:
  - discussions with the Classification Board
  - meetings with key industry and community stakeholders, and
  - engagement with states and territories.
- The department is also working with industry stakeholders on the implementation of arrangements legislated through the Bill.

Stage 1 reforms - Changes to games guidelines

- The Government consulted with states and territories on proposed changes to the Guidelines ahead of consideration of this matter by the Standing Council of Attorneys-General on 22 September 2023.
- This included:
  - ongoing working-level engagement with state and territory officials
  - officials-level meetings on 25 July 2023 and 13 September 2023 with representatives from all jurisdictions
  - correspondence in March and May 2023 from the Minister to state and territory ministers with responsibility for classification in relation to the proposed reforms.
- There was also a three week public consultation on the proposed changes to the Games Guidelines.
  - Public submissions were open from 17 May 2023 to on 7 June 2023.
  - 22 written submissions were received during this period.

Stage 2 reforms

- There will be opportunities for consultation with industry, the community and interested stakeholders as options for second stage reforms are developed.
- Preliminary discussions with key government stakeholders, including the Classification Board have commenced. Targeted discussions with industry and community stakeholders will follow.

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- A six week public consultation process is expected to occur in the first half of 2024, and is likely to include a number of industry roundtables to test proposed options for reform ahead of consideration by Government.
- SCAG agreed on 22 September to establish a Commonwealth-State officials-level working group to facilitate communication and information sharing across jurisdictions in relation to proposed reforms, particularly where they may impact on existing cooperative arrangements.
  - Terms of reference for this working group are currently being settled.

*Will the Government respond to the Stevens Review?*

- The Government does not intend to formally respond to the Stevens Review.
- Its findings and recommendations will contribute to the evidence base and inform future reforms.

*What is the Government doing about the classification of publications in light of recent sexually explicit books being made available to children?*

- The role of classification in relation to publications will be considered as part of the stage 2 classification reforms.
- Under cooperative arrangements, states and territories are responsible for enforcement of classification for physical media, including publications.

*Will exemptions for foreign language films distributed in libraries mean that children can access unclassified adult content in their local library?*

- The exemption for films in languages other than English distributed through public libraries only applies to content that would be classified G or PG, excluding adult content.

*Would the Scheme be more useful if there were age-based classification categories for children under the age of 15?*

- The Stevens Review did not recommend changing the current classification ratings. The existing ratings system is well known and accepted by the community.
- Research published by the department in November 2022 showed:
  - that awareness and understanding of the different classification ratings was between 85 per cent – 93 per cent, and
  - additionally, 75 per cent of participants said the classification ratings were easy to use and 74 per cent said that consumer advice was easy to use.

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**Background***Why weren't changes to the games guidelines included in the Classification Amendment Bill?*

- The classification guidelines are legislative instruments made by the Minister for Communications, following agreement from the states and territories.
- The *Intergovernmental Agreement on Censorship 1995* states that unanimous agreement from all Ministers responsible for classification is required to change the Classification Code or classification guidelines.
- The Standing Council of Attorneys-General (SCAG) agreed to the proposed changes to the Guidelines for the Classification of Computer Games at its meeting on 22 September 2023.
- These changes introduce the following mandatory minimum classifications to address gambling-like content in computer games:
  - M (Mature) for computer games containing in-game purchases linked to elements of chance, including loot boxes that can be purchased, and
  - R 18+ (Restricted) for games containing simulated gambling.

*Why did the Government make a Parliamentary amendment to the Classification Bill?*

- The Parliamentary Amendment clarified that the deeming arrangements under section 6HA of the Bill will apply to the national broadcasters, by making specific reference to the *Australian Broadcasting Corporation Act 1983* and the *Special Broadcasting Service Act 1991*.
- The need for this amendment was identified during ongoing consultation with industry on the Bill.

*Will the Classification Board review broadcast classifications under these new provisions?*

- No. The Classification Board will not be able to review or revoke classification decisions of broadcasters that have been deemed to be classification decisions under the Classification Act under the new provisions.
- The Classification Act only provides for the Classification Board to revoke classification decisions made by accredited classifiers (s22L) or approved classification tools (s22CH), and only in accordance with prescribed revocation criteria.
- Where a classification decision is revoked, the Classification Board must re-classify the film or computer game.

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*Why can the Classification Review Board revoke broadcast classifications that have been deemed to be classification decisions under the Classification Act?*

- Deemed classifications are taken to be decisions of the Classification Board. Therefore they are reviewable by the Classification Review Board.
- This is an administrative flow-on as all decisions of the Classification Board are reviewable by the Classification Review Board if certain criteria have been met under Part 5 of the Classification Act.
- In practice, the department will risk manage the referral process with the Classification Review Board and, as a matter of policy, refer all complaints about deemed content to the classifying broadcaster.
- In 2022-23 there were 3 referrals to the Classification Review Board received from 304,653 classification decisions.

*Why are only some post-classification publishers required to submit a deeming notification – why is the department treating SVODs differently?*

- The deeming provisions in the Act intentionally differentiate between BVOD and SVOD providers as a necessary safeguard, because there are a broad range of content distributors who will potentially access these provisions.
- Post-classification publishers who are also licensed entities under the *Broadcasting Services Act 1992*, or the ABC or SBS, will not need to notify the department that they are carrying over, or deeming, a classification between their respective broadcast and on-demand services.
  - This is because these entities are already subject to regulatory oversight by the ACMA for this content.
- All other post-classification publishers, such as SVODS – including where the SVOD is owned by the same parent company as the classifying broadcaster – must provide a deeming notification to the department.
  - This will allow complaints about the misuse of deeming provisions to be appropriately investigated by broadcasters.
- The department will work with industry to ensure notification requirements create a minimal administrative burden.

*Implementation of the first stage classification reforms following passage of the legislation*

- Work is underway to implement the first stage of classification reforms.
- This includes for example establishing processes for:
  - new training to be developed and approved by the Secretary, for accreditation

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- the issuing of a legislative instrument which contains a list of consumer advice terms for films and computer games and guidelines
- the notification by an accredited person of a classification decision to be published on the National Classification Database for the decision to take effect
- the revocation of classification decisions by accredited persons, and
- the revocation or barring of accredited person's accreditation.
- The department is consulting with the Classification Board and industry to inform these processes.
- Industry has also been invited to participate in user experience testing of the processes and systems.
- A communications strategy will also be developed to explain the changes arising from the Amendment Bill for both industry and the Australian public.

*How will accreditation work?*

- A person may apply, using a form approved, to the Secretary for accreditation.
- The Secretary can accredit a person if they meet conditions including:
  - they have made declaration that they have not been convicted of an offence involving fraud or dishonesty (excluding spent convictions)
  - they have completed approved training within previous 12 months,
  - they have completed further training if requested
  - they are not barred from an authorised assessor scheme, or
  - the Secretary is not aware of any reason why person is not suitable to classify.
- The Secretary may revoke an accreditation if they are satisfied that certain conditions apply, including:
  - during the previous 12 months, the Classification Board has made 3 revocations
  - the person has not undertaken further training as requested by Secretary within a specified period
  - the person has purported to classify a film or computer game as RC or X 18+
  - the Classification Board has revoked a decision as the Board would have given X18+ or RC classification
  - the person made false or misleading declaration when applying to be accredited, or
  - any other reason why the person is not a suitable person to classify
- The Secretary can bar a person for up to 5 years if certain conditions have been met.

*Will industry self-classification compromise the integrity of the classification system?*

- No. Expanding options for industry to self-classify content will promote better industry compliance.

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- Industry self-classification has been successfully applied to broadcasters under the BSA, ABC Act and SBS Act.
- The Classification Board has been given expanded review and revocation powers to quality assure self-classification decisions.

Background on the National Classification Scheme

- The current Scheme was established in 1995 through the *Classification (Publications, Films and Computer Games) Act 1995* and the *Intergovernmental Agreement on Censorship 1995*.
- The Scheme is a cooperative scheme between the Commonwealth, states and territories. The Commonwealth is responsible for classification of content and the states and territories are responsible for enforcement.
- A publication, film or computer game may be classified either by the Classification Board, the operation of a Government approved classification tool, or (from early 2024) by using classifiers that have been trained and accredited by Government.
- Three classification tools have been approved by the Minister since 2014: The International Age Rating Coalition (IARC) tool for mobile and online games in 2015, the Netflix tool in 2016 and the Spherex tool in 2022.
- Under cooperative arrangements, states and territories must unanimously agree to updates to the National Classification Code and the classification guidelines.
- The need for unanimity has acted as a barrier to timely updates of classification standards to adapt to emerging community concerns.

Key recent research:*Report on classification usage and attitudes: released May 2022 – ORIMA Research*

- Research looked at community views on use and perceptions of the current classification system.
- Key findings:
  - Classification was the highest ranked source of information for parents/carers to make decisions on what content is suitable for their children.
  - 71 per cent of parents/carers agreed or strongly agreed that classification and consumer advice work well in helping to make sure their children accessed appropriate content.
  - Classification played a greater role for parents/carers in determining content suitability for those in their care than it did for adults determining content suitability for themselves.
  - Four in five (81 per cent) parents/carers used consumer advice at least once to determine if content was suitable for their children.

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Key recent media:

*'Pirate porn and candle wax: review of Australian film classification recommends end to ban on fetishes' – The Guardian, 30 March 2023*

- Following the Government's announcement on classification reforms, The Guardian has reported on a number of recommendations from the Stevens Review, including that:
  - "in the film's guidelines, the absolute prohibitions on legal fetishes and violence (where violence is unrelated to sex) within the X18+ category should be removed".
    - The recommendation was made in response to research commissioned by the department on community attitudes towards RC content.
  - "online platforms should be required to employ and promote the best available technological barriers to minors accessing R18+ content."
    - This issue is currently under consideration by the eSafety Commissioner.

['Australia: Online content regulatory wrap-up' - Global Compliance News, 28 July 2023](#)

- Following the Government's announcement on classification reforms, the Global Compliance News has reported on the proposed recommendations for the National Classification Scheme:
  - "Central to the first stage of proposed reforms is the expansion of options for industry self-classification of film and computer game content, supported by associated legislative updates such as refined and extended Classification Board powers, exemptions for low-risk cultural content, and provisions to embed a "classify once" principle."
    - The recommendations were made in response to a desire to modernise the Australian National Classification Scheme, to match the rapid growth of online material and to reduce regulatory burdens on industry, to increase compliance.

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**SUBJECT: Updates to Games Guidelines****Talking Points**

- Australians rely on classification to make informed choices on content they and those in their care access.
- On 29 March 2023, the Australian Government announced that it was seeking to introduce a minimum M (Mature) classification for games containing paid loot boxes or other in-game purchases linked to chance, and R 18+ (Restricted) classification for games containing simulated gambling.
- The purpose of the proposed stronger regulation of gambling-like content is to better protect Australian children from gambling harms.
- The proposed ratings have been informed by recent research and are proportionate to the risk of harm and current evidence.
- These changes require unanimous agreement from all states and territories, through the Standing Council of Attorneys-General (SCAG).
- SCAG agreed to the proposed changes at its meeting on 22 September 2023 and the new ratings will come into effect in September 2024.

**Key Issues**

- There is growing community concern about children accessing gambling-like content in computer games – and the potential harms associated with these products.
- Computer games currently receive consumer advice labelling including ‘in-game purchases’ and ‘simulated gambling,’ but there is no mandatory minimum classification for gambling-like content.
- The 2020 Review of Australian classification regulation (Stevens Review) recommended mandatory minimum classifications for computer games containing gambling-like content of PG (Parental Guidance) for games containing loot boxes and MA15+ (Mature Accompanied) for games containing simulated gambling.
- Since this time, the evidence of potential harms associated with gambling-like products has continued to grow.
  - o The Department of Infrastructure, Transport, Regional Development, Communications and Arts commissioned a literature review examining the evidence of links between harms and loot boxes, simulated gambling and other in-game purchases.
  - o This research, which was published in November 2022, found an association between both loot boxes and simulated gambling in computer games, and a range

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- of harms including problem gambling and internet gambling disorder. Causality was not established between the use of these products and gambling harm.
- o The Australian Institute of Family Studies published research in September 2022 that found that young people who played simulated gambling games at 16/17 years of age had a significantly higher likelihood of spending real money on gambling at 18/19 years old.
  - o Further research into the harms associated with these products would be beneficial in informing future policy.
- The higher proposed mandatory classifications respond to this new evidence - they are proportionate to the risk of harms and consistent with international approaches.
  - They are intended to send a clear message to parents and carers that games with these features are potentially harmful and not appropriate for children.
  - The proposed changes are subject to agreement of states and territories, as co-partners under the National Classification Scheme.
  - A public consultation on updated *Guidelines for the Classification of Computer Games 2023* containing the new mandatory classifications occurred between 17 May 2023 and 7 June 2023.
  - Following this, the department met with state and territory officials on 25 July 2023 to discuss the outcomes of the consultation and agree the proposal to be put to SCAG for agreement.
  - SCAG agreed to proposed changes at its meeting on 22 September 2023.

*What are the proposed mandatory minimum classification ratings and why?*

- R 18+ (Restricted) for games containing simulated gambling
  - o Simulated gambling: resembles or functions like a virtual gambling service and has a closed loop economy where rewards cannot be cashed out.
  - o Most commonly these are social casino games, such as virtual slot machines that mimic real-world gambling.
  - o This content is not suitable for persons under the age of 18.
  - o This rating sends a clear message to industry that this rating will be restricted in the Australian market.
  - o It aligns with age-based restrictions currently in place for real-world gambling and international approaches to age ratings for simulated gambling.
- M (Mature – not recommended for persons under 15 years of age) for games containing paid 'loot boxes' or other in-game purchases linked to chance.
  - o Loot box: is a virtual container that rewards players with items or cards which are determined by chance – e.g. a weapon/cosmetic item.
  - o Loot boxes can be acquired through game play or purchased with real money.

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- This rating sends a clear message to parents and carers about the age suitability of paid loot box content.
- This rating is informed by research findings.
- An R 18+ rating would be disproportionate to the risk of harm as many games containing loot boxes are otherwise mild in impact.
- This rating will only apply to loot boxes which can be purchased.
  - There are many chance-based mechanics within computer games that are central to gameplay and do not involve monetary transactions
  - Research has not demonstrated that these chance-based mechanics cause harm.

*When will the new classification ratings apply from?*

- The new classification ratings will come into effect on 22 September 2024.
- The department has been in discussions with the computer games industry around this proposal.
- The delayed commencement will take into account games development and production lead times, and enable industry to adjust to the proposed changes.
- The new classifications will not be applied retrospectively - games that have already been classified will not need to be reclassified using the new ratings.

*How will the new classification ratings be enforced?*

- The National Classification Scheme is a cooperative arrangement between the Commonwealth, states and territories.
- The enforcement of new classifications for physical computer games will continue to be the responsibility of states and territories.
- The Australian Government is aware of enforcement challenges for online content and will address these issues as part of the second stage of classification reforms.
  - However, currently:
    - The Classification Board has the power to revoke decisions made by approved classification tools, including the IARC tool which is used for the majority of online computer games.
    - Under stage 1 classification reforms, that were passed by the Parliament, the Classification Board's powers will be expanded to quality assure (and revoke where necessary) decisions made by accredited industry self-classifiers. These arrangements also include provisions for industry self-classifiers to have their accreditation revoked or barred.

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*Was industry consulted on the proposed changes?*

- The department has been engaging with industry on the proposed changes. Industry feedback has informed the final version of the updated Games Guidelines.
- Industry was also consulted on proposed changes as part of the Stevens Review in 2020.
  - The Review was commissioned by the former government to inform the development of a contemporary classification framework.
  - It included a 6-week public submissions process that attracted 104 submissions, as well as extensive consultation with key stakeholders.
  - Mr Stevens provided his report to the former Government on 31 May 2020. It was publicly released on 29 March 2023.
  - The Government does not intend to respond to the recommendations of the report. However, they have informed the direction of classification reform.

*What feedback was received on the proposed changes?*

- A total of 22 submissions were received during the three-week public consultation between 17 May and 7 June 2023 on the proposed amendments to the guidelines.
- As expected, the computer games industry opposed the increased regulation of these products especially for loot boxes. They argued that:
  - the evidence base was not sufficient to justify the proposed mandatory minimum classifications
  - this would be classifying a monetisation method rather than the content of the game and that this was not in scope of the Act
- Non-industry submissions received from community groups, academic and research institutions or from members of the public were generally supportive of increasing the minimum classification for loot boxes to R 18+. Submissions argued that:
  - these products were akin to gambling
  - the evidence of an associational link was sufficient to justify restricting children's access to them.
- A couple of submissions noted that the proposed mandatory minimum classifications were a positive step in the right direction until further evidence becomes available.
- Feedback was also received from the computer games industry on the proposed definitions that they may unintentionally capture other mechanics in computer games.
- To address these concerns, the definitions were amended in line with the feedback received from the computer games industry.

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*Are there additional actions that can be taken to minimise access to harmful content in computer games?*

- More can be done outside of the classification system to address access to potentially harmful content in games.
- The Australian Government is exploring industry-led measures for enhanced parental controls, to make them easier to use, and better education and awareness for parents on how to use them.
- The UK is already working with industry to enhance protections for consumers, through improved parental and spending controls and transparent information to support safe and responsible gaming.
- The UK industry working group published its first report on 18 July 2023.
- Parents who are concerned about their children accessing unsuitable content online can use parental controls already available on gaming platforms. Resources can be found at eSafety Commissioner's website at eSafety.gov.au.

*How do these proposed reforms align with the recommendations from the recent Inquiry into Online Gambling?*

- The House of Representatives Standing Committee on Social Policy and Legal Affairs recently conducted an inquiry into online gambling and its impact on those experiencing gambling harm.
- The Committee released its report on Wednesday 28 June 2023.
  - It noted that the Government's proposed new mandatory minimum classifications were an important first step in addressing gambling harms.
  - It recommended: consistent application of classification ratings across online platforms; a new warning label for games containing simulated gambling; public education and awareness on all elements of simulated gambling; and enhanced consumer protection measures for games containing loot boxes.
- The Government is currently considering its response to the recommendations of the report.

*What are international approaches to the regulation of loot boxes?*

- Belgium
  - The only country currently where loot boxes are banned under gambling legislation.
  - Some developers responded by removed games from market.
  - Ban is not effectively enforced and is easily circumvented.

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## Environment and Communications

Lead/Support contact: Bridget Gannon/Maria Vassiliadis

SB23-000755

- Netherlands
  - Loot boxes were previously banned under existing gambling legislation.
  - However, a 2022 court case ruling found that loot boxes did not constitute gambling.
  - The Netherlands is currently considering amending the legislation to capture loot boxes.
- United Kingdom – following a two-year call for evidence on loot boxes
  - Focus is industry consumer protection measures – report from UK Industry working group released 18 July 2023.
  - Industry to limit loot box purchases to adults 18 and over unless enabled by a parent.
  - Transparent spending information.
  - Increased parental controls.
  - Loot Boxes excluded from an upcoming Gambling Act Review.
- Japan, China and the US
  - Have also pursued consumer law and industry led consumer protections.
- Many international developments are recent and emerging and there is limited evidence of their effectiveness.

Key recent research:

*Literature Review - Harms Associated with loot boxes, simulated gambling and other in-game purchases in videos games: report released November 2022 - Australian Institute of Family Studies (AIFS)*

- The review evaluated the strength of the evidence of international research over the previous 10 years for these harms and applicability of international findings to Australia.
- It found associations between all three products and problem gambling, and evidence of links to other harms including internet gaming disorder, financial harms, emotional and behavioural problems.
- The department published this research on 10 November 2022.
- This research cost \$53,356 (incl GST, funded under the Online Safety Research Program).

*Longitudinal study of Australian Children - Growing up In Australia - report published November 2022 (AIFS)*

- Study found a causal link between the use of simulated gambling games in adolescence and the uptake of actual gambling in young adulthood.
- For example, those who played simulated gambling games at age 16-17 had a 40-percentage point increase in the probability of real money gambling at age 18-19 years.

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*Social casinos in Australia and overseas. A market snapshot - ACMA (March 2023)*

- Market analysis by the ACMA shows that:
  - Worldwide around 85 million people play social casino games every day.
  - The size of this global market is worth US \$7.3 billion.
  - Australians spent US\$302 million on mobile slot games in 2021 and was in the top five markets by consumer spend in the first half of 2022.
- Reasons for playing these games include for entertainment, to avoid or as a substitute for real world gambling or to practice and improve skills for real gambling.

Key recent media:

*“Groomed for future gambling’: Call for loot box video games to be adult only” – Sydney Morning Herald, 30 March 2023*

- Article in the Sydney Morning Herald highlights calls from independent MP’s including Andrew Wilkie that games containing loot boxes should also be given an R 18+ classification.
- Article also highlights comments from Minister Rowland that the classifications proposed in the Stevens Review.

*Federal Government fails to stop children gambling – Andrew Wilkie Media Release, 30 March 2023*

- Independent MP Andrew Wilkie issued a media release calling the M classification for loot boxes ‘absurd’.
- He argues that the M classification does nothing to protect 15-18 year old’s and does not do much to protect those under 15.
- He also says loot boxes are by any definition gambling and the government needs to support his *Classification (Publications, Films and Computer Games) Amendment (Loot Boxes) Bill 2022* if it wants to be serious about protecting young people.
- This bill would require games with loot boxes be classified R 18+ or RC.

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## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Jason Ashurst / Ben Phelps

SB23-000756

**SUBJECT: NBN Funding Arrangements****Talking Points**

- The Australian Government provided NBN Co with initial equity funding of \$29.5 billion and then a loan of \$19.5 billion, to support the network build.
- An additional \$2.4 billion in equity funding has been provided (over four financial years until financial year 2025-26) to assist with further network upgrades. This will bring total equity investment to \$31.9 billion in the 2025-26 financial year.
- NBN Co is in the process of refinancing its loan from the Government. It has repaid \$14.0 billion at 31 August 2023, leaving a \$5.5 billion balance outstanding. The loan matures on 30 June 2024.
- NBN Co's total borrowings at 31 July 2023 were \$26.2 billion (including the \$5.5 billion balance of the Government loan).
- NBN Co established a Sustainability Bond Framework in 2022 to enable issuance of green, social and sustainable bonds.
- NBN Co's first green bond issuance in April 2022, raised \$800 million from AUD green bonds. The company went on to raise \$2.1 billion from European green bonds in March 2023 and then returned to the domestic market in August 2023 to raise a further \$850 million from AUD green bonds.
- NBN Co holds long term credit ratings from Moody's, Aa3 (Stable) and Fitch, AA (Stable).
- NBN Co has in place hedging programs to manage interest rate and foreign exchange rate movements.
- NBN Co provides information about its debt portfolio on its website.

**Key Issues**

NBN Co will continue to access global and domestic debt markets to fund Corporate Plan commitments and is on track to refinance the Government loan by 30 June 2024.

**Background**

The Government provided NBN Co with initial equity funding of \$29.5 billion, the final payment made in September 2017. The \$19.5 billion Government loan to NBN Co was established in December 2016 at a fixed interest rate of 3.96 % per annum. In August 2018, the Government agreed to extend the term of the loan by three years to 30 June 2024. It was also agreed that NBN Co could access private debt (up to \$2 billion). Shareholder Ministers and NBN Co entered into a revised loan agreement on 26 March 2019.

**Contact:** Ben Phelps**Cleared by First Assistant Secretary:** Jason Ashurst**Phone:** (02) s22(1)(a)(ii)**Version Number:** 01**Date:** 25/09/2023

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In response to obligations under the Government facility agreement, NBN Co submitted its initial Finance Plan in September 2020. The plan detailed the company's approach to refinancing the loan in full, required by June 2024. The Finance Plan was approved by Government in November 2020, permitting NBN Co to borrow private debt in line with the Agreed Finance Plan, as updated from time to time.

Further details on NBN Co's funding arrangements are in **Attachment A**.

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**Attachments**

Attachment A: Summary of NBN Co funding arrangements

**Contact:** Ben Phelps**Cleared by First Assistant Secretary:** Jason Ashurst**Phone:** (02) s22(1)(a)(ii)**Version Number:** 01**Date:** 25/09/2023

**Attachment A - NBN Co funding arrangements****Equity payments provided to NBN Co (to date)**

Financial Year	Incremental	Cumulative
<b>2008-14</b>	\$8,418 million	\$ 8,418 million
<b>2014-15</b>	\$4,767 million	\$13,185 million
<b>2015-16</b>	\$7,090 million	\$20,275 million
<b>2016-17</b>	\$7,190 million	\$27,465 million
<b>2017-18</b>	\$2,035 million	\$29,500 million
<b>2022-23</b>	\$305 million	\$29,805 million

**Government Loan provided to NBN Co**

Financial Year	Incremental	Cumulative
<b>2017-18</b>	\$5,531 million	\$5,531 million
<b>2018-19</b>	\$7,522 million	\$13,053 million
<b>2019-20</b>	\$6,405 million	\$19,458 million
<b>2020-21</b>	\$42 million	\$19,500 million

**Interest Revenue provided to Government (expense to NBN Co)**

Financial Year	Incremental	Cumulative
<b>2017-18</b>	\$70 million	\$70 million
<b>2018-19</b>	\$351 million	\$421 million
<b>2019-20</b>	\$629 million	\$1,050 million
<b>2020-21</b>	\$690 million	\$1,740 million
<b>2021-22</b>	\$336 million	\$2,076 million
<b>2022-23</b>	\$224 million	\$2,300 million

**Government Loan Principal Repayments by NBN Co**

Financial Year	Incremental	Cumulative
<b>2020-21</b>	\$6,300 million	\$6,300 million
<b>2021-22</b>	\$6,825 million	\$13,125 million
<b>2022-23</b>	\$875 million	\$14,000 million

**Government Loan Balance**

Financial Year	
<b>2020-21</b>	\$13,200 million
<b>2021-22</b>	\$6,375 million
<b>2022-23</b>	\$5,500 million



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Lead/Support contact: Jason Ashurst / Ben Phelps

SB23-000757

**SUBJECT: NBN Upgrades – fixed line****Talking Points**

- NBN Co is upgrading and improving the network to enhance quality of service and consumer experience, improve reliability and meet current and future demand.
- The upgrades will increase the proportion of premises with full-fibre access, ensuring that 90 per cent of premises in the fixed-line footprint have access to peak wholesale download speeds of up to 1 gigabit per second by the end of 2025.
- This includes the Australian Government providing a \$2.4 billion equity injection to NBN Co over four years from 2022-23 to deliver on its commitment to expand full-fibre access to an additional 1.5 million fibre to the node (FTTN) premises nationally.
- The equity funding agreement was finalised and the initial equity contribution of \$304.7 million made in June 2023. Future payments will be provided quarterly and linked to NBN Co's expected capital expenditure to the extent practicable.
- NBN Co intends to combine rollout of the additional upgrades with its existing upgrade program, including those being funded under co-investment arrangements with State Governments.
- As at 24 August 2023, 6.96 million premises in the fixed-line NBN footprint (61.92 per cent) could access gigabit speed services.

**Key Issues**Locations of FTTN upgrades

To date NBN Co has identified the locations where it expects around three million FTTN premises will be able to access full-fibre upgrades. Suburbs and towns eligible for remaining full-fibre upgrades will be identified by early 2024. The upgrade of 3.5 million FTTN premises is expected to be completed by the end of 2025.

As with previous upgrades, NBN Co will provide further details on areas set to receive upgrades as it finalises detailed designs and will notify broadband retailers and individual addresses when premises are able to order higher speed services. Upgrades are to parts of suburbs and towns only, and not the entire locality.

Premises in the additional 1.5 million FTTN to full-fibre program are being selected by NBN Co through an optimisation process, which balances customer demand, likely take-up, revenue potential, capital and operating costs, build considerations (including complexity), exchange availability and the mobilisation of delivery partners. These factors together are important in ensuring that the upgrades provide a commercial return to the company.

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Please refer to **Attachments A** and **B** for media releases on the most recent eligible fibre upgrade area announcements.

FTTN upgrade election commitments

NBN Co is considering the specific locations that were announced during the election as part of its design work. As advised by Senator Brown at the 7 November 2022 Estimates hearing, the Labor Party did modelling when in opposition on which its policy to upgrade 1.5 million FTTN premises is based, and this was close to commercial contours. Some of the areas mentioned in area specific election commitments were identified to upgrade in NBN Co's February 2023 announcement. However, the company is still set to identify further areas for upgrade and finalise detailed designs.

Funding of 1.5 million FTTN upgrade

NBN Co was unable to fully fund the new fixed-line investment from its own resources as it is yet to generate free cash flows and is already carrying a high level of debt. There is no impact on the underlying Budget cash balance. The \$2.4 billion in additional investment is an equity investment for Budget accounting purposes and has been assessed by NBN Co as delivering a commercial rate of return. Funding will be provided via an equity funding agreement with NBN Co which will be managed by the Department of Infrastructure, Transport, Regional Development, Communications and the Arts. Payments will be provided quarterly and will be linked to NBN Co's expected capital expenditure profile to the extent practicable. The equity funding agreement was finalised in June 2023.

Fibre to the curb upgrades

More than 2 million FTTN and fibre to the curb (FTTC) premises can now order an on-demand upgrade to fibre to the premises (FTTP).

**Background**Proportion of \$2.2 billion regional funding relating to 1.5 million premises upgrade

The Government has included in its overall figure of \$2.2 billion spending on regional telecommunications, a figure of around \$1.1 billion for premises in regional areas that will be able to access full-fibre through the upgrade of 1.5 million FTTN premises. The \$1.1 billion estimate for funds to be used to upgrade premises in regional areas is based on NBN Co's high-level understanding of the areas where it is undertaking detailed design. The company has advised this is a conservative estimate.

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Previously announced fixed-line upgrades

In September 2020, NBN Co committed to upgrading its entire FTTC and Hybrid Fibre-Coaxial (HFC) networks to enable them to offer up to gigabit speeds.

NBN Co completed upgrades for the HFC network in 2022, with full-fibre upgrades expected to be available across all premises in the FTTC network by the end of 2023.

**Financial Information as at 30 June 2023**NBN fixed-line upgrade program

Funded through a \$2.4 billion equity investment over four years in the 2022-23 Federal Budget.

<b>Program/Project Start Date:</b>	<b>October 2022 (Date of Budget approval)</b>					
<b>Program/Project End Date:</b>	<b>December 2025</b>					
	2021-22 \$m	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	<b>TOTAL \$m</b>
Net cash flows from investments in financial assets	0	-328	-748	-1,016	-308	<b>-2,400</b>
Less:						
Actual Expenditure YTD at 30 June 2023	0	304.7				<b>304.7</b>
Total Committed Funds at 30 June 2023	0	23.3	748	1,016	308	<b>2095.3</b>
Total Uncommitted Funds (balance)	0	0	0	0	0	<b>0</b>

*Note: Committed funds relate to funds committed under a Funding Agreement, Contract or Program of Works where the Project, Profile and Conditions have been agreed to, or a formal offer has been made pending agreement, by the recipient.*

**Attachments**

A: Media Release Minister Rowland - One million premises to benefit from full-fibre access

B: Media Release NBN Co - NBN Co announces suburbs and towns where additional 1m premises can upgrade from FTTN to FTTP

Contact: Ben Phelps

Cleared by First Assistant Secretary: Jason Ashurst

Phone: (02) s22(1)(a)(ii)

Version Number: 01

Date: 03/10/2023



**The Hon Michelle Rowland MP**

Minister for Communications

## **MEDIA RELEASE**

### **One million premises to benefit from full-fibre NBN access**

A million more homes and businesses will be able to upgrade to a world-class, full-fibre broadband connection as part of the Australian Government's plan for a better National Broadband Network (NBN).

[The list of eligible suburbs announced today](#) contains premises that are still currently served by the outdated and unreliable copper network – a legacy of the former Coalition Government.

These upgrades are part of the NBN's fibre upgrade program which has been boosted by the Albanese Government's commitment to expand full-fibre access to 1.5 million additional premises by the end of 2025 with a \$2.4 billion equity investment over four years in the 2022-23 Federal Budget. This includes over 660,000 premises in regional Australia.

The benefits of a world-class fibre broadband include faster upload and download speeds, and a more reliable connection. The benefits are even more pronounced for larger households if many devices are used, as higher speeds means the whole family can be online at the same time.

In just six years, data use has tripled on the NBN – and that exponential growth is expected to continue as customer demands continue to grow in response to new technology.

An upgrade will be available on-demand where an eligible household orders a higher speed plan than would currently be available to them over copper.

NBN Co expects eligible premises within today's announced suburbs will be able to access a full-fibre upgrade from 2024.

The remaining locations to be upgraded as part of the Government's investment in expanding full-fibre access are expected to be announced by early 2024.

For a full list of eligible suburbs or to register for updates, visit:

[www.nbnco.com.au/residential/upgrades/ftp-upgrade-with-higher-speed-tiers](http://www.nbnco.com.au/residential/upgrades/ftp-upgrade-with-higher-speed-tiers).

For more information on the Albanese Government's investment, visit:

[minister.infrastructure.gov.au/rowland/media-release/albanese-government-delivers-major-nbn-boost-2022-23-federal-budget](http://minister.infrastructure.gov.au/rowland/media-release/albanese-government-delivers-major-nbn-boost-2022-23-federal-budget).

**Quotes attributable to Minister for Communications, the Hon Michelle Rowland MP:**

*"Affordable, reliable and high-speed broadband is no longer a 'nice to have'. It is an economic and social necessity that will drive productivity improvements and global competitiveness.*

*"For too long, Australians stuck on the Coalition's ageing copper network have been held back by slow and unreliable broadband.*

*"The Albanese Government's \$2.4 billion investment will enable the NBN's full potential. We're giving Australian families and small businesses access to the world-class broadband infrastructure they deserve.*

*"Our investment in full-fibre NBN will see up to 90 per cent of premises in the fixed line footprint able to access world-class gigabit download speeds by 2025."*

**MONDAY, 13 FEBRUARY 2023**

**MEDIA CONTACT:** §22(1)(a)(ii)

M: §22(1)(a)(ii) E: §22(1)(a)(ii) [@mo.communications.gov.au](mailto:§22(1)(a)(ii)@mo.communications.gov.au)



## Media release

# One million additional homes and businesses to become eligible for full fibre

A million more households and businesses will get the opportunity to choose faster and more reliable broadband as the rollout of full fibre to the premises continues across the country.<sup>1,2</sup>

**nbn** and the Australian Government have released the latest suburbs and towns where additional premises will become eligible to get fibre connected to their house or business by ordering an eligible wholesale speed tier<sup>1</sup> - with up to 58 per cent located in regional areas and the rest in metro areas.

These upgrades are part of the **nbn** fibre upgrade program - which was boosted by the Australian Government's recent announcement of an additional \$2.4 billion investment.

Full fibre connection to the **nbn**® network offers customers access to the higher speed tiers, which delivers a better, more reliable internet experience for homes and businesses.

The enhancements to the **nbn**® network to deliver faster speeds and more data reflect and support business and societal changes over the last two years.

According to Venture research commissioned by **nbn**, online health consultations have increased by 147 per cent, online secondary educational engagement has grown by 114 per cent and a third of people who can work from home now expect to continue working from home at least one day a week.

The company is also supporting growing demands from Australian businesses for faster speeds and more data. Research indicates that 40 per cent of businesses are using video conferencing, cloud storage or cloud-based software.

Other benefits of higher speeds include:

- Faster uploads and downloads for homes and businesses;
- Faster game upgrades;
- Faster streaming – making it easier to work from home, and a more enjoyable movie experience.

The benefits are even greater for larger households with many high bandwidth devices being used at the same time. More speed is better for when the whole family is streaming online at the same time – working from home, gaming, and watching movies.

**nbn** is on track to enable up to 10 million premises, or up to 90 per cent of homes and businesses across Australia to access **nbn** Home Ultrafast, offering wholesale download speeds of 500 Mbps to close to 1 Gbps, by the end of 2025.<sup>2,3</sup>

To trigger an upgrade, customers at eligible premises<sup>2</sup> need to place an order with a retailer which is based on one of **nbn**'s three highest residential wholesale speed tiers.



To find out if you're eligible for an upgrade register at [nbn.com.au/fttpupgrade](http://nbn.com.au/fttpupgrade).

### Kathrine Dyer, Chief Operating Officer at nbn, said:

"Today's announcement is good news for customers living and working in more than one million homes and businesses across Australia because they will soon be able to access the fastest residential speeds available on the nbn network.

"We are unlocking social and economic benefits across Australia by pushing fibre deeper into communities. Fibre is inherently more capable of delivering faster upload and download speeds, is generally more reliable than copper connections and reduces our ongoing maintenance and operating costs.

"So far, we have identified the suburbs and towns across Australia where customers living and working in around 3 million premises currently served by nbn Fibre to the Node will be able to access full fibre upgrades by the end of 2025.

"In just six years data use has tripled on the nbn network – and that exponential growth is expected to continue as customer demands increase to meet new technology."

### Suburbs and towns where an additional 1,000,000 homes and businesses will be eligible for full fibre:

State/Territory	Suburb or Town <sup>1</sup>
Australian Capital Territory	Ainslie*, Casey*, Dickson, Kingston*, Macgregor*, Monash, Yarralumla
New South Wales	Adamstown*, Adamstown Heights, Airds, Albury*, Alexandria*, Allambie Heights, Ashmont, Avalon Beach*, Avoca Beach, Bangalee*, Bar Beach*, Barnsley*, Barrack Heights*, Basin View*, Bathurst*, Belmont North*, Beresfield, Bilgola Plateau, Blackbutt*, Blackheath, Blayney, Blue Haven, Bolwarra Heights*, Bonnell's Bay*, Booragul*, Bowral*, Bowraville*, Bradbury*, Broadmeadow, Budgewoi, Buff Point, Bundanoon, Bungendore, Calala*, Callala Bay, Callala Beach, Campbelltown*, Cardiff, Casino, Castle Hill*, Caves Beach*, Cessnock, Charlestown*, Chinderah*, Clyde*, Coledale*, Cooks Hill*, Coolangatta, Cooma, Coonabarabran, Cooranbong, Corowa*, Cowra*, Cringila*, Cronulla*, Crosslands*, Dalmeny, Darlinghurst*, Dee Why*, Denhams Beach*, Double Bay*, Dubbo, East Albury*, East Ballina*, East Tamworth, Eden, Edgeworth, Elderslie*, Eleebana*, Elmore Vale, Epping*, Erina*, Figtree*, Fingal Head*, Forbes, Forster*, Gateshead*, Gerroa*, Gilgandra, Gladesville*, Glen Innes, Glendale, Glenfield Park*, Glenmore Park*, Glenroy, Gorokan*, Goulburn*, Grafton, Granville*, Griffith*, Gulgong, Gunnedah, Gwynneville*, Halekulani, Hamilton*, Harrington, Haywards Bay*, Helensburgh*, Hillsborough, Hillvue*, Hinchinbrook*, Holmesville*, Homebush West*, Hunters Hill*, Islington*, Jamisontown*, Jerrabomberra*, Jindabyne, Kanwal*, Kariong, Katoomba*, Keiraville*, Kelso*, Kensington*, Killingworth*, Kincumber*, Kings Langley*, Kingscliff*, Kingsford*, Kirrawee, Koorlingal*, Kotara, Kurri Kurri, Lakelands*, Lambton*, Laurieton, Lavington*, Leura, Lisarow, Lithgow*, Long

## Victoria

Beach\*, Macksville\*, Macquarie Hills, Maianbar\*, Maitland, Maloneys Beach\*, Mannering Park, Marmong Point\*, Maryland\*, Medowie, Merewether\*, Merimbula, Middleton Grange\*, Mitchell, Mittagong, Mollymook, Mollymook Beach, Montefiores\*, Moree\*, Moss Vale, Mount Austin, Mount Hutton, Mount Kembla\*, Mount Warrigal, Mudgee\*, Murwillumbah, Nambucca Heads, Narara\*, Narrabri, Narrandera, Narrawallee, New Lambton\*, Niagara Park, Norah Head\*, North Albury\*, North Batemans Bay\*, North Kellyville\*, North Lambton, North Manly\*, North Nowra\*, North Tamworth, Nowra\*, Oak Flats\*, Old Erowal Bay\*, Orange\*, Ourimbah, Oxley Vale, Parklea\*, Picton, Port Kembla\*, Port Macquarie\*, Primbee\*, Quakers Hill\*, Raymond Terrace\*, Rhodes\*, Rozelle\*, Ruse\*, Rutherford\*, San Remo, Sanctuary Point\*, Scone, Shell Cove\*, Shoalhaven Heads\*, Shortland, Singleton, Skennars Head\*, Smithfield\*, South Albury\*, South Bathurst, South Grafton, South Nowra\*, South Tamworth, South Turramurra\*, South West Rocks, Speers Point, Spring Farm\*, St Helens Park\*, Stockton, Sunshine Bay\*, Surfside\*, Surry Hills, Sussex Inlet, Swansea, Tahmoor, Telarah, Terranora\*, Terrigal\*, Thirlmere, Thirroul\*, Thornton\*, Thurgoona\*, Tuggerah\*, Tuggerawong\*, Tumut, Tweed Heads South\*, Ulladulla\*, Umina Beach\*, Valentine, Wadalba\*, Wagga Wagga\*, Waitara\*, Wallabi Point\*, Wallsend, Wangi Wangi, Warners Bay\*, Warrawong\*, Watanobbi\*, Wauchope\*, Wentworth Falls, West Albury, West Bathurst\*, West Kempsey, West Tamworth\*, West Wallsend\*, West Wyalong, Wetherill Park\*, Whitebridge, Windale, Windradyne\*, Wollongbar\*, Wollstonecraft\*, Wombarra\*, Woodcroft\*, Woolwich\*, Woronora Heights, Wyee, Wyoming\*, Wyongah, Yamba\*, Yass, Young

Anglesea\*, Apollo Bay, Attwood\*, Bairnsdale\*, Ballan, Baranduda\*, Beaconsfield Upper\*, Bell Park\*, Bell Post Hill, Belmont\*, Benalla, Bendigo#, Blind Bight\*, Botanic Ridge\*, Bright\*, Broadford, Cairnlea, Camperdown, Cannons Creek\*, Cape Paterson\*, Cape Woolamai#, Capel Sound\*, Castlemaine\*, Clifton Springs, Cobram\*, Cohuna, Colac, Connewarre\*, Corio\*, Craigieburn\*, Dalyston\*, Daylesford, Diamond Creek\*, Dromana\*, Drouin, Drysdale\*, East Bairnsdale, East Bendigo\*, Eastwood\*, Echuca\*, Eltham\*, Flora Hill#, Geelong\*, Gisborne, Golden Square\*, Hamilton, Hamlyn Heights\*, Hastings, Healesville\*, Heathcote Junction\*, Herne Hill\*, Highett\*, Horsham, Hurstbridge, Indented Head, Inverloch\*, Jan Juc, Keysborough\*, Kialla\*, Kilmore, Kyabram, Lake Gardens\*, Lake Wendouree\*, Lang Lang\*, Launching Place, Leneva\*, Leongatha, Loch Sport, Long Gully, Lovely Banks\*, Lucknow, Manifold Heights\*, Mildura, Moe\*, Mornington\*, Morwell, Mount Martha\*, Narre Warren North\*, Newtown, Norlane\*, North Bendigo\*, North Melbourne\*, North Shore\*, Paynesville, Point Lonsdale, Port Fairy, Portarlington, Portland#, Portsea, Quarry Hill, Redan\*, Research\*, Rhyll\*, Riddells Creek, Rockbank\*, Romsey, Rosebud\*, Rye, Safety Beach\*, Sale\*, Seville, Seville East, Silverleaves\*, Smiths Beach, Somers, Sorrento, South Dudley\*, South Geelong\*, South Morang, Spring Gully\*, St Albans Park\*, St Leonards, Strathfieldsaye, Sunbury\*, Sunderland Bay\*, Sunset Strip\*, Sunshine West\*, Surf Beach, Swan Hill, Tooradin\*, Tootgarook, Torquay\*,



## Queensland

Trafalgar, Traralgon\*, Traralgon East\*, Tyabb, Venus Bay, Wallan\*, Wandana Heights\*, Wandong\*, Wangaratta\*, Warburton, Warneet\*, Warragul\*, Warrnambool\*, Wendouree\*, West Wodonga\*, Whittlesea, Wimbledon Heights\*, Wodonga\*, Wonthaggi\*, Woori Yallock\*, Wy Yung, Yarra Junction, Yarragon\*, Yarram, Yarrawonga\*

Agnes Water, Airlie Beach\*, Allenstown, Atherton, Avenell Heights, Ayr, Bahrs Scrub\*, Barlows Hill\*, Beaudesert\*, Beerwah\*, Bellbowrie\*, Belvedere, Berserker\*, Bilinga\*, Birtinya\*, Black River, Blackwater, Bongaree\*, Bonogin, Bowen, Boyne Island, Bray Park, Brendale\*, Bucasia\*, Buderim\*, Bundaberg Central, Bundaberg East, Bundaberg North, Bundaberg South, Bundaberg West, Burleigh Heads\*, Burleigh Waters\*, Burpengary\*, Burpengary East\*, Burrum Heads\*, Caboolture\*, Caloundra\*, Caloundra West\*, Camira\*, Cannon Hill, Cannonvale\*, Capalaba\*, Carseldine\*, Chinchilla, Clermont, Clinton\*, Collingwood Park\*, Condon\*, Cooe Bay\*, Coolum Beach\*, Cooroy, Cooya Beach\*, Cornubia, Crestmead\*, Currumbin Waters\*, Dalby, Darling Heights\*, Darra, Deception Bay\*, Deeragun\*, Dicky Beach\*, Diddillibah\*, Doolandella\*, Drayton\*, Dundowran Beach\*, Durack\*, Dysart, Eatons Hill, Emerald\*, Everton Hills, Flagstone, Frenchville\*, Gatton\*, Gladstone Central\*, Glass House Mountains, Gleneagle\*, Glenvale\*, Goondi Bend\*, Gordonvale, Greenbank, Gympie\*, Harristown\*, Highfields, Ingham, Innisfail, Jacobs Well\*, Jensen, Jimboomba, Jones Hill\*, Jubilee Pocket\*, Karalee, Karana Downs, Kawana, Kawungan\*, Kearneys Spring\*, Kedron\*, Kelso, Kepnock, Kin Kora, Kingaroy, Koongal, Labrador\*, Laidley\*, Landsborough, Lawnton\*, Logan Reserve\*, Logan Village\*, Loganholme\*, Lowood, Machans Beach\*, Main Beach\*, Maleny\*, Mareeba, Marian\*, Maroochydore\*, Maryborough, Millbank\*, Mirani\*, Moffat Beach\*, Moranbah\*, Morayfield\*, Mossman, Mount Cotton\*, Mount Warren Park\*, Mudgeeraba\*, Nambour\*, Narangba\*, Newtown\*, Noosaville\*, Norman Gardens\*, North Ipswich, North Mackay\*, Norville, Oakey\*, Oxley\*, Paradise Point\*, Park Avenue, Petrie, Pialba\*, Pimpama\*, Pine Mountain\*, Point Vernon, Rainbow Beach, Rasmussen\*, Redbank\*, Redlynch\*, Reedy Creek\*, Robertson\*, Rockhampton City\*, Rockville, Roma, Rosewood\*, Rosslyn\*, Rural View, Sarina, Scarness, Shelly Beach\*, Slacks Creek\*, Slade Point, Smithfield\*, South Gladstone, South Toowoomba\*, Southport\*, Southside, Springfield\*, Steiglitz\*, Sunnybank\*, Svensson Heights, Tamborine Mountain, Tannum Sands, Tewantin\*, Thabeban, The Gap\*, The Range, Tin Can Bay, Torquay, Trinity Park\*, Tully, Upper Caboolture, Upper Coomera\*, Urangan\*, Urraween\*, Wakerley\*, Walkerston, Walkervale, Wandal, Wangan\*, Warner\*, Warwick, Waterford\*, Whitfield\*, Wilsonton\*, Wilsonton Heights\*, Wondunna\*, Woodgate, Woorim, Wulguru, Yamanto\*, Yaroomba\*, Yeppoon, Zilzie

## Northern Territory

Araluen\*, Braitling, Ciccone\*, East Side\*, Gillen\*, Larapinta\*, Mount John\*, Sadadeen\*, The Gap\*

South Australia	<p>Aberfoyle Park*, Adelaide*, Albert Park, Angle Vale*, Balaklava, Beaumont, Belair, Bellevue Heights, Beverley*, Blackwood, Blair Athol, Blakeview*, Bridgewater, Brooklyn Park*, Cheltenham*, Christie Downs, Christies Beach, Clare, Clearview*, Coromandel Valley, Craigmore*, Davoren Park*, Elizabeth Downs*, Elizabeth North, Elizabeth South, Enfield, Evanston Park, Findon*, Flagstaff Hill, Gawler South, Goolwa, Goolwa Beach, Gulfview Heights, Hackham, Hackham West, Hallett Cove, Happy Valley*, Hawthorn*, Hawthorndene, Hazelwood Park, Huntfield Heights, Kilburn, Largs Bay*, Largs North*, Linden Park*, Marion*, Moonta Bay, Morphett Vale*, Morphettville*, Mount Barker*, Mount Gambier, Munno Para*, Myrtle Bank*, Noarlunga Downs, North Haven*, O'Halloran Hill, Old Reynella*, Ottoway*, Para Hills West*, Pasadena*, Penfield*, Pennington*, Plympton Park*, Pooraka*, Port Adelaide*, Port Lincoln, Port Noarlunga, Queenstown*, Renmark, Reynella, Reynella East, Risdon Park, Rosewater*, Roxby Downs, Royal Park, Salisbury, Salisbury Heights*, Seaton*, Sheidow Park*, Smithfield Plains, South Plympton*, St Marys*, Tanunda, Taperoo, Walkley Heights, West Lakes*, Willaston*, Woodcroft*, Woodville Park*, Woodville South*</p>
Western Australia	<p>Albany, Alfred Cove*, Armadale*, Ascot*, Ashfield, Attadale*, Australind*, Aveley*, Baldivis*, Banjup*, Bassendean*, Bayswater*, Beaconsfield*, Bedford*, Beechboro*, Belmont*, Bertram, Bibra Lake, Boulder, Broadwater, Bunbury, Burns Beach, Busselton, Byford*, Camillo*, Carey Park, Clarkson*, Collie, Coolbellup, Coooloongup*, Currambine*, Dalyellup, Denmark, Duncraig*, Dunsborough, East Bunbury, Eaton*, Eden Hill, Ellenbrook*, Embleton*, Falcon, Ferndale, Forrestdale*, Forrestfield*, Fremantle*, Geographe, Girrawheen*, Glen Iris, Glendalough*, Gosnells*, Greenwood, Guildford*, Gwelup*, Halls Head*, High Wycombe*, Hillman*, Hocking*, Jane Brook*, Joondalup*, Kalamunda, Kalgoorlie, Kardinya*, Karrinyup*, Kelmscott, Kiara*, Lakelands*, Landsdale*, Lesmurdie, Lockridge, Lynwood, Maida Vale, Malaga, Manjimup, Margaret River, Marmion*, Martin*, Mckail, Melville*, Menora*, Middle Swan, Midvale, Mindarie*, Mira Mar, Morley*, Mount Claremont*, Mount Nasura, Myaree*, Northam, O'Connor*, Orana, Orelia*, Parkwood*, Parmelia*, Piara Waters*, Port Denison, Quinns Rocks, Riverton*, Rockingham*, Roleystone, Safety Bay*, Secret Harbour, Seville Grove*, Shoalwater*, Sorrento*, South Bunbury, South Kalgoorlie, Spearwood*, Spencer Park, Success*, Swan View*, Tapping*, The Vines, Two Rocks, Waikiki*, Wannanup*, Wanneroo*, Warnbro, Waroona, Wellard, West Busselton*, White Gum Valley*, Willagee*, Willetton*, Withers, Woodlands*, Yakamia, Yanchep</p>
Tasmania	<p>Berriedale, Burnie, Chigwell*, Claremont*, Devonport*, Evandale*, Grindelwald*, Hawley Beach*, Huonville, Latrobe, Longford*, Margate*, New Norfolk, Park Grove*, Penguin, Perth, Port Sorell*, Scamander*, Ulverstone, West Ulverstone</p>

*\*Indicates identification of additional footprint in suburbs and towns previously announced in NBN Co's series of footprint announcements comprising the original 2 million FTTN to FTTP Fibre Connect upgrade program.*

*#Indicates identification of additional footprint in suburbs and towns previously announced as part of NBN Co and the Victorian Government's co-investment program.*

## ENDS

## Notes to editors

1 NBN Co reserves the right to amend the list of targeted suburbs and towns for the local fibre network build at its discretion if circumstances change and if absolutely necessary.

2 Conditions, eligibility criteria and costs will apply. Eligibility criteria is expected to include, among other things, being designated by nbn as a simple premises (eg. standalone premises or Single Dwelling Unit (SDU)) and once the program is available for an eligible premises, placing an order for an **nbn**® powered plan based on an eligible wholesale speed tier. Additional costs may apply to providers, who may choose to pass this charge onto their customers. Not all providers offer plans based on the full range of wholesale speed tiers. Talk to your preferred provider for more information about availability and the right solution for your needs.

3 Regardless of the retail service you purchase, the actual wholesale speeds delivered by **nbn**'s highest residential wholesale speed tiers of 500 to close to 1000 Mbps will be less than 1Gbps due to equipment and network limitations and the peak information rate may fall anywhere in this range. In addition, the HFC Home Ultrafast bandwidth profile downstream service provided to retail providers is a ranged profile with a maximum sustained information rate of 750Mbps. Reference to speeds are not end user speeds; they are wholesale layer 2 peak information rate bandwidth provided to retail providers. An end customer's experience, including the speeds actually achieved over the **nbn** network, depends on the **nbn**® access network technology and configuration over which services are delivered to their premises, whether they are using the internet during the busy period, and some factors outside of NBN Co's control (like their equipment quality, software, chosen broadband plan, signal reception, or how their provider designs its network).

## Media enquiries

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## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Jason Ashurst / Ben Phelps

SB23-000758

**SUBJECT: NBN SAU Variation****Talking Points**

- On 17 October 2023 the Australian Competition and Consumer Commission (ACCC) accepted NBN Co Limited's (NBN Co) revised proposal to vary its Special Access Undertaking (SAU), which NBN Co lodged with the ACCC on 14 August 2023.
- The ACCC was satisfied in accepting NBN Co's SAU variation proposal that it would promote the long term interests of end users.
- NBN Co released an executable version of the Wholesale Broadband Agreement (WBA5) to retailers on 9 October 2023 with the aim of implementing the new pricing and service arrangements in the varied SAU from 1 December 2023.

**Key Issues**SAU variation process and new Wholesale Broadband Agreement (WBA5)

NBN Co's August 2023 SAU variation proposal responded to concerns raised in the ACCC's draft decision of 2 May 2023 to reject a previous SAU variation proposal lodged by NBN Co on 29 November 2022.

The ACCC undertook public consultation on the August 2023 SAU variation proposal, and also considered relevant materials from consultations on previous proposals, to inform its decision to accept the August 2023 SAU variation proposal.

In parallel to the SAU process, NBN Co has been consulting with retailers on its new Standard Form Access Agreement, known as the Wholesale Broadband Agreement (WBA5), that will implement the revised pricing and service arrangements in the varied SAU. NBN Co provided an executable version of WBA5 to retailers on 9 October 2023 and is aiming to implement it from 1 December 2023.

NBN Co's SAU variation proposal

The key changes in NBN Co's SAU variation are:

- **Access technologies** – the SAU will cover all access technologies.
- **Flat rate pricing** – the SAU variation provides for residential grade 100 megabits per second (Mbps) and higher speed tiers to be offered on a flat rate basis, with the remaining residential grade speed tiers to transition to flat rate offers by 1 July 2026.
- **Floor and ceiling price** – to provide cost certainty, there will be a minimum 'floor' price for the 12, 25, 50 Mbps fixed line and fixed wireless wholesale speed tiers and a maximum 'ceiling' price (set at \$55 in 2023-24).

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- **Price controls** – new price control arrangements based on an overall Weighted Average Price Control (WAPC) covering NBN Co's core product offerings, as well as individual prices controls.
  - Until NBN Co's annual revenues align with its regulatory allowances (expected in early 2030s), the WAPC limits annual price increases on the overall basket of residential products to the consumer price index (CPI). Individual residential product price changes until 30 June 2032 are limited to no more than 5% or CPI (whichever the higher), other than for the entry level data access offer, which would be limited to CPI increases.
  - Once NBN Co's annual revenue starts to meet its annual regulatory revenue allowance, the WAPC will be linked to the annual regulatory allowance.
- **Building block model and expenditure review** create new arrangements regarding the ACCC's assessment of expenditure that can be included in calculation of the Annual Building Block Revenue Requirement (ABBRR) and regulatory asset base (RAB). The ACCC will be able to assess NBN Co's expenditure on both an ex ante and an ex post basis.
- **Government policy project mechanism** – enable projects or programs to be deemed prudent if they are reasonably required to achieve Government policy objectives, having regard to the public interest. The ACCC would still undertake an assessment of the efficiency of the associated expenditure.
- **Initial Cost Recovery Account (ICRA)** – ICRA would be reduced from \$44 billion (estimated at the end of 2022-23 financial year) to \$12.5 billion.
- **Service standards and annual service plans** – establishes a framework for setting benchmark service standards with ACCC oversight.
- **Annual service plans** – requirement to publish, and consult on, a service improvement plan and a service performance review each financial year of the first regulatory cycle (until 2026).
- **Reporting and transparency** – new reporting commitments for service quality and network performance.
- **ACCC functions and powers** – confers additional functions and powers on the ACCC including a review of the weighted average cost of capital methodology and specifying benchmark service standards for a regulatory cycle in a replacement module determination.

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Impact of the varied SAU on consumers, industry and NBN Co

The varied SAU should provide significant benefits to consumers and industry, as reflected in statements from the ACCC and ACCC Commissioner Anna Brakey in announcing the ACCC's final decision.

- The new pricing arrangements will result in greater price stability, keeping prices in line with inflation and protecting consumers from unexpected sharp price hikes.
- The variation introduces a new framework for setting service standards that aims to deliver greater consistency in the quality of service that NBN Co provides to broadband providers. This should mean that issues such as faulty services and connection delays will be addressed more efficiently.
- The improved certainty of prices will also reduce barriers for retailers entering the market and seeking to expand their service offerings. Greater competition between retailers will lead to more choice and innovative products for consumers.
- The removal of volume-based charging is intended to encourage more efficient use of the National Broadband Network.
- The variation provides the ACCC with greater oversight of NBN Co's future expenditure, ensuring that customers only pay for prudent and efficient investments, which will encourage efficient use of and investment in the network.

The revised SAU will also benefit NBN Co by providing long term regulatory certainty, and supporting the company to earn reasonable financial returns and make efficient ongoing investments in the network.

**Background**Interim WBA arrangements

The existing Wholesale Broadband Agreement (WBA4) had been due to expire on 30 November 2022. NBN Co agreed with RSPs to extend WBA4, with enhancements (known as WBA4+). WBA4+ will be replaced by WBA5, which is expected to occur from 1 December 2023.

ICRA approach

The ICRA was created as a mechanism to give NBN Co the opportunity to earn revenue in excess of its standard regulatory allowance, over the term of the SAU, to compensate for under recovery of allowable revenue in the build phase.

NBN Co's revised SAU proposal involves a once-off adjustment to reduce the ICRA from approximately \$44 billion at the end of 2022-23 to \$12.5 billion. There was no realistic prospect of NBN Co recovering the unadjusted ICRA amount in the term of the SAU.

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The proposed approach will provide better incentives for efficient investment and promote equitable access while providing NBN Co with the opportunity to earn sufficient revenues to be commercially sustainable on a forward-looking basis.

The ACCC's October 2023 final decision states that the proposed ICRA balance and rules for its recovery are reasonable and in the long-term interests of end users.

Valuation

The accounting valuation of NBN Co that appears in the Department of Infrastructure, Transport, Regional Development, Communications and the Arts' annual report considers a range of factors including NBN Co's revenue outlook under the SAU. Any valuation change will have no impact on the Budget.

Any reduction in the **valuation reported in the department's accounts** is reported as 'other economic flow' in the operating statement and has no impact on the underlying cash balance, headline cash balance, net operating balance or fiscal balance.

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## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

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SB23-000759

**SUBJECT: NBN Shareholder Issues****Talking Points**Remuneration and Incentives

- NBN Co's remuneration and payment of incentives are a matter for the NBN Co Board and explained in NBN Co's Annual Report. The Australian Government does not set remuneration for NBN Co's executives or other employees, including incentives.
- Shareholder Ministers wrote to NBN Co in October 2022 to ask that incentive frameworks be reviewed to ascertain if improvements can be made, including to transparency and NBN Co responded in November 2022 outlining its approach thus far and future plans for governance of its incentive scheme.
- On 19 December 2022, Shareholder Ministers issued publicly the Statement of Expectations (SOE) which outlines the Government's expectations regarding remuneration. This includes the expectation that NBN Co's remuneration structure is transparent and ensures executive remuneration is aligned to key performance indicators with fit for purpose targets that incentivise high performance beyond business as usual outcomes but are restrained and justifiable to the Parliament and the Australian public.
- Remuneration is also expected to be appropriately governed and consistent with relevant industry benchmarks and Government guidance.

NBN Co Chief Executive Officer

- The position of NBN Co CEO is now listed as a Principal Executive Office (PEO) under the *Remuneration Tribunal Act 1973*. Having this position designated under the Remuneration Tribunal arrangements provides consistency between NBN Co arrangements and those of other Government Business Enterprises (GBEs)
- Mr Rue was reappointed as the CEO on 1 September 2023 for a period of 3 years. Mr Rue's contract of employment and remuneration is still set by the NBN Co Board, within the limits outlined by the Remuneration Tribunal.

Statement of Expectations

- The Australian Government issued a revised SOE to NBN Co on 19 December 2022, which will guide NBN Co's strategic direction following the Government's decision to keep the company in public hands for the foreseeable future. NBN Co's 2023 Corporate Plan which responds to the SOE was subsequently released on 20 December 2022.
- The SOE sets out the Government's expectation that NBN Co will be commercially sustainable, but also recognises that NBN Co will not be able to earn a commercial return on all of its activities, particularly in regional and remote Australia. This is consistent with the approach in the previous SOE.

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## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

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SB23-000759

**Key Issues**NBN Co CEO – Remuneration Tribunal Process

The position of NBN Co CEO is now listed as a PEO under the *Remuneration Tribunal Act 1973*. Below is an outline of the steps taken in the process:

**1. Draft Submission (April 2023)**

NBN Co prepared a draft submission to the Remuneration Tribunal which proposed a remuneration package for the CEO position.

The submission had to outline the level of remuneration being sought, and be supported by appropriate evidence to justify the level of remuneration proposed.

**2. Submission provided to Shareholder Departments (21 April 2023) and Remuneration Tribunal Secretariat (28 April 2023) to review**

NBN Co informally shared its draft submission with Shareholder Departments for comment.

The draft submission was simultaneously provided to the Remuneration Tribunal Secretariat for review / feedback. This was to ensure that the final submission made to the Tribunal contains all of the information required by the Tribunal to make a recommendation on remuneration for the NBN Co CEO position and to ensure a smooth consideration process.

**3. Minister for Communications writes to the Remuneration Tribunal (23 May 2023)**

The Minister for Communications submitted a letter to the Remuneration Tribunal supporting NBN Co's submission which set out the proposed remuneration package and supporting evidence.

**4. Final Submission to the Remuneration Tribunal (23 May 2023)**

The NBN Co Board lodged its submission to the Remuneration Tribunal, proposing a remuneration package for the CEO position. The submission was lodged four weeks ahead of the Tribunal meeting date. The submission is not public.

**5. Determination of Mr Rue's Remuneration (27 June 2023)**

The Remuneration Tribunal set a total remuneration reference rate for the NBN Co CEO position (after consulting with the Public Service Minister who sets the commencing remuneration rate on advice from the Rem tribunal) that was in line with the NBN Co submission. The NBN Co Board then had discretion to set the CEO's actual remuneration up to 5% above or 10% below the total remuneration reference rate set by the Tribunal.

The details of the final contract and remuneration are set by the NBN Co Board within the limits outlined by the Remuneration Tribunal and are not known by the Department of Infrastructure, Transport, Regional Development, Communications and the Arts.

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## 6. Declaration of PEO (30 June 2023)

Following consideration of NBN Co's submission by the Remuneration Tribunal, NBN Co was informed of the declaration of the NBN Co CEO as a PEO by the Minister of the Public Service (Minister Gallagher). The declaration was gazetted, and the CEO position was added to the Tribunal's published list of PEOs available on its website.

NBN Co Executive Remuneration

NBN Co was established under the *Corporations Act 2001* and is a GBE. Remuneration and incentives are determined by the NBN Co Board.

In response to the Commonwealth Performance Bonus Guidelines issued in August 2021, the NBN Co Board undertook a review of the performance incentive framework for its staff. Short-term incentive (STI) payments apply only to the most senior staff (Executive Committee Members and Executive General Managers) based on the achievement of performance targets set by the NBN Co Board.

The performance targets include a range of measures including; connected premises, customer service delivery trust and reputation, transformation and financial sustainability.

For other NBN Co employees, who were previously subject to the STI framework, they had 64 per cent of their former maximum at-risk remuneration incorporated into their total fixed remuneration.

The number of employees eligible to participate in the NBN Co STI program was reduced from around 3,500 in 2021 to less than 50 in 2022. As set out in NBN Co's Annual Report 2022-23, payments of at-risk pay (i.e. STI or bonuses), totalled \$5.2 million.

See **Attachment A** for remuneration details from the 2022-23 Annual Report and **Attachment B** for details of the NBN Co Board.

**Attachments**

Attachment A: NBN Co remuneration details – 2022-23 Annual Report

Attachment B: NBN Co Board details

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Date: 25/09/2023

## Attachment A

**Remuneration**

The 2022-23 Annual Report (page 92 onwards) includes the remuneration report for NBN Co and details on the payment of STI's and bonuses.

NBN Co remuneration of Senior Executives (including base salary, STI award, superannuation and long service leave), page 109 of the 2022-23 Annual Report:

		Short-term benefits		Post-employment		Other benefits		Total
		Base salary and fees <sup>1</sup> \$	STI award <sup>2</sup> \$	Superannuation \$	Other Post Employment \$	STI award deferral <sup>2</sup> \$	Long Service Leave <sup>3</sup> \$	Termination Benefits \$
<b>Senior Executives deemed to be KMP as at 30 June 2023</b>								
S Rue	2022	2,112,862	697,808	23,568	-	-	96,890	-
	2023	2,203,295	704,376	25,292	-	-	104,053	-
K Dyer	2022	1,113,265	203,593	23,568	-	476,575	44,589	-
	2023	1,157,878	254,232	25,292	-	95,315	(13,146)	-
W Irving	2022	1,080,745	187,306	23,568	-	-	9,485	-
	2023	1,006,244	228,160	25,292	-	-	15,398	-
P Knox	2022	995,577	175,090	23,568	-	-	12,861	-
	2023	958,022	218,592	25,292	-	-	17,086	-
J Parkin	2022	695,785	131,459	23,568	-	-	12,723	-
	2023	836,951	176,040	25,292	-	-	14,705	-
A Perrin	2022	-	-	-	-	-	-	-
	2023	425,973	89,951	12,646	-	-	487	-
<b>Former Executives deemed to be KMP</b>								
B Whitcomb <sup>4</sup>	2022	1,055,932	191,378	23,568	-	-	57,571	-
	2023	449,741	-	12,646	-	-	(206,685)	-
<b>Total</b>	2022	7,054,166	1,586,634	141,408	-	476,575	234,119	-
	2023	7,038,104	1,671,351	151,752	-	95,315	(68,102)	-

**\*Note**

- 2023 base salary includes annual leave paid and the movement in the annual leave provision during the period calculated in accordance with AASB 119 Employee Benefits.
- The cash component of the STI award for FY23 is to be paid in August 2023. STI award deferral is no longer applicable to STI awards from FY22 onwards. During FY23, Ms K Dyer received a retention of employment payment of \$571,890. This was recognised in FY22 and FY23 across the period to which the performance conditions to receive the payment related.
- Long service leave amounts relate to the movement in the provision for long service leave during the relevant period, which is calculated in accordance with Australian Accounting Standards. In estimating the provision, consideration is given to expected future wage and salary levels, fulfilment of service level milestones and periods of service. Expected future payments are discounted using market yields at the balance date on national corporate bonds. Long service leave provisioning is adjusted for cessation of employment, including retirement, to reflect the settlement of any entitlements.
- B Whitcomb's FY23 base salary and superannuation include amounts paid until the effective date of his resignation on 30 November 2022.

### **NBN Co remuneration of Non-Executive Directors**

Fees for Non-Executive Directors are set through the determinations of the Commonwealth Remuneration Tribunal (the Tribunal). Non-Executive Director fees (excluding superannuation) as directed by the Tribunal for FY23 and FY22:

Board position	2022-23 annual entitlement from 1 July 2022	2021-22 annual entitlement from 1 July 2021
Chair	233,180	226,930
Non-Executive Directors	116,650	113,520

### **NBN Co workforce and salaries**

Previous year - employees as at 30 June 2022 (includes ongoing, non-ongoing, full-time and part-time)	4728
Current year - employees as at 30 June 2023 (includes ongoing, non-ongoing, full-time and part-time) (pg 210 Annual Report)	4759

\*Note that the above figures are as per NBN Co's profit and loss statement but additional salary costs are capitalised by the company.

<u>NAME</u>	<u>GENDER</u>	<u>POSITION</u>	<u>FT/PT</u>	<u>STATE OF RESIDENCE</u>	<u>DATE APPOINTED</u>	<u>EXPIRY DATE</u>
Ms Kate McKENZIE	F	Chair & Director	FT PT	NSW	<b>01.01.22</b> <i>01.12.19</i>	<b>31.12.24</b> <i>30.11.22</i>
		Executive Director			<b>04.09.23</b> 09.09.21 <i>01.09.21</i>	<b>31.08.26</b> 31.08.24 <i>08.09.21</i>
Mr Stephen RUE	M		FT	NSW	<i>01.09.18</i>	<i>31.08.21</i>
		CEO			<b>01.09.18</b>	<b>31.08.26</b>
Ms Nerida CAESAR	F	Director	PT	NSW	<b>01.01.22</b>	<b>31.12.24</b>
Ms Pam BAINS	F	Director	PT	QLD	<b>19.03.22</b>	<b>18.03.25</b>
Mr Andrew DIX	M	Director	PT	VIC	<b>07.04.21</b>	<b>06.04.24</b>
Ms Nicole LOCKWOOD	F	Director	PT	WA	<b>19.03.22</b>	<b>18.03.25</b>
					<b>20.04.22</b>	<b>19.04.25</b>
Mr Michael MALONE	M	Director	PT	WA	<i>20.04.19</i> <i>20.04.16</i>	<i>19.04.22</i> <i>19.04.19</i>
Ms Elisha PARKER	F	Director	PT	QLD	<b>08.12.21</b>	<b>07.12.24</b>
Mr Mike Mrdak	M	Director	PT	ACT	<b>01.10.23</b>	<b>30.09.26</b>

Current Gender and Geographic composition		
<i>Gender balance</i>	<i>Geographic balance</i>	
Males: 4 (44.4%) Females: 5 (55.6%)	NSW: 3 VIC: 1 SA: 0 NT: 0	WA: 2 QLD: 2 TAS: 0 ACT: 1 Other (e.g. overseas): 0

## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Jason Ashurst / Ben Phelps

SB23-000760

**SUBJECT: NBN Valuation****Talking Points**

- The fair value estimate of the equity investment in NBN Co Limited (NBN Co) published in the Department of Infrastructure, Transport, Regional Development, Communications and the Arts' 2022-2023 financial statements was **\$19.5 billion** (2021-2022: \$19.7 billion).
- This figure sits at the mid-range of the valuation range assessed by the department to be between \$18.9 billion and \$20.1 billion.
- The valuation uses a discounted cashflow method (DCF), which is a forward-looking assessment of future cash flows, discounted to a net present value at 30 June 2023, in accordance with accounting standards.
- The department obtains its own technical accounting advice on the valuation. NBN Co also provides significant input to the valuation including the support of a valuation expert. The valuation is reviewed annually by the ANAO.
- The valuation will next be updated in the department's 2023-24 financial statements.
- There is no impact on the Budget of changes to the valuation. Any reduction in the value of the NBN in the department's accounts is reported as an 'other economic flow' in the Budget operating statement and has no impact on the underlying cash balance, headline cash balance, net operating balance or fiscal balance. Further questions about Budget treatment should be directed to the Department of Finance.
- The NBN has always involved a large upfront investment which incurs significant operating losses in the establishment years. We expect that this will be followed by a period of positive cash flow, then operating profits and eventually a long-term positive return to Government.

**Key Issues**30 June 2023 valuation and process

The fair value assessment of NBN Co as at 30 June 2023 is based on modelling undertaken by Kroll on behalf of NBN Co. The department engaged Ernst and Young (EY) to help critically review the valuation prepared by NBN Co and provide accounting advice on the application of accounting standards. The department is ultimately responsible for finalising the valuation on the basis of this advice.

The fair value assessment has been recognised and measured in accordance with the Australian Accounting Standards Board AASB 9 Financial Instruments and AASB 13 Fair Value Measurement accounting standards.

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The ANAO reviewed the valuation and provided an unqualified audit assessment. The valuation figure fell within a range based on the audit evidence. NBN Co is also supportive of the valuation process and the final figure adopted by the department.

The discounted cash flow model incorporates cash flow forecasts underpinning NBN Co's Integrated Operating Plan 2023-27, extrapolated to 2040. From 2027 to 2031, the cash flow forecasts are based on detailed assumptions prepared by each business unit within NBN Co. Beyond 2031, the cash flow forecasts are based on high level assumptions, which takes into account the best available forecasts regarding business structure and market conditions.

The department's adopted valuation also includes the following key assumptions (also disclosed in the note to the financial statements – see **Attachment A**):

- a hypothetical market participant purchased all the equity in NBN Co as at 30 June 2023 in an arm's length transaction.
- the hypothetical market participant would provide an initial equity injection of \$5.45 billion, such that the level of debt held by NBN Co reflected an amount that could be supported by the company on a stand-alone investment grade basis by the hypothetical market participant (2021-2022: \$6.1 billion).
- a debt drawdown of \$500 million into perpetuity within the terminal value calculation, to maintain a long-term Debt/EBITDA ratio of 7.0x (2022: \$500 million terminal year debt drawdown, with a targeted Debt/EBITDA ratio of 7.0x).
- discount rate of 9.35% (2022: 9.3%).
- terminal growth rate of 2.5% has been used to calculate the terminal value (2022: 2.5%).

#### Changes since last Financial Year

The movement in valuation between 2021-22 (\$19.7 billion) and 2022-23 of \$19.5 billion is due to a range of factors, including:

- The discount rate increased from 9.3% to 9.35% to reflect the judgements made about the identified risks to NBN Co's future cashflows. The valuation is very sensitive to the discount rate (also disclosed in the note to the financial statements at **Attachment A**).
- Long range base interest rate assumptions which are assumed higher.

#### Tax losses

For the 2022-23 year, the department again included value attributable to carried forward tax losses and future franking credits, which is the same as last year. The value attributed is based on the calculated present value of a future utilisation scenario and amounts to \$1.48 billion. This amount has been included on the advice of EY tax advisers, who advised that carried forward tax losses and franking credits could reasonably be expected to be available to the hypothetical market participant.

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NBN Co does not formally recognise any value associated with the carried forward tax losses in its financial statements. When it is closer to generating taxable profits, a tax asset will be able to be measured and recognised for the purposes of financial and taxation reporting.

**Background**

Accounting standards require a valuation based on what a hypothetical market owner would do or require, including cash flows that can be returned to a hypothetical market participant using their required rate of return on equity assumed within the discount rate and the availability of franking tax credits and carried forward tax losses.

NBN Co's financial statements recognise the historical equity contributed by the Commonwealth (\$29.8 billion to date). This contributed equity (or net asset position) published in NBN Co's 2022-23 financial statements was negative \$3.1 billion as at 30 June 2023 (2021: negative \$2.3 billion). This represents the total asset values less total liabilities and is negative as a result of historical accounting losses. This historical assessment is not the same as the forward-looking assessment of the DCF methodology.

The equity investment should not be confused with the total enterprise value of the NBN or a sale value of the NBN. These concepts are not needed to be recognised in the department's financial statements.

**Attachments**

- Attachment A: DITRICA Financial Statement notes to NBN Co Valuation

**Contact:** Ben Phelps**Cleared by First Assistant Secretary:** Jason Ashurst**Phone:** (02) s22(1)(a)(ii)**Version Number:** 01**Date:** 25/09/2023

## NBN Co Limited (NBN Co)

The department has estimated the fair value of the investment in NBN Co using the discounted cash flow valuation method, with modelling input prepared by NBN Co with assistance from external experts. The department engaged an external valuation expert to provide advice on the valuation and underpinning assumptions.

The discounted cash flow valuation calculates the equity value using the free cash flows forecast in NBN Co's Board endorsed Integrated Operating Plan from 2024-27 (IOP24) and beyond this point using detailed management assumptions until 2040. The cash flow forecasts were adjusted, where appropriate, for assumptions relating to financing and other decisions that would be adopted by a hypothetical acquirer, including the calculation of a terminal value. The forecast cash flows available to equity holders were discounted using an assumed required rate of return on equity of 9.35 per cent (2022: 9.30 per cent). The discount rate reflects current market conditions as well as an assessment of the risks in the cash flow forecast underpinning the discounted cash flow calculation. The assumptions used in the valuation are based on circumstances that a hypothetical acquirer would consider in an acquisition of the equity in NBN Co as at 30 June 2023 in an arm's length transaction. These assumptions do not in any way reflect the structure, terms and conditions that could be required by the Australian Government in the event of an actual sale of NBN Co in the future.

No decisions have been made by the Australian Government to sell all or part of the NBN. Any sale of NBN Co is prohibited by legislation until the mandatory pre-sale steps in the *National Broadband Network Companies Act 2011* have been completed in full. The assumptions adopted within the valuation do not seek to pre-empt the Australian Government's approach to a future sale of NBN Co.

The department has adopted a fair value estimate of \$19.5 billion (2022: \$19.7 billion), which considers the sensitivity of the valuation to changes in key assumptions. Expert advice indicated the fair value was supported by cross-checks against valuation multiples of entities operating in similar industries.

### Key financing assumptions

The valuation assumes a market participant acquirer would provide an equity injection on 30 June 2023, such that the level of debt held by NBN Co reflected an amount which could be supported by a standalone investment grade credit rating as at 30 June 2023.

The financing assumptions underpinning the fair value are considered to be in line with the assumptions that a market participant would make if valuing the equity in NBN Co at 30 June.

The sensitivity to the key assumptions in the valuation are set out below:

Assumption	Selection	Sensitivity	Value (\$bn)	
			Low	High
Discount rate	9.35%	+/-0.5%	17.6	21.7
Forecast total revenue	Per valuation model	+/-5% in each year	15.4	23.7
Forecast operating expenditure	Per valuation model	+/-10% in each year	17.3	21.7
Forecast capital expenditure	Per valuation model	+/-2.5% of revenue in each year	17.7	21.3
Debt interest	Per valuation model	+/-0.5%	17.7	21.2
Terminal growth rate	2.50%	+/-0.5%	18.9	20.2

We note that the value of NBN Co's historical tax losses and franking credits have been included in the valuation at respective values of \$938 million and \$546 million.

## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Jason Ashurst / Kate McMullan

SB23-000761

**SUBJECT: Telecommunications Disaster Resilience Innovation Program****Talking Points**

- The Australian Government is strengthening the resilience of telecommunications during natural disasters through the \$50 million Telecommunications Disaster Resilience Innovation (TDRI) program.
- The TDRI program will support and accelerate the development and deployment of innovative, new and emerging technologies to improve the resilience of telecommunications against the impacts of natural hazards and power outages.
- This will help ensure that Australians, particularly those in rural, regional, remote and First Nations communities, remain connected and have to access vital telecommunications services like Triple Zero when a natural disaster occurs.
- The funding application period opened on 14 August 2023 and closes 17 November 2023.
- The funding application period was extended by four weeks (from 20 October 2023 to 17 November 2023) after feedback from potential applicants advising that the extension would allow for better planned and more targeted project proposals.
- Successful applicants are expected to be notified and projects commence in early 2024.

**Key Issues**

- There are two concurrent funding rounds of the TDRI program:
  - The Power Resilience Round (\$30 million) focuses on strengthening telecommunications against the impacts of power outages – the most common cause of telecommunications outages during natural disasters.
  - The Innovation Round (\$20 million) focuses on other innovative telecommunications technologies to improve the resilience, redundancy and availability of telecommunications during and/or following a natural disaster.
- The TDRI program was announced in the 2022-23 October Budget and forms part of the Government's \$1.1 billion Better Connectivity Plan for Regional and Rural Australia.
- The policy and design of the program was informed by stakeholder input, including a public consultation process in May/June 2023. Stakeholders have been broadly supportive of the program and its objectives
- The program and all funded project activity must be completed by 31 December 2025.
- A six-month extension to the original program end date of 30 June 2025 was agreed to by the Minister and is provided for under the program's policy authority. The extension will allow grant recipients more time for project delivery.

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2023 - 2024 Supplementary Budget Estimates

Environment and Communications

Lead/Support contact: Jason Ashurst / Kate McMullan

SB23-000761

- The Ministerial Media Release for the opening of the grant funding rounds is available at [Attachment A](#).

Financial Information as at 31 August 2023

Program Start Date:	December 2022			
Program End Date:	31 December 2025			
	2022-23 \$m	2023-24 \$m	2024-25 \$m	TOTAL \$m
Appropriation Budget	5.0	22.5	22.5	50
Less:	0	0	0	0
Actual Expenditure YTD at 31 August 2023	0	0	0	0
Total Committed Funds at 31 August 2023	0	0	0	0
Total Uncommitted Funds (balance)	5.0	22.5	22.5	50
s47C				

- Figures are GST exclusive.

s47C

Attachments

Attachment A: Media Release, Minister for Communications, the Hon Michelle Rowland MP – ‘Applications open for new \$50 million program to boost telco resilience during disasters’

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Version Number: 2

Date: 18/10/2023



**The Hon Michelle Rowland MP**  
Minister for Communications  
(/rowland)

[Home \(/\)](#) > [The Hon Michelle Rowland MP \(/rowland\)](#) > [Media releases \(/rowland/media-release\)](#) > Applications open for new \$50 million program to boost telco resilience during disasters

# Applications open for new \$50 million program to boost telco resilience during disasters

Applications are now open for projects that improve the resilience of telecommunications network during natural disasters, particularly in rural, regional, remote and First Nations communities.

The Albanese Government's new \$50 million Telecommunications Disaster Resilience Innovation (TDRI) program will accelerate the development and deployment of new and innovative solutions to address communications issues during natural disasters.

There are two concurrent rounds under the TDRI that are now open for applications:

- The **\$30 million Power Resilience Round** will fund solutions that reduce the impacts of power outages – the leading cause of telecommunications disruptions during natural disasters. This includes stand-alone off grid power solutions, deployable power supplies, and technology to extend how long backup power gives to telco infrastructure; and
- The **\$20 million Innovation Round** will fund innovative earlier-stage technologies to improve the resiliency, redundancy and availability of telecommunications during disasters. This includes new or enhanced satellite connectivity – like Low Earth Orbit Satellites (LEOSats) – and new ways to monitor networks and share critical information with emergency services.



Grants are generally available for Mobile Network Operators (MNOs), Mobile Network Infrastructure Providers (MNIPs), NBN Co, or companies with an ABN with relevant expertise or experience.

Reliable communications is vital in emergencies and natural disasters to ensure Australians can contact Triple Zero, receive emergency information, and stay in touch with family and friends.

The TDRI program is part of the Albanese Government's \$1.1 billion Better Connectivity Plan for Regional and Rural Australia. The Plan includes \$656 million to improve mobile and broadband connectivity and resilience in rural and regional Australia.

This new program complements work taken by the Albanese Government to boost the resilience of ABC broadcasting towers across Australia through its \$20 million Broadcasting Resilience Program, (<https://aph.us20.list-manage.com/track/click?u=24e3428e38070f0f3cc94069c&id=e22175bdf6&e=0e264f85c8>) and work to boost the resilience of mobile networks under the \$15 million Mobile Network Hardening Program (MNHP). (<https://aph.us20.list-manage.com/track/click?u=24e3428e38070f0f3cc94069c&id=fe028ce118&e=0e264f85c8>)

Applications for both streams of the TDRI program are open until 5:00pm AEDT Friday 20 October 2023.

For more information on the Power Resilience and Innovation Rounds of the TDRI program, please visit: [www.infrastructure.gov.au/media-communications-arts/phone/telecommunications-disaster-resilience-innovation-program](http://www.infrastructure.gov.au/media-communications-arts/phone/telecommunications-disaster-resilience-innovation-program) (<https://aph.us20.list-manage.com/track/click?u=24e3428e38070f0f3cc94069c&id=e323d61a46&e=0e264f85c8>)

#### **Quotes attributable to Minister for Communications, the Hon Michelle Rowland MP:**

*"Access to telecommunications coverage during a natural disaster can be the difference between life and death.*

*"While no network is ever 100 per cent disaster-proof, the Albanese Government is determined to do what we can to boost the resilience of our telecommunications networks.*

*"The new Telecommunications Disaster Resilience Innovation program will fund a wide range of innovative local projects across Australia to reduce the likelihood of telco outages during disasters.*

*"I strongly encourage the sector to engage with communities across the country to develop and submit proposals that will ensure Australians are able to stay connected when they need it most."*

#### **Quotes attributable to Minister for Emergency Management, Murray Watt:**



*"The announcement is a welcome step forward in protecting Australia's telecommunications resources in an emergency.*

*"During natural disasters conditions change rapidly, and being able to send and receive emergency information, and check on family and friends is crucial.*

*"This is another step in the Albanese Government's plan to ensure we're better prepared for disasters, through investments in mitigation and resilience works, upgraded warning systems and more reliable communication systems."*

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MEDIA RELEASE

Monday 14 August 2023

JOINT RELEASE WITH

**Senator The Hon Murray Watt**

Minister for Emergency Management

eased under the FOI Act 1982 by the Department of Infrastructure  
nsport, Regional Development, Communications and the Arts

## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Jason Ashurst / s22(1)(a)(ii)

SB23-000762

**SUBJECT: First Nations Digital Inclusion****Talking Points**

- The inclusion of Target 17 in the National Agreement on Closing the Gap – which commits parties to the goal of equal levels of digital inclusion by 2026 – reflects the importance of addressing the digital divide for First Nations Australians.
- The First Nations Digital Inclusion Advisory Group (Advisory Group), funded through the October 2022 budget and announced on 18 January 2022, advises the Minister for Communications on practical measures to support progress towards Target 17.
- The Advisory Group is chaired by Ms Dot West OAM, and its members include Associate Professor Lyndon Ormond-Parker (Deputy Chair), Professor Bronwyn Carlson, Ms Talei Elu and Ms Naomi Moran.
- The Advisory Group provided its initial report to the Minister in August 2023. The report will be made public in due course.

**Key Issues***First Nations Digital Inclusion Advisory Group – initial report*

The Advisory Group provided its initial report to Minister Rowland on 9 August 2023. The report recommends the delivery of targeted measures to improve access to affordable and reliable connectivity and to help support First Nations people have the digital skills they need to be safe online, and are aware of their connectivity options. (Summary at **Attachment A**)

The central principle underpinning the Advisory Group's advice is developing and designing policies in close collaboration with First Nations people and communities, including recognising the diversity of First Nations communities, and their different needs and priorities.

The discussion in the initial report was guided by the priorities for future work identified in the First Nations Digital Inclusion Plan 2023-2026 which was released on 23 July 2023, and the National Agreement on Closing the Gap, including the Priority Reforms.

The initial report has been shared with states and territories at the ministerial and departmental level, industry (NBN Co, Telstra and Optus at this stage) and relevant agencies across the Commonwealth. This reflects that many recommendations have implications for those stakeholders, and also allows the Advisory Group to test its policy advice with stakeholders in its upcoming engagements with them.

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Date: 25/09/2023

## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Jason Ashurst / s22(1)(a)(ii)

SB23-000762

Engagement with First Nations people and communities

The establishment of the Advisory Group demonstrates the Australian Government's commitment to Target 17 and helps ensure First Nations views and perspectives are prioritised in supporting First Nations digital inclusion.

The Advisory Group is working with First Nations people and communities, including First Nations Media Australia, in developing its advice. The members of the Advisory Group are all First Nations Australians, including a representative from the Torres Strait Islands.

The co-chair of First Nations Media Australia, Ms Naomi Moran, is an ex officio member of the Advisory Group, reflecting the importance of working closely with FNMA, the peak body for Target 17.

Progress to date

The Advisory Group officially met four times: 18 January 2023, 20 February 2023, 20 April 2023, and 11 July 2023. Communiques from each meeting are available on the Department of Infrastructure, Transport, Regional Development, Communications and the Arts' website. Its initial report was provided to government in August 2023.

The Advisory Group also engaged extensively with First Nations organisations, states and territories, industry stakeholders from the telco, media and broadcasting sectors, and the not-for-profit sector, including the Australian Communications Consumer Action Network (ACCAN), the Northern Land Council, Central Land Council, and the Northern Australian Indigenous Reference Group.

The Chair, Ms Dot West OAM, participates in NBN Co's Low Income and Digital Inclusion Forum and the department's LEOSats Working Group. She has attended a number of meetings with Ministers, including NIAA's Central Australian Forum on 5 April and the Regional Connectivity Ministers Roundtable on 11 August.

The Advisory Group has also made submissions on issues such as: round three of the Regional Connectivity Program to highlight ways the Program could better address concerns of First Nations stakeholders, the review of the Telecommunications Consumer Protections Code, and the ACMA's Financial Hardship Determination.

Next steps

The Advisory Group's next phase of work will be to consider how to progress the recommendations from its initial report, as well as starting to develop a longer-term roadmap on First Nations digital inclusion. Over the next three to six months, the Advisory Group will also engage further with stakeholders, including communities in Tasmania, Far North Queensland, Western Australia and the Northern Territory.

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Version Number: 04

Date: 25/09/2023

## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Jason Ashurst / s22(1)(a)(ii)

SB23-000762

**Background**Australian Digital Inclusion Index (ADII) 2023 results

The latest ADII released in July 2023 provides a means of measuring the scale and nature of the digital gap for the first time for First Nations Australians. In 2023, there was an overall Index Score of 73.4 for non-First Nations Australians and 65.9 for First Nations Australians, reflecting a national gap of 7.5 for First Nations people.

The results show that digital inclusion declines with remoteness. First Nations people living in remote (49.0) and very remote (48.0) areas had particularly low levels of digital inclusion, respectively 24.4 and 25.3 points below the national non-First Nations average.

Outcome 17 of the National Agreement on Closing the Gap

While robust data on First Nations digital inclusion remains scarce, available indicators all point towards a digital divide which is either static or increasing. Compounded by other sources of disadvantage such as geography and income levels, digital exclusion impacts on the social, educational and economic opportunities available to First Nations people.

The National Agreement on Closing the Gap includes Outcome 17, which is focused on ensuring that Aboriginal and Torres Strait Islander people have access to information and services enabling participation in informed decision-making regarding their own lives. The target for measuring progress against this outcome is that by 2026, Aboriginal and Torres Strait Islander people have equal levels of digital inclusion (Target 17).

Selection of members of the Advisory Group

The department identified a list of possible members (most of whom were First Nations Australians) for the Advisory Group on the basis of their knowledge and expertise in broadcasting and media, digital inclusion, data, telecommunications and online safety. Geographical considerations were taken into account to ensure wide national coverage.

The department has confirmed the members do not have conflicts of interest which would impact on their ability to undertake their duties fairly and appropriately. The Terms of Reference outline arrangements to manage any potential conflict of interest which is identified or which arises over the course of the Advisory Group's work.

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Date: 25/09/2023

## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Jason Ashurst / s22(1)(a)(ii)

SB23-000762

## Financial Information

Program/Project Start Date:	1 July 2022					
Program/Project End Date:	30 June 2027					
	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m	<b>TOTAL \$m</b>
Appropriation Budget	0.463	0.533	0.500	0.499	0.505	2.500
Actual Expenditure YTD	0.380	0.130	0.000	0.000	0.000	0.510
Total committed funding	0.000	0.000	0.000	0.000	0.000	0.000
Total uncommitted	0.083	0.403	0.500	0.499	0.505	1.990

Note: funding has only been used for the purposes of undertaking the work of the Advisory Group.

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Version Number: 04

Date: 25/09/2023

## Attachment A: Summary of Initial Report Recommendations

Recommendations	Description
<i>Rec: 1.1 - Improve program design and delivery to support First Nations needs and priorities</i>	<ul style="list-style-type: none"> <li>Reflects stakeholder feedback indicating that the current process for applying for grant programs seems to favour larger organisations familiar with navigating complex application requirements</li> </ul>
<i>Rec: 1.2 - Strengthen and raise awareness of consumer protections for First Nations Australians</i>	<ul style="list-style-type: none"> <li>Includes recommendations around improving consumer protections as well as USO/USG reform.</li> </ul>
<i>Rec: 1.3 – Explore alternative technologies beyond traditional terrestrial solutions</i>	<ul style="list-style-type: none"> <li>In line with the work of the LEOSat Working Group. This recommendation considers the potential for the Australian Government to partner with a LEOSats provider to deliver a LEOSat pilot project in 8 to 10 remote communities.</li> </ul>
<i>Rec: 1.4 – Work with NBN Co to assist and encourage retailers to deliver prepaid broadband services</i>	<ul style="list-style-type: none"> <li>Post-paid services are not always a suitable option for First Nations customers due to low and unpredictable income levels. Developing a prepaid option for broadband would help provide a reliable and affordable option for First Nations customers wanting to access the internet.</li> </ul>
<i>Rec: 1.5 – Increase the Telephone Allowance to reflect contemporary use on telecommunications services</i>	<ul style="list-style-type: none"> <li>The current amount of \$33.40 per quarter is outdated and does not account for the contemporary costs associated with a mobile plan or prepaid recharge amount. The Advisory Group recommends this amount be increased to \$35 per month, which reflects the price of a prepaid charge</li> </ul>
<i>Rec 1.6 – Partner with industry to support a network of digital mentors in communities of need</i>	<ul style="list-style-type: none"> <li>This program would centre on the need for First Nations mentors living in community to provide connectivity and troubleshooting support.</li> </ul>
<i>Rec 1.7 – Improve alignment across Government on First Nations digital inclusion policy and the delivery of relevant programs</i>	<ul style="list-style-type: none"> <li>Recommends that the Australian Government commits to establishing a multilateral forum with states and territories and establish a cross-governmental steering committee, including representatives from NIAA, DSS, the Department of Education, and others.</li> </ul>
<i>Rec: 1.8 - Work with telcos to provide unmetered access to government websites and First Nations free-to-air television services</i>	<ul style="list-style-type: none"> <li>Previously identified by the DDMM as a priority. Similar to the Zero Data Initiative in New Zealand.</li> </ul>
<i>Rec: 1.9 - Establish an upgrade and maintenance program for VAST DTH in small First Nations communities and homelands</i>	<ul style="list-style-type: none"> <li>Includes installation of VAST equipment for households that have never had it previously, supplying more robust satellite receivers, and establishing an ongoing monitoring and maintenance program.</li> </ul>
<i>Rec: 1.10 - Fund a trial for rebroadcasting technology in remote First Nations communities as an alternative to VAST</i>	<ul style="list-style-type: none"> <li>Recommends that the Australian Government fund a pilot for rebroadcasting technology in remote communities that participate in the Remote Indigenous Broadcasting Scheme (RIBS).</li> </ul>

## Attachment A: Summary of Initial Report Recommendations

<i>Rec: 1.11 - Upgrade broadcasting and digital infrastructure to meet current industry standards and work health and safety requirements</i>	<ul style="list-style-type: none"> <li>Developed in light of stakeholder feedback indicating that the infrastructure and broadcasting facilities in many remote communities are not currently up to industry standard.</li> </ul>
<i>Rec: 1.12 – Fund a First Nations support hub to support connectivity literacy</i>	<ul style="list-style-type: none"> <li>This proposal would support First Nations communities of need in identifying their connectivity needs and the solutions that would be suit them.</li> </ul>
<i>Rec: 1.13 - Establish a National Device Bank to provide households with refurbished devices</i>	<ul style="list-style-type: none"> <li>Developed to support the device aspect of digital access.</li> </ul>
<i>Rec: 1.14 - Partner with telcos to provide grants for community Wi-Fi</i>	<ul style="list-style-type: none"> <li>Community Wi-Fi can help alleviate issues associated with accessing and affording an internet connection in the home. This proposal can be developed to provide options for unmetered access to certain websites and possible prepaid options for customers who want to opt in on a flexible basis.</li> </ul>
<i>Rec 2.1 – Expansion of the ADII</i>	<ul style="list-style-type: none"> <li>Recommends that the Australian Government partner with Telstra and RMIT University to expand the Australian Digital Inclusion Index, in alignment with Priority Reform Four.</li> </ul>
<i>Rec: 2.2 - Formalise arrangements for data sharing with telcos, particularly NBN Co and Telstra</i>	<ul style="list-style-type: none"> <li>Recommends data sharing be formalised to support ongoing analysis and mapping of connectivity across Australia.</li> </ul>
<i>Rec: 2.3 - Reinstate and refine the internet use question in Census 2026</i>	<ul style="list-style-type: none"> <li>The data collected from an improved internet use question in the census will provide a better understanding of the types of digital inclusion opportunities and barriers facing First Nations people and households.</li> </ul>
<i>Rec: 2.4 - Develop a national map of connectivity data in collaboration with states and territories</i>	<ul style="list-style-type: none"> <li>Recommends that the Australian Government funds a national map of connectivity data, including on mobile and broadcasting.</li> </ul>
<i>Rec: 2.5 - Co-fund a data collection program on First Nations digital inclusion in regional and metro areas</i>	<ul style="list-style-type: none"> <li>Recommends that data be collected in regional and metro areas to compliment the data being collected in remote and very remote First Nations communities.</li> </ul>
<i>Rec: 3.1 - Encourage telcos to increase First Nations recruitment, including at senior levels</i>	<ul style="list-style-type: none"> <li>Recommends that the Australian Government encourage telcos to improve their recruitment of First Nations employees and strengthen their internal processes around collaboration and engagement.</li> </ul>
<i>Rec: 3.2 - Active recruitment of First Nations Australians across government</i>	<ul style="list-style-type: none"> <li>This recommendation is not only about improving the presence of First Nations Australians across government workspaces, but also about amplifying their knowledge and experiences.</li> </ul>
<i>Rec: 3.3 - Embed local engagement requirements in program guidelines/criteria</i>	<ul style="list-style-type: none"> <li>This recommendation aims to ensure that engagement with First Nations people and communities is rich, thorough and culturally appropriate.</li> </ul>



## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Jason Ashurst

SB23-000763

## SUBJECT: Free NBN Services for up to 30,000 Families Election Commitment

### Talking Points

- To boost education opportunities and narrow the digital divide, the Minister for Communications launched the School Student Broadband Initiative offering up to 30,000 eligible families free NBN services for 12 months. NBN Co is leading implementation of the initiative with the support of \$4.5 million allocated in the 2022-23 October Budget.
- This is the first time a measure of this kind has been rolled out nationally and working with vulnerable communities takes time – both initiating engagement and building understanding of the initiative. We used a measured approach in the first phase of implementation with a small number of national charities brought on board to refine processes, and provide advice about the implementation as necessary.
- The initiative is building momentum with the participation of over 50 nominating organisations including: state and territory education departments, the non-government school sector, charities and local community organisations, social housing providers and individual schools. Federal MPs and Senators are also able to identify and nominate families.
- As at September 2023, [22,000] eligible families have been issued vouchers to establish a free service and [3,200] NBN orders had been placed and connected or are in the process of connecting. Over the last four weeks there has been a [58] per cent increase in connections under the initiative.

Nominations	Ineligible	Eligible/vouchers issued	Families connected/pending
39,000	17,000	22,000	3,200

- The conversion rate of issued vouchers to connections is currently lower than expected. Work is underway through nominating organisations to remind and help families use their voucher and order a free service.
- To provide families the best opportunity to access the initiative, the nomination period has been extended to 30 April 2024. Anglicare Victoria has been engaged as a national referral centre to assess any family that is referred or self-nominate, and will also assist current nominating organisations in motivating eligible families to use their voucher.
- The Australian Government is considering longer term options for the initiative to provide certainty for the first families connected whose free service are scheduled to expire in March 2024.

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Version Number: 1

Date: 25/09/2023

## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Jason Ashurst

SB23-000763

**Key Issues**

NBN Co establishes agreements with nominating organisations who work with vulnerable communities to identify families that could benefit from free broadband at home.

To be eligible, a family must:

- Have a child living at home enrolled in an Australian school.
- Be referred by a nominating organisation.
- Have no active broadband service over the NBN network.
- Live in a premises where they can access a standard NBN service.

NBN Co also partners with retail service providers (RSPs) who are compensated for their costs in delivering the free services via rebates and subsidies. Eight RSPs are currently providing free services, reflecting strong industry support for the initiative: Aussie Broadband, Belong (Telstra), Exetel, Launtel, Lemonade Broadband (Connected Australia), SkyMesh, Superloop and Vodafone (TPG).

Services are available across the NBN Network, providing 50 megabits per second (Mbps) fixed-line services, Fixed-Wireless Plus and Sky Muster Plus services, depending on where the family lives, with large or unlimited data quotas.

The most up to date information about the initiative is available on the Department of Infrastructure, Transport, Regional Development, Communications and the Arts' website.

Limited Access Areas

There are approximately 200 'limited access areas', comprising islands and remote areas with poor road access, currently ineligible to receive free services due to high costs and timeframes necessary for NBN Co to install equipment and maintain services. The department and NBN Co are exploring options to assist ineligible families in these areas.

Integrity measures to minimise the risk of the free broadband initiative being gamed

Nominating organisations are responsible for identifying and assessing the need and ability of students and families to take advantage of free services. NBN Co checks whether addresses of nominated families have an active NBN service. All nominated families that are NBN serviceable and do not have an active NBN service receive a voucher that they can use to place an order for a free NBN service.

NBN Co has built an online portal so organisations can directly and securely register nominations and RSPs can check eligibility using unique voucher codes supplied to families before providing free services. The system is also used by NBN Co to monitor the

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## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Jason Ashurst

SB23-000763

nomination process, if families have recently disconnected from the NBN and to ensure fair distribution of available services between the states and territories.

NBN Co and the department are aware of anecdotal reports, including posts in online forums, that some families may be disconnecting their existing NBN service to then apply for and receive a free service through the initiative. This issue is being monitored and measures could be put in place, such as a cooling off period (for example, 30 days disconnected), if there is evidence this is continuing to occur or becoming a systemic issue.

#### Grant of \$4.5 million provided to NBN Co

There is a Government grant of \$4.5 million to NBN Co to support the delivery of the initiative. The grant opportunity was limited to NBN Co as the only entity that can undertake this project reflecting the social purpose and non-commercial nature of this initiative and the uncertainty regarding demand for and take-up of the free services.

The grant opportunity to access this funding was published on 9 January 2023 and applications closed on 23 January 2023. The Minister approved the grant outcome to NBN Co on 15 March 2023. Terms of the Funding Agreement are being negotiated between NBN Co and the Business Grants Hub (Department of Industry, Science and Resources).

The total cost of the initiative depends on take-up, and estimates are commercially sensitive for NBN Co.

#### Access to devices and digital capability

This initiative is targeted at providing free NBN broadband services for those that can't afford the service under normal circumstances. Nominating organisations identify students and families who have, or can access, digital skills training and devices to safely use the internet. In most cases, children receive digital skills and devices through the school system. Some community organisations also have programs providing devices and training.

#### Families facing affordability challenges unable to access the initiative

Families with an existing NBN service are ineligible to access this initiative, despite facing affordability challenges.

Affordability is an issue that will be given broader consideration in the Government's consideration of longer-term solutions to ensure children are not digitally excluded and their education is not disadvantaged.

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**2023 - 2024 Supplementary Budget Estimates****Environment and Communications****Lead/Support contact: Jason Ashurst****SB23-000763****Transition arrangements for families after the 12-month free period**

A number of transition options are under consideration including: extending free services, offering discounted plans, or discontinuing the service. Information gathered through the implementation of the initiative will inform the approach.

The new measure will compliment measures that NBN Co has already put in place with RSPs to prevent 'bill shock' for participating families.

**Contact:** Jason Ashurst**Cleared by First Assistant Secretary:** Jason Ashurst**Phone:** (02) s22(1)(a)(ii)**Version Number:** 1**Date:** 25/09/2023

## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Nicolle Power / Jason Ashurst

SB23-000764

**SUBJECT: Universal Service – Delivery and Reform****Talking Points**

- There are a range of protections in statute and contract to ensure people in premises across Australia have access to fixed telephone, broadband and payphone services.
- In administering these arrangements, the Department of Infrastructure, Transport, Regional Development, Communications and the Arts engages widely with stakeholders to understand the extent to which current arrangements are effective and meet consumer needs.
- The Minister has said she wants to further consider Universal Service Obligation (USO) arrangements, and this would necessarily be on a consultative basis with all stakeholders.

**Key Issues**

- The Productivity Commission and past Regional Telecommunications Independent Review Committees have previously looked at the USO.
- Some stakeholders have suggested better service outcomes can be delivered given the significant money directed at the USO and changes in industry structure, consumer preferences and technologies and investment in regional and remote networks.
- Minister Rowland has recently publicly stated, including in an interview with CommsDay published on 30 May, that there is a case to look at the universal service arrangements and to see if outcomes can be delivered better (Attachment A).
- While new technologies, including LEOSats, and changing market dynamics has been raised as providing the potential for a new approach, any future change would need to carefully consider and weight up implications, including for consumers.
- It is clear for example that rural and remote consumers expect robust, resilient and reliable services proven in the Australian environment and geography.
- The department continues to engage with industry and consumer groups to understand technology and market developments and consumer perspectives.

*Universal service arrangements and mobile services*

- The USO does not currently extend to mobiles. While mobile coverage is high on a per population basis, given Australia's size, 100% landmass terrestrial coverage is not currently commercially viable (noting the Australian Government is supporting mobile coverage expansion through co-investment programs).

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## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Nicolle Power / Jason Ashurst

SB23-000764

- The Government is carefully monitoring technology developments and implications for universal service delivery, including through the LEO Working Group. For example, Optus has announced plans over coming years to use Starlink LEOsats to support 100% outdoor landmass coverage from existing phones, starting with messaging, followed by voice and then basic data.

**Background**

- NBN Co is the default provider of broadband services nationally and its network supports voice services in NBN Co's fixed line and fixed wireless footprints (that is, the vast majority of fixed voice services). This is locked in by the statutory infrastructure provider (SIP) laws that took effect on 1 July 2020.
- Telstra is the regulated Universal Service Obligation (USO) provider and must offer voice services nationally. The statutory USO is backed up by a 20-year contract (running to 30 June 2032), which includes requirements to maintain copper to support voice services outside the NBN fixed line network
- At 31 July 2023, Telstra had around 290,000 USO voice services outside the fixed NBN footprint. It also offers ADSL services on a commercial basis outside the fixed line footprint.
- Telstra receives \$230 million for USO voice services and \$40 million for payphones. The cost of the USO and other public interest telecommunications services is met by \$100 million in Commonwealth funding, with the balance met from the Telecommunications Industry Levy.
- To date Telstra has met relevant contractual requirements for annual payment.

*Performance and reliability of existing voice services*

- Telstra provides quarterly public reports on its performance delivering USO telephone services in regional and remote areas, and some additional monthly reporting to the department and ACMA. This shows availability is high overall and in most exchange service areas.
- We do hear occasional reports of poor consumer experiences, particularly long fault repair times, but such cases are the clear minority.

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Lead/Support contact: Nicolle Power / Jason Ashurst

SB23-000764

*Payphones*

- Most consumers prefer to use fixed and mobile phones, but payphones still play a role, particularly for vulnerable members of the community and in locations without mobile coverage.
- In August 2021, Telstra made national calls from payphones free of charge to consumers, leading to some increased usage. Telstra has publicly indicated around 23 million calls were made in the past 12 months.
- In August 2022, Telstra enabled free Wi-Fi from existing equipment installed at around 3,000 payphones (out of around 14,500 payphones nationally).
- Telstra has publicly indicated it is installing, at its own cost, battery backup and Wi-Fi at 1,000 payphones in areas it has identified as disaster prone, and an aspirational goal to expand free Wi-Fi to further payphones.
- Decisions to support Wi-Fi from payphones is a commercial matter for Telstra, and not required as part of the regulatory or contractual USO framework.

**Attachments**

A: Rowland on priorities including USO reform - CD - 30 May 2023

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**2023 - 2024 Supplementary Budget Estimates**

**Environment and Communications**

**Lead/Support contact: Nicolle Power / Jason Ashurst**

**SB23-000764**

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## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Jason Ashurst / Nicolle Power

SB23-000765

**SUBJECT: National Audit of Mobile Coverage****Talking Points**

- The Australian Government allocated up to \$20 million in the 2022-23 Budget for a national audit of mobile coverage, in line with its election commitment.
- The audit will help identify mobile coverage black spots and target future investment, and also allow the Government to confirm the accuracy of carrier coverage maps.
- The Request for Tender (RFT) for the Audit was released on AusTender on 12 September 2023 and closes on 15 November 2023.
- The timing for delivery of the Audit will depend on the successful tenderer's proposal.
- We have worked closely with Australia Post and sought technical and probity advice in finalising the RFT.

**Key Issues***Structure of the RFT*

- The Request for Tender (RFT) proposes a modular approach:
  - Module A – a national pilot across all states and mainland territories, including 24 towns and 24 stretches of roads.
  - Module B – main audit – across all states and mainland territories, including 75 locations and a minimum road set of about 60,000km, with audits to be held annually over at least three years.
  - Module C – other data that tenderers can provide to complement the data to be collected during the Audit – this could, for example, include crowd sourced data.

*Conduct of the RFT*

- As a procurement the Audit is subject to the Public Governance, Performance and Accountability Act 2013 and the Commonwealth Procurement Rules. There is no direct role for the Minister in this decision-making.

*Outcomes from the audit*

- The precise scope of the audit will be confirmed once tenders have been received and a successful tenderer selected.
- Our expectation is that we will be able to share data with industry regulators and state and territory governments and would publish results in some form.

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Lead/Support contact: Jason Ashurst / Nicolle Power

SB23-000765

*Request for Information*

- The Request for Information (RFI) closed on 7 August 2023.
- The Department of Infrastructure, Transport, Regional Development, Communications and the Arts received 24 responses from a mix of mobile auditing and technology companies, state and territory governments and consumer, industry and regional representatives. This feedback was considered in finalising the RFT.

*Australia Post's role*

- The RFT states that tenderers must utilise Australia Post assets in some capacity across all states and mainland territories. Tenderers will also need to propose additional solutions (such as their own drive by testing) to audit roads and locations where Australia Post does not have a presence.
- Tenderers would need to enter into an agreement with Australia Post to use its assets.
- Australia Post's pricing is confidential information for the purposes of the Audit. s47C

*Technical advice*

- On 25 May 2023 the department contracted Nova Systems as technical advisers for the Audit for a total contract price capped at \$330,700 (including contract extensions). The contract was structured into an initial term (ending on 30 June 2023) enabling up to \$100,000 for the most immediate work (and three extension options).
- The initial Nova contract was not extended prior to 30 June 2023 and so expired. A new contract was negotiated for the period 1 July 2023 to 24 December 2025 (excluding contract extensions), at a maximum capped fee of \$182,842.
- s47G(1)(a)

**Background**

There have been long-standing concerns about the accuracy of carriers' predictive mobile coverage maps relative to actual service availability on the ground. The 2021 Regional Telecommunications Review found that network coverage information provided by mobile network operators relates poorly to consumers' 'real world' experience of mobile coverage. During the 2022 election, the Government indicated it would undertake a national audit, 'through an innovative partnership to place mobile signal measurement devices on Australia Post's transport assets' to better identify mobile coverage black spots and guide investment priorities. It proposed \$20m for the audit, which was later Budgeted.

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Lead/Support contact: Jason Ashurst / Nicolle Power

SB23-000765

The May 2023 Senate estimates (SQ23-004743) asked how long the Audit was expected to take.

**Answer:**

*Under the 2022 Budget, funding was provided for the National Audit of Mobile Coverage (the Audit) over five years till 2026-27, with the Audit to be delivered through a competitive procurement process. The Department of Infrastructure, Transport, Regional Development, Communications and the Arts released a Request for Information in relation to the National Audit of Mobile Coverage (the Audit) on AusTender on 30 June 2023. The Request for Information invites comments on a draft Statement of Requirements for the Audit.*

*The draft Statement of Requirements sets out a modular structure for the Audit, including a pilot audit and then a main audit. The draft Statement of Requirements envisages that a main audit could be completed within one year, but should then be repeated over a minimum of three successive years. The exact timing of the audits will be subject to the procurement process.*

Australia Post has reported it has previously worked with Ranlytics on mobile coverage monitoring, albeit on a limited scale. We have discussed the audit with state and territory officials, who are interested in accessing coverage data from the Commonwealth.

Sparke Helmore Lawyers has been appointed as the probity advisers for the audit procurement. The contract period is 28 February 2023 to 22 December 2023. Its maximum capped fee is \$55,777.50 (GST inclusive). As of 1 September 2023, the department has paid \$42,046.79 for probity services.

Media interest

Following the release of the RFT there was some media interest in the RFT, including from Commsday (**Attachments A and B**), which incorrectly indicated that organisations could tender for Module C (additional data) separate to the pilot and main audit. The RFT documentation makes it clear that tenderers must be able to deliver Modules A and B with the additional option of Module C. Service will be provided by a single service provider who may also collaborate with others.

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## Environment and Communications

Lead/Support contact: Jason Ashurst / Nicolle Power

SB23-000765

**Financial Information as at 31 August 2023** (following movement of funds)

<b>Program/Project Start Date:</b>					
<b>Program/Project End Date:</b>					
	2023-24 \$m	2024-25 \$m	2026-27 \$m	<b>2027-28</b>	<b>TOTAL \$m</b>
Appropriation Budget	16.346	1.218	1.218	1.218	<b>20</b>
Actual Expenditure YTD at 31 August 2023	nil	nil	nil	nil	<b>nil</b>
Total Uncommitted Funds (balance)	16.346	1.218	1.218	1.218	<b>20</b>

*Note: Committed funds relate to funds committed under a Funding Agreement, Contract or Program of Works where the project, Profile and Conditions have been agreed to, or a formal offer has been made pending agreement, by the recipient.*

\$5.128 million of unspent funds from 2022-23 has been rephased to 2023-24. Further rephasing will be considered if/as needed.

**Attachments**

Attachment A - Minister's Media Release, 12 September 2023

Attachment B - Commsday, 13 September 2023

**Contact:** Nicolle Power**Cleared by First Assistant Secretary:** Jason Ashurst**Phone:** (02) s22(1)(a)(ii)**Version Number:** 01**Date:** 25/09/2023



**The Hon Michelle Rowland MP**  
Minister for Communications

## **MEDIA RELEASE**

### **Tender opens for the National Audit of Mobile Coverage**

I welcome the release by the Department of Infrastructure, Transport, Regional Development, Communications and the Arts of the request for tender (RFT) to conduct a National Audit of Mobile Coverage.

This is a key milestone towards the Government's efforts to audit mobile coverage across the country.

The aim of the Audit is to better identify mobile coverage black spots to help target future investment, and to assess the accuracy of carrier coverage maps.

The RFT was informed by consultation through a request for information process, including from a range of industry, consumer and community stakeholders.

The RFT will seek proposals to deliver the Audit over a period of up to five years and it is anticipated that the Audit will be delivered through a modular approach. This will include an initial proof of concept through a pilot followed by a more comprehensive main audit. The department is also seeking existing and additional mobile coverage data such as crowd-sourced data or data from other audits.

The Audit is part of the Government's [Better Connectivity Plan for Regional and Rural Australia](#) and a 2022 federal election commitment, with the October 2022-23 Budget confirming \$20 million over 5 years to conduct the audit.

The Audit aims to leverage Australia Post infrastructure and assets, alongside other partnerships and approaches.

The RFT will close November 15<sup>th</sup>.

To apply, and for more information about the RFT, visit [Austender.gov.au](https://austender.gov.au).

#### **Quotes attributable to Minister for Communications, the Hon Michelle Rowland MP:**

*"This tender is another important step in delivering the mobile coverage audit in a way that best supports our Better Connectivity Plan for Regional and Rural Australia – I would like to thank*

*those who provided feedback in response to the RFI in particular for helping us take this next step.*

*The Albanese Government remains committed to boosting mobile coverage and capacity right around Australia. This audit will help identify mobile black spots and capacity issues where local experience doesn't reflect predictive maps, allowing us to better target investment and policy options that help people get – and remain – connected.”*

**TUESDAY, 12 SEPTEMBER 2023**

**MEDIA CONTACT:** s22(1)(a)(ii)

M: s22(1)(a)(ii) E: s22(1)(a)(ii) [@mo.communications.gov.au](mailto:s22(1)(a)(ii)@mo.communications.gov.au)

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## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Jason Ashurst / Nicolle Power

SB23-000766

**SUBJECT: NBN Upgrades – Fixed Wireless****Talking Points**

- NBN Co is well progressed with implementation of upgrades to the fixed wireless network and improvements to its satellite network to enhance quality of service and consumer experience, improve reliability and meet current and future demand.
- The Australian Government provided \$480 million in grant funding to NBN Co towards upgrading service quality for the one million premises outside the NBN fixed-line footprint. NBN Co is contributing \$270 million to the upgrade.
- Work is well underway, with 25,000 originally satellite premises now eligible to access fixed wireless services.
- Tower capacity is also being progressively increased with more than 12,000 fixed wireless cells added in FY23 (through this and other NBN Co programs), exceeding the program target.
- This upgrade also is also benefiting NBN satellite users through the decongestion of Sky Muster satellite beams, allowing NBN Co to provide more data and improved products.
- On 1 June, NBN Co announced a new Sky Muster Plus Premium service that provides unmetered data 24 hours a day and faster speeds of up to 100 megabits per second.
- As at 14 September, a total of 23,486 homes and businesses have taken up the new unmetered satellite service, which represents 50.7 per cent of all Sky Muster Plus plans.
- While Starlink is creating competition in the satellite space, impacts on NBN Co to date have been limited due to the non-commercial nature of regional and remote NBN services (which are cross-subsidised by the NBN fixed-line network).

**Key Issues**NBN Fixed Wireless and Satellite Upgrade

The Government provided the full \$480 million grant (\$528 million GST inclusive) to NBN Co on 28 June 2022. NBN Co will contribute \$270 million to the \$750 million upgrade, in addition to the annual \$200 million it currently invests in fixed wireless capacity upgrades.

120,000 currently satellite-only premises will be moved to the NBN fixed wireless footprint. All premises in the expanded fixed wireless footprint (of around 750,000 premises) will be able to access higher peak download speeds of up to 100-130 megabits per second (Mbps) with peak upload speeds of up to 20 Mbps. Around 85 per cent of premises will be able to access a speed tier of up to 250-325 Mbps. Typical wholesale busy hour speeds will improve to at least 50 Mbps (if the broadband plan ordered is this speed or higher).

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SB23-000766

Fixed wireless upgrades have already enabled NBN Co to provide increased data allowances and product inclusions on NBN Sky Muster satellite services to 55 gigabytes (GB) per month, with a further increase to at least 90GB to follow completion of the upgrades at the end of 2024. These upgrades have also enabled the launch of the unmetered Sky Muster Plus Premium product.

The unmetered Sky Muster Plus Premium product was launched on 1 June 2023 with burst peak speeds of up to 100 megabits per second. The product was launched following a trial of over 10,000 Sky Muster Plus customers earlier this year that reported greater user satisfaction when customers could access increased evening speeds and uncapped data.

NBN co-investments

NBN Co's Regional Co-Investment Fund is being used to co-invest in upgrades with Federal, State and local governments. To date the company has used this fund to create partnerships under the Australian Government's Regional Connectivity Program to upgrade services in over 25 locations, upgrading from both satellite to fixed-line and fixed wireless services and upgrading from fixed wireless to fixed-line services.

The company is also undertaking significant co-investment with both Victoria and NSW and under other grant programs. This includes commitments to build over 80 new fixed wireless towers, as well as co-investments moving premises from satellite to full-fibre or satellite to fixed wireless.

NBN Co is best placed to provide updates on the progress of the co-investment upgrades.

**Background**NBN Co's \$300 million Regional Co-investment Fund

NBN Co has created a \$300 million fund, which it is using to co-invest with federal, state and territory governments and local councils to deliver access to higher speed wholesale broadband services over the NBN to homes and businesses in regional and remote areas of Australia.

The \$300 million Regional Co-investment Fund is expected to assist in moving more regional areas from fixed wireless or satellite to a fixed-line access technology, or from satellite to fixed wireless technology.

On 1 March 2023, NBN Co and the New South Wales Government announced a co investment deal that will deliver enhanced NBN broadband services to over 11,000 homes and businesses across 46 locations in regional NSW. The partnership will see the construction or co-location of 56 new fixed wireless towers that will utilise 4G and 5G

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Lead/Support contact: Jason Ashurst / Nicolle Power

SB23-000766

millimetre wave technology, to help deliver faster speeds across the network, including in the evening.

On 12 October 2022, NBN Co and the Victorian Government announced the third stage of their co investment agreement, which was first announced in August 2021. The third stage will enhance digital infrastructure across the NBN fixed line, fixed wireless and satellite footprint across more than 180 Victorian suburbs and towns, many in regional areas.

**Financial Information as at 31 August 2023****NBN Fixed Wireless and Satellite Upgrade Program**

Funding of \$480 million was provided through an Advance to the Finance Minister process in June 2022.

<b>Program/Project Start Date:</b>	<b>June 2022</b>					
<b>Program/Project End Date:</b>	<b>December 2024</b>					
	2021-22 \$m	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	<b>TOTAL \$m</b>
Appropriation Budget	480	0	0	0	0	<b>480</b>
Less:						
Actual Expenditure YTD at 31 August 2023	480					
Total Committed Funds at 31 August 2023	480	0	0	0	0	<b>480</b>
Total Uncommitted Funds (balance)	0	0	0	0	0	<b>0</b>

*Note: Committed funds relate to funds committed under a Funding Agreement, Contract or Program of Works where the Project, Profile and Conditions have been agreed to, or a formal offer has been made pending agreement, by the recipient.*

**Attachments**

Attachment A: Media Release Minister Rowland – Regional Australia to benefit from uncapped satellite broadband (1 June 2023)

**Contact:** Nicolle Power**Cleared by First Assistant Secretary:** Jason Ashurst**Phone:** (02) s22(1)(a)(ii)**Version Number:** 01**Date:** 25/09/2023

# Regional Australia to benefit from uncapped satellite broadband

Media Release Thursday 1 June 2023 – text copied from webpage [Regional Australia to benefit from uncapped satellite broadband | Ministers for the Department of Infrastructure](#)

Thousands of Australians living in regional and rural Australia can order uncapped satellite broadband services from today, following a successful trial of NBN Co's new Sky Muster Plus product to boost internet speeds in the bush.

The new Sky Muster Plus Premium service will provide customers with unmetered data 24 hours a day and faster speeds of up to 100 Mbps.

The service responds to increasing demand for more data and faster speeds from satellite users caused by the growing use of video streaming, and people working and studying from home.

The product launch follows a trial over 10,000 Sky Muster Plus customers earlier this year that reported greater user satisfaction when customers could access increased evening speeds and uncapped data.

The unmetered service has been enabled by the Albanese Government's \$480 million investment to upgrade NBN Fixed Wireless services that is moving around 120,000 premises from satellite to fixed wireless, freeing up capacity on Sky Muster.

The launch of the new product complements the Albanese Government's commitments to improving NBN technologies in regional areas, including by investing \$2.4 billion to expand full-fibre NBN to an additional 1.5 million premises – 660,000 of which will be in regional areas.

Further information about the new product is available at [www.nbn.com.au/skymusterplus](http://www.nbn.com.au/skymusterplus).

## Quotes attributable to Minister for Communications, the Hon Michelle Rowland MP:

*"Whether you live in a capital city or in the bush, access to fast, reliable and affordable broadband has never been more important."*

*"I'm excited to launch this new Sky Muster product today which will allow thousands of Australians to access unmetered NBN data for the first time in Australia. It's a gamechanger for regional communities."*

*"Across the Sky Muster, fixed wireless and fixed-line networks, the Albanese Government is improving the NBN to give Australians access to 21<sup>st</sup> century communications infrastructure they need and deserve."*

## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Karly Pidgeon / Sam Grunhard

SB23-000767

## SUBJECT: Better Connectivity Plan for Regional and Rural Australia – Overview and Status of Implementation

### Talking Points

- The Better Connectivity Plan is providing more than \$1.1 billion to rural and regional communities with the funding under the Plan available over five years to 2026/27. The Plan forms part of the \$2.2 billion Australian Government's investment in regional communications.
- The \$1.1 billion includes:
  - \$656 million to improve mobile and broadband connectivity and resilience in rural and regional Australia; and
  - \$480 million for the NBN Fixed Wireless and Satellite Upgrade Program.
- The Plan is being progressively implemented:
  - the NBN Fixed Wireless and Satellite Upgrades are rolling out;
  - **\$26 million** has been **contracted** to deliver the Broadcasting Resilience Program (\$20m) and Regional Tech Hub (\$6m);
  - **\$245 million** in funding rounds have **gone to market**:
    - \$110m Regional Connectivity Program (RCP) Round 3 (under assessment);
    - \$50m Mobile Black Spot Program (MBSP) Round 7 (under assessment);
    - \$50m Telecommunications Disaster Resilience Innovation (TDRI) Program (at market to 20 October);
    - \$15m Mobile Network Hardening Program (MNHP) Round 2 (at market to 17 November); and
    - \$20m Independent Audit of Mobile Coverage (at market to 15 November).
  - \$15m On Farm Connectivity Program (OFCP) Round 1 will open shortly.
- The Better Connectivity Plan will drive productivity and improve equity for rural and regional communities and complements other measures to improve connectivity for all Australians, including by enhancing the National Broadband Network.

### Key Issues

- The Better Connectivity Plan for Regional and Rural Australia (the Plan) was announced in the 2022-23 Budget and forms a key part of the Australian Government's telecommunications agenda.
- Updates to funding profiles will occur, as appropriate, through the usual budgetary processes.

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Date: 10/10/2023



## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Karly Pidgeon / Sam Grunhard

SB23-000767

**Background**

The Plan is providing more than \$1.1 billion to rural and regional communities, including \$656 million to improve mobile and broadband connectivity and resilience in regional and rural Australia. The initial allocation within the Plan is:

- **\$400 million** for mobile coverage and communications resilience;
- **\$200 million** for additional rounds of the RCP;
- **\$30 million** for **on-farm connectivity** so farmers can take advantage of connected machinery and sensor technology;
- **\$20 million for an independent audit of mobile coverage**; and
- **\$6 million** to boost funding for the **Regional Tech Hub** to better support consumers.

The \$1.1 billion also includes the \$480 million NBN Fixed Wireless and Satellite Upgrade Program which is delivering improved services for around one million premises in regional and remote Australia and in peri-urban areas.

Around 120,000 satellite premises will be upgraded to Fixed Wireless and the Fixed Wireless network will be boosted with speeds of up to 100 Mbps for the entire footprint, and up to 250 Mbps for 85 per cent of the Fixed Wireless premises.

The NBN Fixed Wireless upgrade has also delivered important benefits to NBN satellite services by relieving satellite capacity.

- The upgrades have enabled the entire satellite network to have average monthly data allowances increased to 55 gigabytes (GB) and this will increase to 90GB once the upgrades are complete.
- NBN Co has also launched a new version of its Sky Muster Plus product which allows for unmetered data for use of a Virtual Private Network (VPN) and video streaming for 16 hours a day. Previously these activities were metered regardless of the time of day.
- NBN Co has started to move some eligible premises in the Sky Muster satellite footprint to the fixed wireless footprint, with around 25,000 premises previously served by satellite now eligible to access fixed wireless services.

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## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Karly Pidgeon / Sam Grunhard

SB23-000767

**Status of Better Connectivity Plan initiatives****Regional Connectivity Program (RCP) and Mobile Black Spot Program (MBSP) – (Under assessment)**

- An Approach to Market for the \$160 million combined grant opportunity round for **RCP Round 3** and **MBSP Round 7** opened on **20 March 2023** and closed on **11 August 2023** (See SB23-000768).
  - **\$50 million** is available for the **Mobile Black Spot Round 7** stream (new handheld 4G mobile coverage), including dedicated funding of **\$7.5 million** for projects that benefit **First Nations communities**.
  - **\$110 million** towards a **Regional Connectivity Round 3** stream (place-based broadband and/or upgraded mobile), including dedicated funding for projects that benefit **First Nations communities** of:
    - \$15 million across Australia, and
    - \$10 million in Central Australia.
- The additional funding of **\$10 million for Central Australia** was announced on **20 April 2023** and is part of the Government's \$250 million plan for A Better, Safer Future for Central Australia. Funding comes from within the RCP.
- The Department of Infrastructure, Transport, Regional Development, Communications and the Arts is **currently assessing the RCP Round 3 and MBSP Round 7 applications** and expects to announce the outcomes of this process towards the end of 2023.
- The MBSP Round 7 stream is being funded through the \$400 million mobile coverage and communications resilience component of the Plan.
- The RCP Round 3 stream is being funded through \$200 million in funding for additional rounds of the RCP under the Plan.

**Other initiatives under the *mobile coverage and communications resilience* component:*****Mobile Network Hardening Program (MNHP) (open for applications)***

- Round 2 of the **MNHP** opened to applications on **7 September 2023**, following consideration of feedback received from public consultation on the Program Guidelines. **Applications close 17 November 2023.**
- \$30 million is provided under the Plan for Rounds 2 and 3 of the program.
- Up to **\$15 million** will be available for Round 2 to strengthen mobile telecommunications infrastructure to help prevent, mitigate and manage network outages during bushfires, floods and other natural disasters.

***Multi-Carrier Mobile Coverage on Roads (in design)*****Contact:** Karly Pidgeon**Cleared by First Assistant Secretary:** Sam Grunhard**Phone:** (02) s22(1)(a)(ii)**Version Number:** 1**Date:** 10/10/2023

## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Karly Pidgeon / Sam Grunhard

SB23-000767

- Minister Rowland invited state and territory governments to deliver **Pilot Programs** to boost multi-carrier coverage on regional highways and major roads at the Regional Connectivity Ministers Roundtable on **11 August 2023**.
- The Pilot Programs, led by the Commonwealth in partnership with states and territories, will be an opportunity to expand mobile coverage, test innovative solutions and ensure that outcomes best address the coverage challenges experienced by each jurisdiction.
- The department has commenced work on the framework for the trials, and is engaging with counterparts in state and territory governments.

Telecommunications Disaster Resilience Innovation Program (TDRI) (open for applications)

- The **Power Resilience Round** and the **Innovation Round** of the **\$50 million TDRI** opened for applications concurrently on **Monday 14 August 2023** and will close on **Friday 20 October 2023**.

Broadcasting Resilience Program (contracted, in delivery)

- The **Broadcasting Resilience Program** will provide **\$20 million over 3 years** from **2022-23** to BAI Communications to improve the resilience of 107 ABC broadcast sites, which are used for emergency broadcasting and are at greater risk of failure during natural disasters. (See SB23-000741)
- The **contract with BAI** was executed on **2 June 2023**, with the **first payment of \$6 million** also made in **June 2023**. The next payment milestone is scheduled for consideration at the end of 2023.

On-Farm Connectivity Program (OFCP) – opening shortly

- The department received **88** expressions of interest (EOI) from businesses to participate in the OFCP. Of these, **79** businesses have been approved as eligible suppliers. The EOI process closed on **7 July 2023**.
- Public consultation on the draft Program Guidelines was conducted during **2-23 August 2023**. The department received 11 submissions, which expressed broad support for the OFCP. The department also consulted with the National Farmers' Federation.
- **\$12.5 million** will be available for Round 1 of the Program, subject to government approval for movements of funds to increase the funding available for Round 1 and Round 2 to **\$15 million**. It is anticipated that Round 1 will open for applications shortly.

Independent Audit of Mobile Coverage (open for tender)

- The department issued a **Request for Tender** on **12 September 2023**. Tenders will close on **15 November 2023**, with first results expected early in 2024.

Regional Tech Hub (the Hub) (contracted, in delivery)

- **\$6 million** is available over three years, with **\$2 million** available per financial year. Payments are made on a quarterly basis (i.e. \$500,000 per quarter).

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- An **Approach to Market** was issued on **17 March 2023**, with the National Farmers' Federation (NFF) again being selected to manage the Regional Tech Hub for a further three years.
- The **current contract** will run from **1 July 2023** to **30 June 2026**, and will see the Hub further expand the telecommunications assistance it provides rural, regional and remote Australians.

**Financial Information as at 31 August 2023**

<b>Program/Project Start Date:</b>	<b>2022-23</b>					
<b>Program/Project End Date:</b>	<b>2026-27</b>					
	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m	<b>TOTAL \$m</b>
BCP – Mobile Coverage and Resilience	15.0	112.1	110.0	84.9	78.0	<b>400.0</b>
BCP – Regional Connectivity Program	4.2	52.2	72.4	41.6	29.6	<b>200.0</b>
BCP – On Farm Connectivity Program (TBC)	5.1	12.5	12.4	-	-	<b>30.0</b>
BCP – National Audit of Mobile Coverage	5.128	11.218	1.218	1.218	1.218	<b>20.00</b>
BCP – Regional Tech Hub	-	2.0	2.0	2.0	-	<b>6.0</b>

**Note:** The above items total \$656 million. The NBN Fixed Wireless and Satellite Upgrade Program investment of \$480 million takes the total for initiatives that are delivering improved regional and remote connectivity to more than \$1.1 billion.

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Date: 10/10/2023

## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Karly Pidgeon / Sam Grunhard

SB23-000768

## SUBJECT: Mobile Black Spot Program (MBSP) Round 7 and RCP Round 3 - Combined Round

### Talking Points

- The Regional Connectivity Program Round 3 (with Mobile Black Spot (Round 7)) is a combined competitive grant opportunity that brings together the Mobile Black Spot Program (MBSP) and the Regional Connectivity Program (RCP) in two streams.
- Up to \$160 million of funding is available towards eligible projects in regional, remote and First Nations communities.
  - Stream 1: \$50 million towards a MBSP (Round 7) stream (new handheld 4G mobile coverage); and
  - Stream 2: \$110 million towards an RCP (Round 3) stream (place-based broadband and/or upgraded mobile).
- \$32.5 million of the \$160 million is reserved for projects that benefit First Nations communities.
  - Stream 1 (MBSP): \$7.5 million specifically for First Nations communities; and
  - Stream 2 (RCP): \$15 million across Australia and \$10 million in Central Australia specifically for First Nations communities.
- Applications for funding under the combined competitive grant opportunity closed on **11 August 2023** and are under assessment. Outcomes from the assessment process will be announced later in the calendar year following decision by the Minister.

### Key Issues

- The approach to market for the combined competitive grant opportunity for **MBSP Round 7** and **RCP Round 3** opened on **20 March 2023** and closed on **11 August 2023**.
- On 20 April 2023, the Australian Government announced additional funding of \$10 million under the RCP Round 3 for projects in Central Australia and extended the application period by six weeks to **11 August 2023**. This \$10 million measure forms part of the Government's \$250 million plan for *A Better, Safer Future for Central Australia*.
- The Round received a strong response and the department is assessing the applications.
  - RCP Round 3 received 234 proposals from 29 applicants
  - MBSP Round 7 received 73 proposals from 4 applicants

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## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Karly Pidgeon / Sam Grunhard

SB23-000768

**Background**

MBSP Round 7 and RCP Round 3 is a combined grant opportunity, bringing together the Programs in two streams, and providing dedicated First Nations funding as follows:

- The \$50 million MBSP Round 7 stream will provide grant funding to Mobile Network Operators and infrastructure providers to deliver **new** handheld mobile coverage to rural, regional and remote locations across Australia.
- The \$110 million RCP Round 3 stream will provide grant funding to projects that provide place-based new or improved broadband services and/or improved mobile services in eligible locations.

The funding includes \$32.5 million dedicated to improving telecommunications services in First Nations communities, comprising:

- \$7.5 million (GST exc) under the MBSP Round 7 for solutions that provide new mobile coverage in First Nations communities;
- \$15 million under the RCP Round 3 for solutions that improve telecommunications infrastructure in First Nations communities in eligible areas; and
- \$10 million under the RCP Round 3 stream for solutions aimed at improving digital connectivity for First Nations communities in Central Australia.

This opportunity is part of the Government's *Better Connectivity Plan for Regional and Rural Australia* which is providing more than \$1.1 billion to rural and regional communities, including \$656 million to improve mobile and broadband connectivity and resilience in rural and regional Australia.

- RCP Round 3 is being funded from the \$200 million component allocated for two new rounds of the RCP.
- MSBP Round 7 is being funded from the \$400 million component to boost multi-carrier mobile coverage on regional roads, improve mobile coverage in under-served regional and remote communities, and increase the resilience of communications services and public safety communications facilities.

The draft guidelines were open for public **consultation** from **20 December 2022 to 10 February 2023**, with 40 submissions received. 20 submissions are available on the department's website. The remaining 20 submissions have not been made public at the request of the submitters. (A further 15 comments were received from local residents about poor mobile or broadband connectivity. The department referred these people to the RCP Program Noticeboard as a more appropriate mechanism.)

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## 2023 - 2024 Supplementary Budget Estimates

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Lead/Support contact: Karly Pidgeon / Sam Grunhard

SB23-000768

**First Nations Digital Connectivity in Central Australia**

On 20 April 2023, the Government announced \$10 million in funding for solutions to improve digital connectivity for First Nations communities in Central Australia. The funding will be drawn from existing RCP funding under the Better Connectivity Plan for Regional and Rural Australia.

This was in addition to funding available when the program opened of \$15 million RCP and \$7.5 million MBSP allocation for First Nations communities across Australia.

- Following the inclusion of the dedicated funding for RCP projects in Central Australia, the grant application period for the round was extended by six weeks to 11 August 2023 to allow adequate time for applicants to develop proposals that target First Nations communities in Central Australia and to consult with stakeholders.

**Assessment Process**

- All grantees under both funding streams will be selected through a competitive, merit-based selection process.
- All eligible projects under RCP Round 3 stream will be assessed against the merit criteria outlined in the Guidelines and initially ranked within one of the following three merit lists:
  1. First Nations communities in Central Australia merit list (\$10 million available)
  2. First Nations communities merit list (\$15 million available)
  3. the general Program merit list (\$85 million available)
- Once the dedicated funding of \$10 million for projects on the Central Australia merit list has been fully allocated, remaining projects on that merit list will then be ranked within the First Nations communities merit list. Similarly, once the dedicated funding of \$15 million for projects on the First Nations merit list has been fully allocated, remaining projects on that merit list will then be ranked within the general Program merit list.
- All eligible solutions proposed under the MBSP Round 7 stream will be grouped into a MBSP project merit list and a First Nations communities project merit list.

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## Environment and Communications

Lead/Support contact: Karly Pidgeon / Sam Grunhard

SB23-000768

**Financial Information as at 31 August 2023**

<b>Program/Project Start Date:</b>	<b>2022-23</b>					
<b>Program/Project End Date:</b>	<b>2026-27</b>					
	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m	<b>TOTAL \$m</b>
*Better Connectivity Plan – Mobile Coverage and Resilience	15.0	112.1	110.0	84.9	78.0	<b>400.0</b>
**Better Connectivity Plan – Regional Connectivity Program	4.2	52.2	72.4	41.6	29.6	<b>200.0</b>

**Notes:**

\* The \$50 million for the Mobile Black Spot (Round 7) stream is funded from the Better Connectivity Plan – Mobile Coverage and Resilience sub-element.

\*\* The \$110 million for the Regional Connectivity (Round 3) stream is funded from the Better Connectivity Plan – Regional Connectivity Program sub-element.

The various sub-elements of the Better Connectivity Plan are appropriated in a single Budget line.

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## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Samuel Grunhard / Karly Pidgeon

SB23-000769

**SUBJECT: Mobile Black Spot Program – Implementation****Talking Points**

- Since the Mobile Black Spot Program (Program) inception in 2015, 1297 base stations have been allocated funding, however 31 sites cannot proceed (i.e. frustrated and removed), leaving **1266** at present (program chronology at **Attachment A**).
- To date, the Program has generated total committed investment of over \$875 million (GST incl) including co-contributions from the Commonwealth (\$298 million), the states and the mobile network operators (MNOs).
- As at 31 August 2023, **1105** base stations from Rounds 1-5A (87 per cent) are now complete, giving local communities access to better mobile coverage (rollout status at **Attachment B**).
- Base stations funded under Rounds 1-5A of the Program are currently scheduled to be complete by 30 June 2024.
- Under the Australian Government's Better Connectivity Plan, \$400 million has been committed to further improving mobile coverage on major highways and in underserved regional communities, and to delivering additional communications resilience measures.
- The first stage of MBSP funding under the Better Connectivity Plan includes Round 7 of the Program (\$50 million GST excl, with \$7.5 million for new mobile coverage in First nations communities). Round 7 is part of a broader, combined Regional Connectivity Program Round 3 (with Mobile Black Spot (Round 7) opportunities) (SB23-000586 refers). Applications in these rounds are currently being assessed.

**Key Issues**

- The Program invests in telecommunications infrastructure to improve mobile coverage and competition across Australia. This includes both macro cell and small cell solutions.
- Base station deployment is a complex process that involves a number of different steps, including obtaining land access, planning approvals and connectivity of power and backhaul to the site, and typically takes 24-36 months to complete.
- Applicants, MNOs, communities and other interested parties are encouraged to work together during the application development period, to ensure that communities receive the maximum benefit from public funding of new infrastructure.

*How is funding awarded under the Program?*

- Under the Program, funding is awarded using a competitive grants process where MNOs and infrastructure providers are asked to come forward with proposals.

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Lead/Support contact: Samuel Grunhard / Karly Pidgeon

SB23-000769

- Generally, applicants choose the locations where they apply for funding for new base stations and the Government can only consider proposals for an area if applicants apply in that area. However, Target Locations were identified by the respective Governments under the Priority Location Round (3) and the Improving Mobile Coverage Round (6).
- Communities are encouraged to engage with their local council and the MNOs to make their mobile coverage issues known. Experience has shown that when local communities and councils engage with the MNOs it increases the likelihood of an application for funding being put forward by the MNOs.
- From Round 7, the Department of Infrastructure, Transport, Regional Development, Communications and the Arts now makes available (on its website) a project noticeboard for each MBSP Round to allow communities to propose potential projects. This helps facilitate communities' engagement with telecommunication companies and make project suggestions for the industry applicants to consider.

*Why are some base stations delayed?*

- More than 87 per cent of Rounds 1-5A base stations are now complete, including 97 per cent of the earlier Rounds 1-4 sites.
- Base station deployment is a complex process that typically takes 24-36 months to complete.
- In some cases, base stations may experience delays due to factors such as:
  - acquiring landowner agreement at a viable location
  - obtaining local government planning approvals, and
  - the availability and access to supporting infrastructure including power and backhaul.
- Timing and delivery of a base station is subject to a number of external parties that are directly and indirectly involved in the deployment process. These parties include:
  - land owners, local communities, local councils, state government departments, power authorities, other MNOs, equipment manufacturers and infrastructure providers.
- Planning approvals and site acquisition in particular are subject to external processes that are typically outside the direct control of the MNOs. In some instances, these external factors may either delay or prevent the base station from being built.
- The department works closely with the MNOs to manage more difficult sites.
- Extreme weather events (including bushfires and floods) can also lead to delays.
  - Severe weather events can make site access difficult, delaying the construction of base stations in some cases.

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SB23-000769

- Getting power connected to new sites has been delayed in some instances as power companies have prioritised the restoration of power in areas affected by severe weather events, including bushfires and floods.
- COVID-19: The COVID pandemic also had an impact on deploying workforces, sourcing materials and connecting power, particularly in remote communities, leading to some site delays.

*What happens if a base station cannot be built? (Frustrations and replacement sites)*

- Sites may be frustrated by an MNO when a base station cannot be built. This can be due to a number of reasons including:
  - reaching commercial terms agreement with landowner/s (private, local and state government landowners),
  - difficulty in obtaining local and state government planning approvals at the proposed location,
  - challenges in obtaining reasonable access to, or significant cost escalation of, supporting infrastructure like power and backhaul services, and
  - unforeseen technical issues with integrating the base station into the existing mobile network.
- Before declaring a site frustration, the MNO will explore all options to provide new and improved coverage to the intended location. In some cases, an alternative site can be built at another location.
- Funding recipients must formally advise the department why a site cannot be built, and where possible, propose a replacement site at an alternative location.
  - Given the current program end date, new proposed replacement sites must be able to be delivered by 30 June 2024.
- Only when all options have been exhausted and sufficient evidence has been provided will a site be removed from the Program.
- To date, **97** sites cannot be built (frustrated), and 66 replacement sites have been agreed (**see Attachments C and D**). These are listed on the department's website.

*Round 5A – Neutral Host Services trial solution*

- Round 5A includes funding for a trial solution that will enable all mobile network operators (MNOs) to provide services in this region.
  - This includes a cluster of seven base stations with Field Solutions Group (FSG) offering neutral host services from Thargomindah to Waihora in Queensland, including at East Thargo, Dynevor Downs, Bulloo, Paroo and Eulo.
  - FSG's neutral host trial offers wholesale access to all MNOs to provide retail mobile services to their customers from these sites. At this time only Optus has entered into an access agreement with FSG to do so.

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SB23-000769

- Construction on all seven neutral host trial sites is well underway, and the current schedule is for all sites to be complete by June 2024.

*How much co-location been occurred under the Program?*

- The Program includes co-location provisions that enable other MNOs to co-locate at funded sites at incremental cost, where it is technically and commercially feasible to do so, providing the benefits of increased competition and services to regional areas.
  - As at March 2023, co-location is occurring or being planned at **98** sites funded under the Program.
  - Co-location remains a commercial decision for the MNOs.
- The Program also funds new base stations where co-location with other infrastructure and telecommunications providers, including NBN Co and broadcasters, is supported.
  - 103 funded base stations have been co-located on NBN Co towers, and
  - 100 funded base stations co-located on other third-party facilities.
- These numbers are likely to change as the rollout continues and co-location on Round 5 and 5A sites is finalised. In some cases, co-location may not progress, in other cases alternative opportunities may arise. (These stats are only sought from grantees from time-to-time.)
- The Government has asked the House Standing Committee on Communications and the Arts (HORSCCA) to examine the promotion of Multi-Carrier Regional Mobile Infrastructure, and the findings of this inquiry will inform future approaches to this issue.
- The ACCC, in their submission to the HORSCCA, note that “as at January 2022, only 9 per cent of active mobile sites funded under the Mobile Black Spot Program have more than one MNO operating on them.” The ACCC is referring to co-location of MNOs only, and not third-party infrastructure such as NBN Co assets.
- To stimulate greater multi-MNO outcomes, the Guidelines for Round 7 of the MBSP (currently under assessment) provided that:
  - where a proposal offers services from more than one MNO, eligible costs for each participating MNO can be sought in an application
  - MNOs must offer active or passive sharing to other MNOs on their solutions, where technically feasible
  - each participating MNO’s New Handheld Coverage will be counted cumulatively in the New Coverage Assessment Formula
  - multi-MNO solutions will be ranked higher in the draft merit lists in the assessment process (i.e. three-MNO solutions are ranked higher than two-MNO solutions, which are ranked higher than single-MNO solutions)
  - the degree to which a solution offers multi-MNO outcomes will be considered in the Value for Money assessment.

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- Applications for Round 7 closed on 16 August 2023. The department is reviewing the success of these measures, to inform future policy development, following the completion of the assessment process.

**Financial Information as at 31 August 2023**

- Refer to Mobile Black Spot Program - Key Statistics brief **SB23-000770**

**Attachments**

Attachment A: Chronology of the Mobile Black Spot Program

Attachment B: Mobile Black Spot Program rollout status

Attachment C: List of Sites removed from the Program

Attachment D: List of Frustrated and Replacement Sites

**Contact:** Karly Pidgeon**Cleared by First Assistant Secretary:** Samuel Grunhard**Phone:** (02) s22(1)(a)(ii)**Version Number:** 01**Date:** 10/10/2023

## Attachment A

**Chronology of Mobile Black Spot Program outcomes**

- In June 2015, the Australian Government announced \$110 million (GST inclusive) in funding for 499 new mobile base stations under **Round 1**. To date:
  - 486 are complete and on air (99 per cent).
  - 10 base stations cannot be built due to unforeseen site acquisition, planning approval or technical issues.
- In December 2016, the Government announced \$57 million (GST inclusive) in funding for 266 new mobile base stations under **Round 2**. To date:
  - 258 are complete and on air (98 per cent).
  - Four (4) base stations cannot be built due to unforeseen site acquisition, planning approval or technical issues.
- In April 2018, the Government announced \$45 million (GST inclusive) in funding for 102 new mobile base stations under the **Priority Locations Round (Round 3)**. To date:
  - 83 are complete (92 per cent).
  - 14 base stations cannot be built due to unforeseen site acquisition, planning approval or technical issues.
- In March 2019, the Government announced \$28.3 million (GST inclusive) in funding for 180 new mobile base stations under **Round 4**. To date:
  - 163 are complete and on air (91 per cent).
  - 1 base station cannot be built due to unforeseen site acquisition, planning approval or technical issues
- In April 2020, the Government announced \$36.8 million (GST inclusive) to fund 182 new base stations under **Round 5**. To date:
  - 113 are complete and on air (63 per cent).
  - 2 base stations cannot be built due to unforeseen site acquisition, planning approval or technical issues.
- On 23 July 2021, the Government announced the outcomes of **Round 5A**. The Government committed \$20.5 million (GST inclusive) to fund 67 new mobile base stations across Australia. To date:
  - Two (2) are complete and on air (3 per cent).
  - The Government also committed \$0.22 million (GST inclusive) to improve mobile coverage in Cherry Gardens, South Australia. Funding was awarded to Telstra through a separate merit-assessed process to deliver an additional new 4G mobile base station in Cherry Gardens, which has been included in Telstra's Round 5A funding agreement.
- Uncommitted MBSP funding (\$79.1 million, GST excl) was redirected in the 2022-23 October Budget to other mobile commitments:
  - \$40 million to the **Improving Mobile Coverage Round (IMCR) (Round 6)** at 54 locations announced by the Government during the May 2022 election period; and
  - \$39.1 million to improving mobile coverage in peri-urban areas.
- In the October 2022-23 Budget, the Government committed \$656 million to the Better Connectivity Plan for Regional and Rural Australia. This included \$400 million in funding

to boost multi-carrier mobile coverage on regional roads, improve mobile coverage in under-served regional and remote communities, and increase the resilience of communications services and public safety communications facilities.

- On 2 February 2023, the Government announced the opening of applications for the IMCR to deliver funding to extend and improve mobile phone coverage and competition by co-funding new or upgraded telecommunications infrastructure in 54 Target Locations. (See [SB23-000771](#))
- On 20 March 2023, the Government opened the Regional Connectivity Program (RCP) Round 3 (with Mobile Black Spot (Round 7) opportunities). (See [SB23-000768](#)).
  - This is a combined grant opportunity and the first stage of program funding under the Better Connectivity Plan, providing up to \$160 million (GST exclusive) across two streams.
    - A \$50 million Mobile Black Spot (Round 7) stream that delivers new handheld mobile coverage to rural, regional and remote locations across Australia (including \$7.5 million dedicated to improving telecommunications services in First Nations Communities); and
    - A \$100 million Regional Connectivity (Round 3) stream for place-based solutions that deliver new or upgraded broadband services or upgraded mobile services in eligible locations across Australia (including \$15 million dedicated to improving telecommunications services in First Nations Communities).
  - On 20 April 2023, the Government announced a further \$10 million in the Regional Connectivity Stream for solutions in First Nations communities in Central Australia.
- On 13 April 2023, applications for funding under the IMCR closed. Applications were then assessed by the department in accordance with the merit criteria set out in the grant guidelines published on the Grant Connect website. (See [SB23-000771](#))
- On 11 August 2023, RCP Round 3 and MBSP Round 7 closed with applications currently being assessed by the Department in accordance with the merit criteria set out in the grant guidelines published on the Grant Connect website.



## Attachment B

## Mobile Black Spot Program – rollout status (at 31 August 2023)

Program totals by Round (Rounds 1-5A)

Round	Funded # sites	Removed # sites	Revised # sites	Completed # sites	% Completed
Round 1	499	10	489	486	99%
Round 2	266	4	263	258	98%
Round 3 (PLR)	102	14	88	83	94%
Round 4	180	1	179	163	91%
Round 5	182	2	180	113	63%
Round 5A	68	0	68	2	3%
<b>Total</b>	<b>1297</b>	<b>31</b>	<b>1266</b>	<b>1105</b>	<b>87%</b>

Program totals by Carrier (Rounds 1-5A)

Carrier	Funded # sites	Removed # sites	Revised # sites	Completed # sites	% Completed
Telstra	943*	13	930	832	89%
TPG Telecom	75	11	64	60	94%
Optus	262	7	255	211	83%
FSG	17	0	17	2	12%
<b>Total</b>	<b>1297</b>	<b>31</b>	<b>1266</b>	<b>1105</b>	<b>87%</b>

\* Includes funding for additional Telstra 4G base station in Cherry Gardens, South Australia.



## Attachment C

**Summary of 31 Frustrated (Affected) Sites removed from the Program**

(Listed by Site Name)

#	Site Name	Round	Carrier	State	Main reason for site frustration
1	Apslawn	1	TPG Telecom	TAS	MNO was unable to build this base station due to an inability to find a viable location and willing landowner.
2	Beaconsfield Upper	PLR (3)	Telstra	VIC	MNO was unable to build this base station due to an inability to find a viable location and willing landowner.
3	Bellfield	4	Optus	VIC	MNO was unable to build this base station due to an inability to get approval from the relevant government authorities.
4	Belmont	PLR (3)	Telstra	QLD	MNO was unable to build this base station due to an inability to find a viable location.
5	Brandum	1	TPG Telecom	TAS	MNO was unable to build this base station due to an inability to find a viable location and willing landowner.
6	Buckland North	2	Optus	TAS	MNO was unable to build this base station due to an inability to find a viable location and willing landowner.
7	Burbank	PLR (3)	Telstra	QLD	MNO was unable to build this base station due to an inability to find a viable location.
8	Carwoola	PLR (3)	Telstra	NSW	MNO was unable to build this base station due to an inability to find a viable location and willing landowner.
9	Cashmere	PLR (3)	Telstra	QLD	MNO was unable to build this base station due to an inability to find a viable location.
10	Cedar Creek	PLR (3)	Telstra	QLD	MNO was unable to build this base station due to an inability to find a viable location and willing landowner.
11	Coalcliff	1	Telstra	NSW	MNO was unable to build this base station due to an inability to get approval from the relevant government authorities.
12	Crosslands Reserve	PLR (3)	Telstra	NSW	MNO was unable to build this base station due to an inability to get approval from the relevant government authorities.

13	Devonport	PLR (3)	Telstra	TAS	MNO was unable to build this base station due to an inability to find a viable location.
14	Duke of Orleans (Caravan Park)	2	Optus	WA	MNO was unable to build this base station due to an inability to find a viable location.
15	Fig Tree Hill	PLR (3)	Telstra	NSW	MNO was unable to build this base station due to an inability to find a viable location and willing landowner.
16	Glen Valley	1	TPG Telecom	VIC	MNO was unable to build this base station due to an inability to find a viable location and unforeseen technical issues in bringing power and transmission to the location, and associated costs.
17	Kalorama	PLR (3)	TPG Telecom	VIC	MNO was unable to build this base station due to an inability to get approval from the relevant government authorities.
18	Kangaroo Valley	PLR (3)	Telstra	NSW	MNO was unable to build this base station due to an inability to find a viable location and willing landowner.
19	Lake Corella	1	TPG Telecom	QLD	MNO was unable to build the base station due to difficulties having power connected at a viable location.
20	Lesley East	5	Optus	WA	MNO was unable to build this base station due to an inability to get approval from the relevant government authorities.
21	Lorne South	2	Optus	VIC	MNO was unable to build this base station due to an inability to get approval from the relevant government authorities.
22	Miena	1	TPG Telecom	TAS	MNO was unable to build the base station due to unforeseen design and build requirements, and associated costs.
23	Moreton Island (Bulwer)	PLR (3)	Optus	QLD	MNO was unable to build this base station due to an inability to find a viable location.
24	Pilliga Forrest	1	TPG Telecom	NSW	MNO was unable to build this base station due to unforeseen design and build requirements, and associated costs.
25	Putty	5	Optus	NSW	MNO was unable to build this base station due to an inability to find a viable location and willing landowner.
26	Red Hill	PLR (3)	Telstra	VIC	MNO was unable to build this base station due to an inability to find a viable location and willing landowner.

27	Sandy Hills	1	TPG Telecom	NSW	MNO was unable to build this base station due to unforeseen design and build requirements, and associated costs.
28	Shoreham	PLR (3)	Telstra	VIC	MNO was unable to build this base station due to an inability to find a viable location and willing landowner.
29	Ungarie	1	TPG Telecom	NSW	MNO was unable to build this base station due to unforeseen design and build requirements, and associated costs.
30	Yellow Mountain	2	TPG Telecom	NSW	MNO was unable to build this base station due to unforeseen design and build requirements, and associated costs.
31	Yelvertoft	1	TPG Telecom	QLD	MNO was unable to build this base station due to an inability to get approval from the relevant government authorities.

## Attachment D

**Summary of 66 Frustrated (Affected) Sites with Replacements**

The following base stations cannot be built under the program due to unforeseen technical, site acquisition or planning approval issues.

(Listed by Site Name)

#	Site Name	Round	Carrier	State	Main reason for site frustration
1	Aberfeldy	5	Telstra	VIC	MNO was unable to build this base station due to an inability to find a viable location, associated costs and timeframe.
2	Afterlee	4	Telstra	NSW	MNO was unable to build this base station due to an inability to get approval from the relevant government authorities.
3	Alexander Bay (Campground)	2	Optus	WA	MNO was unable to build this base station due to an inability to find a viable location, associated costs and timeframe.
4	Archer River Roadhouse	4	Optus	QLD	MNO was unable to build this base station due to an inability to find a viable location and willing landowner.
5	Aurora Kakadu	2	Optus	NT	MNO was unable to build this base station due to an inability to get approval from the relevant government authorities.
6	Avon Downs	5	Telstra	NT	Funding withdrawn - MNO advised of error in funding received due to its application and is already receiving separate state funding for the site.
7	Barambah Environmental Education Centre	5	Telstra	QLD	MNO was unable to build this base station due to an inability to find a viable location.
8	Bells Beach (Bellbrae)	PLR (3)	Telstra	VIC	MNO was unable to build this base station due to an inability to get approval from the relevant government authorities.
9	Bonalbo B	1	Telstra	NSW	Metrics could not be achieved.
10	Bonogin, Sunray Drive	4	Telstra	QLD	MNO was unable to build this base station due to an inability to find a viable location, willing landowner or get approval from the relevant government authorities.
11	Boro Boro Road	4	Telstra	NSW	MNO was unable to build this base station due to an inability to find a viable location and willing landowner.

12	Colo	5	Telstra	NSW	MNO was unable to build this base station due to an inability to get approval from the relevant government authorities.
13	Cundinup	1	Telstra	WA	MNO was unable to build this base station due to an inability to find a viable location, associated costs and willing landowner.
14	Danbulla	2	Telstra	QLD	MNO was unable to build this base station due to an inability to get approval from the relevant government authorities.
15	Daniell Siding	2	Telstra	WA	MNO was unable to build this base station due to an inability to get approval from the relevant government authorities.
16	Deepdene	2	Telstra	WA	MNO was unable to build this base station due to an inability to find a viable location and willing landowner.
17	Depot Beach	4	Telstra	NSW	MNO was unable to build this base station due to an inability to get approval from the relevant government authorities.
18	Dittmer	5	Telstra	QLD	MNO was unable to build this base station due to an inability to find a viable location.
19	Drysdale River Station	2	Optus	WA	MNO was unable to build this base station due to an inability to find a viable location and willing landowner.
20	Eliot Falls	4	Telstra	QLD	MNO was unable to build this base station due to an inability to find a viable location, willing landowner or get approval from the relevant government authorities.
21	Fortescue Bay	5	Telstra	TAS	MNO was unable to build this base station due to an inability to get approval from the relevant government authorities.
22	Garrawarra Farm	5A	Telstra	NSW	MNO was unable to build this base station due to an inability to get approval from the relevant government authorities.
23	Grey	1	Telstra	WA	MNO was unable to build this base station due to an inability to get approval from the relevant government authorities.
24	Homevale	5	Telstra	QLD	MNO was unable to build this base station due to an inability to get approval from the relevant government authorities.
25	Judbury South	5	Optus	TAS	MNO was unable to build this base station due to lack of power supply and inability to find a viable location.

26	Kennedy Ranges National Park	2	Optus	WA	MNO was unable to build this base station due to an inability to get approval from the relevant government authorities.
27	Kevington	2	Telstra	VIC	MNO was unable to build this base station due to interference with existing coverage at a nearby site.
28	Koonorigan	2	Telstra	NSW	Metrics could not be achieved.
29	Laguna	1	Telstra	NSW	MNO was unable to build this base station due to an inability to find a viable location and willing landowner.
30	Lake Perseverance Active Recreation Centre	5	Telstra	QLD	MNO was unable to build this base station due to an inability to find a viable location.
31	Learmonth	1	Telstra	WA	MNO was unable to build this base station due to an inability to get approval from the relevant government authorities.
32	Lower Peacock	1	Telstra	NSW	Metrics could not be achieved.
33	Lyonville	1	Telstra	VIC	MNO was unable to build this base station due to an inability to find a viable location and willing landowner.
34	Malcolm Siding	5	Telstra	WA	MNO was unable to build this base station due to an inability to find a viable location.
35	Mintabie	5	Telstra	SA	Funding withdrawn - MNO was advised that the community is no longer operational.
36	Molyullah	1	Telstra	VIC	MNO was unable to build this base station due to interference with existing coverage at a nearby site.
37	Montacute	1	Telstra	SA	MNO was unable to build this base station due to interference with existing coverage at a nearby site.
38	Mount Barnett Roadhouse	2	Optus	WA	MNO was unable to build this base station due to an inability to find a viable location and community disapproval.
39	Mount Burnside	1	Telstra	WA	MNO was unable to build this base station due to an inability to get approval from the relevant government authorities.
40	Mount Burrell	2	Telstra	NSW	MNO was unable to build this base station due to an inability to find a viable location and community disapproval.

41	Mount Carrington	1	TPG Telecom	NSW	MNO was unable to build this base station due to unforeseen design and build requirements, and associated costs.
42	Mount Pingerup	1	Telstra	WA	MNO was unable to build this base station due to an inability to get approval from the relevant government authorities.
43	Mount Tomah	1	Telstra	NSW	MNO was unable to build this base station due to an inability to find a viable location and willing landowner.
44	Mungana Mine	5	Telstra	QLD	Funding withdrawn - MNO was advised that the community is no longer operational.
45	Musgrave River Roadhouse	4	Optus	QLD	MNO was unable to build this base station due to an inability to find a viable location and willing landowner.
46	Ocean Beach	1	Telstra	WA	MNO was unable to build this base station due to an inability to find a viable location and willing landowner.
47	Petford	5	Telstra	QLD	MNO was unable to build this base station due to an inability to get approval from the relevant government authorities.
48	Red Bluff	1	Telstra	WA	MNO was unable to build this base station due to an inability to get approval from the relevant government authorities.
49	Rossville State School	5	Telstra	QLD	MNO was unable to build this base station due to an inability to find a viable location.
50	Saint Leonards	1	Telstra	VIC	Metrics could not be achieved.
51	Salmon Holes	1	Telstra	WA	MNO was unable to build this base station due to an inability to get approval from the relevant government authorities.
52	Sunshine Coast Enviro Centre	5	Telstra	QLD	MNO was unable to build this base station due to an inability to find a viable location.
53	Taggerty	5	Telstra	VIC	MNO was unable to build this base station due to an inability to find a viable location.
54	Tjirrkarli	2	Optus	WA	Funding withdrawn - MNO was advised that the community is no longer operational.
55	Tjuwaliyn Hot Springs	5	Optus	NT	MNO was unable to build this base station due to water supply issues and inability to get approval from the relevant government authorities.

56	Trephina Gorge West (PIP)	4	Optus	NT	MNO was unable to build this base station due to an inability to get approval from the relevant government authorities.
57	Upper Cooper Creek	5	Telstra	NSW	MNO was unable to build this base station due to an inability to find a viable location and community disapproval.
58	Useless Loop Road (Cararang)	5	Telstra	WA	MNO was unable to get support from the Traditional Owners.
59	Useless Loop Road (Tamala Station)	5	Telstra	WA	MNO was unable to get support from the Traditional Owners.
60	Waratah Bay	1	Telstra	VIC	MNO was unable to obtain access to site.
61	Waterfall-Helensburgh Railway	5	Optus	NSW	MNO was unable to build this base station due to an inability to find a viable location and willing landowner.
62	Wongarra	4	Telstra	VIC	MNO was unable to build this base station due to an inability to find a viable location and willing landowner.
63	Wongawallan	2	Telstra	QLD	MNO was unable to build this base station due to an inability to find a viable location and willing landowner.
64	Woodwark	2	Telstra	QLD	MNO was unable to build this base station due to an inability to get approval from the relevant government authorities.
65	Wye River	4	Telstra	VIC	MNO was unable to build this base station due to an inability to find a viable location, willing landowner or get approval from the relevant government authorities.
66	Yarras	4	Optus	NSW	Funding withdrawn - MNO advised of error in funding received due to its application and is already receiving separate state funding for the site.



### Summary of 66 Replacement Sites

The following base stations have been approved as alternative sites and will now be funded under the program.  
(Listed by Site Name)

#	Replacement Site Name	Round	Carrier	State
1	Archer River	4	Telstra	QLD
2	Beachmere Sands Retirement Village	PLR (3)	Telstra	QLD
3	Boggabri	2	Telstra	NSW
4	Boondooma	2	Telstra	QLD
5	Broughton	5	Optus	NSW
6	Bryant Road (Marchagee East)	1	Telstra	WA
7	Burringurrah	2	Optus	WA
8	Cape Hillsborough	2	Telstra	QLD
9	Carcoar	4	Telstra	NSW
10	Cedar Creek Falls	5	Telstra	QLD
11	Charleroi	1	Telstra	VIC
12	Coaldale	4	Telstra	NSW
13	Coopers Creek	5	Telstra	VIC
14	Curra Estate Road	4	Telstra	QLD
15	Daysdale	4	Optus	NSW
16	Denbarker	1	Telstra	WA
17	Diamond Ridge	5	Telstra	QLD
18	Douglas Daly Holiday Park	5	Optus	NT
19	Duckadang Camp	5	Telstra	QLD
20	Duke of Orleans (Caravan Park)	2	Optus	WA
21	Girard Hill Top	1	TPG Telecom	NSW
22	Girraween National Park	5	Telstra	QLD
23	Goldie	1	Telstra	VIC
24	Gollan	1	Telstra	NSW
25	Graytown	1	Telstra	VIC
26	Guluguba	2	Telstra	QLD
27	Jerangle Peakview SCAX	4	Telstra	NSW

28	Jiggi	1	Telstra	NSW
29	Jurien East	1	Telstra	WA
30	Kalannie North (Glamoff Road)	1	Telstra	WA
31	Kanmantoo	1	Telstra	SA
32	Keswick Island	4	Optus	QLD
33	Kingsford	1	Telstra	WA
34	Kyancutta	5	Telstra	SA
35	Lake Borumba	5	Telstra	QLD
36	Lake Magenta	1	Telstra	WA
37	Lingara	2	Optus	NT
38	Lynd Roadhouse	5	Telstra	QLD
39	Lyndon River West Rest Area	5	Telstra	WA
40	Mafeking	5	Telstra	NSW
41	Mogo Creek	5	Telstra	NSW
42	Mount Margaret Community	5	Telstra	WA
43	Mt Hart Airport	2	Optus	WA
44	Muir Highway, Dingup	2	Telstra	WA
45	Myrree South	5	Telstra	VIC
46	Ningaloo Station (Jane's Camp)	2	Optus	WA
47	Noccundra	4	Optus	QLD
48	North Dorriggo	1	Telstra	NSW
49	Parnngurr	2	Optus	WA
50	Rainbow Valley	4	Optus	NT
51	Ravensthorpe North	2	Telstra	WA
52	Shelford	4	Telstra	VIC
53	Tabulam 2	1	Telstra	NSW
54	Tara Community	5	Telstra	NT
55	Tintalra	2	Telstra	VIC
56	Tirranna Road House	5	Telstra	QLD
57	Traralgon South	1	Telstra	VIC
58	Tylers Hill	5	Optus	TAS
59	Useless Loop Town	5	Telstra	WA

60	Wattamolla	5A	Telstra	NSW
61	William Bay	1	Telstra	WA
62	Wilroy	1	Telstra	WA
63	Winchelsea South	4	Telstra	VIC
64	Woodsdale Exchange	5	Telstra	TAS
65	Wyndham	2	Telstra	NSW
66	Yarraden	5	Telstra	QLD

## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Samuel Grunhard / Karly Pidgeon

SB23-000770

**SUBJECT: Mobile Black Spot Program – Key Statistics****Talking Points**

- **Rounds 1-5A** – commitments total more than **\$875 million in total investment** (GST incl) (including co-investment from the Commonwealth (**\$298 million**), states and industry).
  - **1297 base stations** have been allocated funding to date, however 31 sites cannot proceed (i.e. are frustrated and removed), leaving **1266 at present**.
  - **1105** base stations activated as at **31 August 2023**.
  - Total program expenditure (Rounds 1-5A) as at 31 August 2023 is **\$210,198,191**.
- **Improving Mobile Coverage Round (6)** outcomes were announced 19 October 2023 (refer to SB23-000771).
- **Round 7** (\$50 million) and RCP Round 3 (\$110 million) (GST excl) combined grant closed 11 August 2023. Applications are being competitively assessed (refer SB23-000768).

**Key Issues**Program summary – sites and funding

MBSP Round	Funded Base Stations (projects)	Funding \$m (GST excl.)	Comment
1	499	100.0	Funding contracted
2	266	52.0	
PLR* (3)	102	41.3	
4	180	25.7	
5	182	33.5	
5A	68	18.9	
<b>Sub-total (contracted)</b>	<b>1,297</b>	<b>271.4</b>	
IMCR (6)	41	37.2	New commitments
IMCR further testing	-	2.8	
7	-	50.0 <sup>1</sup>	Not yet contracted
<b>Sub-total (committed)</b>	<b>-</b>	<b>90.0</b>	
<b>MBSP TOTAL</b>	<b>1,338</b>	<b>361.4</b>	

Related programs – funding reallocations

- During the implementation of the MBSP, uncommitted funding has been reallocated (from time to time) to related mobile programs:
  - \$14.4 million (GST excl) of MBSP Rd 5 funding was reallocated to the Mobile Network Hardening Program Round 1 (Stages 1 and 2) (total value \$21.9m)
  - \$10.7 million of uncommitted MBSP Rd 5A funding was re-allocated to the Peri-Urban Mobile Program (PUMP) Round 1 (total value \$25.7m)

<sup>1</sup> MBSP Round 7 (\$50 million) funded under the Government's Better Connectivity Plan (BCP).

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## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Samuel Grunhard / Karly Pidgeon

SB23-000770

- \$39.1 million of uncommitted MBSP funding was reallocated in 2022-23 to PUMP Rounds 2 and 3
- \$40 million of uncommitted MBSP funding was allocated in 2022-23 to the Improving Mobile Coverage Round

MBSP - Base Station Rollout Status and Forecast - Rounds 1 to 5A (as at 31 August 2023)

	30-Jun-23 (Actual)	30-Jun-24 (Forecast)	(Frustrated) Removed from MBSP	Total funded
<b>Originally funded</b>	<b>1297</b>			<b>1297</b>
Telstra	832	69	13	943
TPG	60	4	11	75
Optus	211	29	7	262
FSG	2	15	-	17
<b>Cumulative</b>	<b>1,105</b>	<b>1,266<sup>^</sup></b>	<b>31<sup>*</sup></b>	<b>1297</b>
Percentage of total funded	85%	97.6% <sup>^</sup>	2.4%	100%

*\* As at 31 August 2023, a total of 97 base stations could not be built. 66 replacement sites have been approved, leaving 31 sites that have been removed from the Program.*

*<sup>^</sup>As at 31 August 2023, grantees are estimating 42 base stations will be completed beyond 30 June 2024, with a small number at risk of being removed from the Program. Should these 42 not be delivered, the 30 June 2024 completion rate would drop from 97.6% to 94.4%.*

MBSP - Mobile Network Coverage Metrics (at 31 August 2023)

- The department tracks performance outcomes for completed projects, with data provided by grantees for each asset once completed. The Asset Completion Reports (ACRs) are submitted post site completion once appropriate approvals, payments and acquittals are finalised by the grantee.
- Key Performance Indicator (KPI) outcomes are provided below for **1077** (number of ACRs received as at 31 August 2023) of the 1105 completed base stations.
- Total coverage delivered from these base stations exceeds the amount that was contracted for these sites (e.g. new handheld coverage achieved is 20 per cent higher than originally contracted).
- Through these 1077 base stations, the Program has delivered:
  - 173,688 square kilometres of new and upgraded handheld coverage;
  - 275,461 square kilometres of new external antenna coverage;
  - 10,194 kilometres of new coverage to major transport routes; and
  - new handheld coverage to more than 127,788 premises.

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## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Samuel Grunhard / Karly Pidgeon

SB23-000770

Sites (1077)	KPI - Premises	Actual - Premises	KPI - Transport Routes (km)	Actual - Transport Routes (km)	KPI - New Handheld (sq km)	Actual - New Handheld (sq km)	KPI - New External Antenna (sq km)	Actual - New External Antenna (sq km)
Telstra (830)	60,618	66,915	4,780.37	5,542.78	122,944.59	146,061.28	190,580.46	208,511.29
Optus (185)	30,351	37,237	1,966.24	2,751.83	11,796.16	13,669.87	15,933.01	22,653.03
TPG (60)	20,269	23,525	1,451.51	1,835.54	9,205.62	12,632.83	10,098.04	41,105.22
FSG (2)	15	111	85.88	64	252.12	1,322	362.43	3,191.80
Totals	111,253	127,788	8,284	10,194	144,198	173,685	216,973	275,461

**MBSP co-location data** (updated on an ad-hoc basis as it requires voluntary information from industry)

Mobile Black Spot Program – Rounds 1-5A co-location data	Totals
Total number of MBSP towers built where another mobile network operator <u>has</u> co-located.	64*
Total number of MBSP funded sites where NBN Co <u>has</u> co-located.	11*
Total number of additional MBSP sites where a third party has expressed interest to co-locate, but co-location has <u>not</u> yet occurred. (Includes FSG Round 5A sites).	23*
Total number of additional MBSP funded sites which <u>have</u> been co-located on a third-party tower/facility (excluding NBN Co facilities). E.g. council, BAI etc	100
Total number of MBSP base stations which <u>have</u> been co-located on a NBN Co tower <u>only</u> .	103
<b>Total</b>	<b>301</b>

- As at 31 March 2023 co-location is occurring or being planned at **98\*** MBSP funded sites. Additionally, **103** MBSP funded base stations have been co-located on NBN Co towers and **100** MBSP funded base stations co-located on other third-party facilities.

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**MBSP Financial Information as at 31 August 2023 (GST excl) - includes Round 6**

<b>Program/Project Start Date:</b>	<b>2015-16</b>						
<b>Program/Project End Date:</b>	<b>2024-25</b>						
	2021-22 \$m	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m	<b>TOTAL \$m</b>
Appropriation Budget	15.731	60.728	41.996	17.000	0	0	<b>135.455</b>
Less:							
Actual Expenditure YTD at 31 August 2023	15.731	14.220	1.970				
Total Committed Funds at 31 August 2023	0	36.937	25.026	0	0	0	<b>61.963</b>
Total Uncommitted Funds (balance)*	0	9.571	15.000	17.000	0	0	<b>41.571</b>

• *Note: Committed Funds relate to funds committed under a Funding Agreement, Contract or Program of Works where the Project, Profile and Conditions have been agreed to, or a formal offer has been made pending agreement by the recipient. As at 31 August 2023, this covers only MBSP Rounds 1-5A.*

• *As at 31 August 2023, Uncommitted Funds are allocated to the Improving Mobile Coverage (Round 6) – election commitment (\$40m) and \$1.571m (not allocated but results from an accounting error)*

• *MBSP expenditure in FY2022-23, while below forecast expenditure, was similar to FY2021-2022.*

- Program expenditure comprises:
  - a one-off Mobilisation payment paid to each mobile carrier under each round;
  - milestone payments, including Asset Completion payments for individual sites; and
  - a Final Payment of up to 10 per cent of the total grant amount across each round of the program, payable to the funding recipients following completion of their last base station funded under each round.
- The Commonwealth's total funding contribution is capped. Any overspends at the end of each Round of the program are the responsibility of the respective funding recipient.
- Funding underspends will either be retained within the program for further investment or returned to the Budget following end-of-program reconciliation and true-up processes.

**MBSP - Final Payment Breakdown (GST exclusive)**

Carrier	Round 1	Round 2	PLR (Round 3)	Round 4	Round 5	Round 5A	TOTAL
Telstra	\$ 8,618,196	\$ 3,605,523	\$ 3,598,615	\$ 1,633,500	\$ 698,336	\$ 2,261,270	\$ 20,415,440
TPG Telecom	\$ 1,381,804	\$ 138,432	\$ 31,085	\$ -	\$ -	\$ -	\$ 1,551,321
Optus	\$ -	\$ 1,455,727	\$ 502,229	\$ 938,652	\$ 2,590,351	\$ 246,235	\$ 5,733,194
FSG	\$ -	\$ -	\$ -	\$ -	\$ 59,090	\$ 1,027,488	\$ 1,086,578
<b>TOTAL</b>	<b>\$ 10,000,000</b>	<b>\$ 5,199,682</b>	<b>\$ 4,131,929</b>	<b>\$ 2,572,152</b>	<b>\$ 3,347,777</b>	<b>\$ 3,534,993</b>	<b>\$ 28,786,533</b>

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**Financial Information – Full program envelope including Movements of Funds** (Figures in table below reflect impact on Budget profile, not underlying Cash).

	2015-16 \$m	2016-17 \$m	2017-18 \$m	2018-19 \$m	2019-20 \$m	2020-21 \$m	2021-22 \$m	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m	TOTAL \$m
Opening Appropriation	40.000	60.000	80.000	20.000	39.115	39.151	59.878	39.907	0	0	0	0	378.051*
Movements/decisions					-2.000 <sup>a</sup>	-10.000 <sup>b</sup>							-12.000
Movements/decisions	-17.000	17.000											0
Movements/decisions		-35.911	18.292	9.616	8.003								0
Movements/decisions			-40.780	44.599	-3.819								0
Movements/decisions				-50.866	25.000	25.866							0
Movements/decisions					-46.662	10.000	36.862**						0.200
Movements/decisions						-35.000		35.000					0
Movements/decisions**						-16.327	-38.887	55.214					0
Movements/decisions <sup>^</sup>							-42.122	15.126	26.996				0
Movements/decisions								-15.033 <sup>c</sup>					-15.033
Movements/decisions								-67.348 <sup>d</sup>	23.005	28.520	8.007	7.816	0
Movements/decisions								-2.138 <sup>d</sup>	-8.005	-11.520	-8.007	-7.816	-37.486
Current Appropriation	23.000	41.089	57.512	23.349	19.637	13.690	15.731	60.728	41.996	17.000	0	0	313.732

\*A total of \$1.95m of Rounds 5 and 6 Budget has been allocated to the Department to administer these rounds of the Program.

<sup>a</sup>Funding of \$2m allocated to NSW Central Coast Mobile and Wi-Fi trains project 2019-20. <sup>b</sup>Funding of \$10m allocated to the Mobile Network Hardening Program (Stage 1) 2020-21. <sup>c</sup>Funding of \$4.37m allocated to the Mobile Network Hardening Program (Stage 2) 2022-23. Funding of \$10.663m allocated to the Peri-Urban Mobile Program 2022-23. <sup>d</sup>Round 6 funding of \$40 million allocated to improving mobile coverage at 54 locations announced by the Government during May 2022 election period and \$39.057m re-allocated to further improving mobile coverage in peri-urban areas 2022-23 to 2026-27 (including a MoF of \$2.138m from 2022-23 to 2023-24).

\*\*MYEFO 2021-22 approved movement of funds, as per 2021-22 Portfolio Additional Estimates Statements – includes additional \$0.2m appropriation for Cherry Gardens.

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^ MoF adjustment in 2022-23 (\$1.614m) for actual 2021-22 expenditure of \$15.731m.

#### Mobile Black Spot Program Budget Profile (GST exclusive)

Aug-23	Expenditure							Budget					
MBSP ROUND	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	TOTAL
Round 1	\$23,000,000	\$29,912,334	\$26,161,682	\$ 5,367,431	\$ 2,238,702	\$ 3,381,965	\$ 211,643	\$ 4,165,056	\$ 5,561,187	\$ -	\$ -	\$ -	\$100,000,000
Round 2	\$ -	\$11,176,417	\$22,826,621	\$ 6,202,344	\$ 3,699,728	\$ 374,458	\$ 1,232,311	\$ 705,689	\$ 5,779,249	\$ -	\$ -	\$ -	\$ 51,996,817
Round 3	\$ -	\$ -	\$ 8,524,000	\$10,866,291	\$ 5,008,751	\$ 4,376,119	\$ 2,058,322	\$ 6,384,960	\$ 4,100,844	\$ -	\$ -	\$ -	\$ 41,319,287
Round 4	\$ -	\$ -	\$ -	\$ 913,186	\$ 7,981,806	\$ 4,034,347	\$ 6,196,327	\$ 4,023,699	\$ 2,572,152	\$ -	\$ -	\$ -	\$ 25,721,518
Round 5	\$ -	\$ -	\$ -	\$ -	\$ 349,168	\$ 1,164,609	\$ 6,031,979	\$ 22,643,225	\$ 3,288,810	\$ -	\$ -	\$ -	\$ 33,477,790
Round 5A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,233,870	\$ 5,693,094	\$ -	\$ -	\$ -	\$ 18,926,964
Round 6 (IMCR)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,000,000	\$15,000,000	\$17,000,000	\$ -	\$ -	\$ 40,000,000
West Coast TAS	\$ -	\$ -	\$ -	\$ -	\$ 359,000	\$ 359,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 718,000
Uncommitted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,571,000	\$ -	\$ -	\$ -	\$ -	\$ 1,571,000
<b>Total</b>	<b>\$23,000,000</b>	<b>\$41,088,751</b>	<b>\$57,512,303</b>	<b>\$23,349,253</b>	<b>\$19,637,155</b>	<b>\$13,690,498</b>	<b>\$15,730,581</b>	<b>\$ 60,727,499</b>	<b>\$41,995,335</b>	<b>\$17,000,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$313,731,376</b>

- Funding of \$1.038 million has been re-allocated from Round 5 to Round 4 to fund an additional 8 base stations merit listed through the Round 4 assessment process, and Round 5 budget has been reduced by \$10 million in 2020-21 and re-allocated to the Mobile Network Hardening Program (Stage 1).
  - A total of \$1.95 million of Rounds 5 and 6 Budget has been allocated to the Department to administer these rounds of the Program.
  - Funding of \$2.0 million re-allocated from Round 2 to the Mobile Coverage and Wi-Fi at stations NSW Central Coast Trains Project.
  - Funding of \$4.37m re-allocated to the Mobile Network Hardening Program (Stage 2) and \$10.663m re-allocated to the Peri-Urban Mobile Program 2022-23.
  - Funding of \$40 million allocated to improving mobile coverage at 54 locations announced by the Government during May 2022 election period (Round 6 - IMCR) and \$39.057m re-allocated to further improving mobile coverage in peri-urban areas (PUMP 2&3) 2022-23 to 2026-27.
  - Additional \$1.571m in 2022-23 (resulting from variance to 2021-22 to 2022-23 MoF forecast).
- ❖ Rounds 1-5A base stations are currently scheduled to be complete by 30 June 2024. Funding for these rounds in 2023-24 is related to final payments and savings attributed to base stations removed from the program. Actual costs will be realised and final payments made once reconciliation and true-up processes are completed at the end of each round of the program.

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**Mobile Black Spot Program – Cost Distribution (Rounds 1 – 5A) (GST inclusive)**

Number of Base Stations	499	266	102	180	182	67	1296
Contribution of Cost per Round	Round 1	Round 2	Round 3 (PLR)	Round 4	Round 5	Round 5A	TOTAL
Sum of Cost to Commonwealth	\$ 110,000,000	\$ 57,196,498	\$ 45,451,216	\$ 28,293,670	\$ 36,825,570	\$ 20,573,260	\$ 298,340,214
Sum of Applicant contribution	\$ 185,270,170	\$ 101,771,187	\$ 37,072,224	\$ 37,277,921	\$ 28,103,388	\$ 10,327,358	\$ 399,822,248
Sum of State contribution	\$ 87,721,899	\$ 53,479,126	\$ -	\$ 17,840,113	\$ 8,353,378	\$ 7,698,473	\$ 175,092,989
Sum of Third party contribution	\$ 1,702,500	\$ 475,000	\$ 40,000	\$ -	\$ 100,000	\$ 286,000	\$ 2,603,500
<b>Sum of Total cost of base station</b>	<b>\$ 384,694,569</b>	<b>\$ 212,921,811</b>	<b>\$ 82,563,440</b>	<b>\$ 83,411,704</b>	<b>\$ 73,382,188</b>	<b>\$ 38,884,935</b>	<b>\$ 875,858,647</b>
Percentage of Total Cost per Round	Round 1	Round 2	Round 3 (PLR)	Round 4	Round 5	Round 5A	TOTAL
Sum of Cost to Commonwealth	28.6%	26.9%	55.05%	33.9%	50.2%	52.9%	34.1%
Sum of Applicant contribution	48.2%	47.8%	44.90%	44.7%	38.3%	26.6%	45.6%
Sum of State contribution	22.8%	25.1%	0.00%	21.4%	11.4%	19.8%	20.0%
Sum of Third party contribution	0.4%	0.2%	0.05%	0.0%	0.1%	0.7%	0.3%
<b>Sum of Total cost of base station</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
Average Cost Contribution per Base Station	Round 1	Round 2	Round 3 (PLR)	Round 4	Round 5	Round 5A	TOTAL
Average of Cost to Commonwealth	\$ 220,441	\$ 215,024	\$ 445,600	\$ 157,187	\$ 202,338	\$ 307,064	\$ 230,201
Average of Applicant contribution	\$ 371,283	\$ 382,598	\$ 363,453	\$ 207,100	\$ 154,414	\$ 154,140	\$ 308,505
Average of State contribution	\$ 175,795	\$ 201,049	\$ -	\$ 99,112	\$ 45,898	\$ 114,903	\$ 135,103
Average of Third party contribution	\$ 3,412	\$ 1,786	\$ 392	\$ -	\$ 549	\$ 4,269	\$ 2,009
<b>Average of Total cost of base station</b>	<b>\$ 770,931</b>	<b>\$ 800,458</b>	<b>\$ 809,445</b>	<b>\$ 463,398</b>	<b>\$ 403,199</b>	<b>\$ 580,372</b>	<b>\$ 675,817</b>

*Note: Figures are based on the Estimated Capital Costs, not actual costs, as per the relevant funding agreements between the Commonwealth and Funding Recipients under each round of the Program.*

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## State Investment (Rounds 1 – 5A)

State	Funded Base Stations	Sum of State Contribution (GST Excl)	Sum of State contribution (GST Incl)
<b>ACT</b>	<b>3</b>	\$ -	\$ -
R5	3	\$ -	\$ -
<b>NSW</b>	<b>320</b>	\$ 32,031,010	\$ 35,234,111
1	144	\$ 22,157,683	\$ 24,373,451
2	39	\$ 7,539,327	\$ 8,293,260
3	28	\$ -	\$ -
4	54	\$ -	\$ -
5	25	\$ -	\$ -
5A	30	\$ 2,334,000	\$ 2,567,400
<b>NT</b>	<b>42</b>	\$ -	\$ -
1*	5	\$ -	\$ -
2	15	\$ -	\$ -
4	12	\$ -	\$ -
5	10	\$ -	\$ -
<b>QLD</b>	<b>258</b>	\$ 24,785,045	\$ 27,263,550
1	68	\$ 9,093,727	\$ 10,003,100
2	76	\$ 12,427,273	\$ 13,670,000
3	39	\$ -	\$ -
4	26	\$ 2,280,591	\$ 2,508,650
5	40	\$ 983,455	\$ 1,081,800
5A	9	\$ -	\$ -
<b>SA</b>	<b>85</b>	\$ 7,292,331	\$ 8,021,564
1	11	\$ -	\$ -
2	20	\$ 1,326,031	\$ 1,458,634
3	6	\$ -	\$ -
4	29	\$ 4,836,227	\$ 5,319,850
5	17	\$ 862,709	\$ 948,980
5A	2	\$ 267,364	\$ 294,100
<b>TAS</b>	<b>60</b>	\$ 800,454	\$ 880,499
1	31	\$ 318,181	\$ 349,999
2	6	\$ 318,182	\$ 350,000
3	9	\$ -	\$ -
4	1	\$ -	\$ -
5	11	\$ -	\$ -
5A	2	\$ 164,091	\$ 180,500
<b>VIC</b>	<b>211</b>	\$ 33,470,669	\$ 36,817,735
1	110	\$ 19,088,526	\$ 20,997,379
2	32	\$ 7,215,785	\$ 7,937,363
3	14	\$ -	\$ -
4	32	\$ 5,237,024	\$ 5,760,726
5	13	\$ 774,964	\$ 852,460
5A	10	\$ 1,154,370	\$ 1,269,807
<b>WA</b>	<b>317</b>	\$ 60,795,936	\$ 66,875,530
1	130	\$ 29,089,063	\$ 31,997,969
2	78	\$ 19,790,790	\$ 21,769,869
3	6	\$ -	\$ -
4	26	\$ 3,864,443	\$ 4,250,887
5	63	\$ 4,972,853	\$ 5,470,138
5A	14	\$ 3,078,787	\$ 3,386,666
<b>Grand Total</b>	<b>1296**</b>	\$ 159,175,445	\$ 175,092,989

\* Excludes NT Government contribution of \$1.76 million under separate Territory funded program.

\*\*Excludes Cherry Gardens site, SA (round 5A) from the 1297 total contracted number of base stations.

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## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Karly Pidgeon / Sam Grunhard

SB23-000771

**SUBJECT: Mobile Black Spot Program – Improving Mobile Coverage Round****Talking Points**

- On 19 October 2023 the Minister for Communications, the Hon Michelle Rowland MP, announced the outcomes of **Improving Mobile Coverage Round (IMCR)** of the Mobile Black Spot Program (MBSP), with the awarding of grant funding for:
  - **41** new base stations (**40** Telstra and **1** TPG) to improve mobile coverage at **42** Target Locations identified as having unreliable service (see list at **Attachment A**).
  - **\$37.2 million (GST excl)** awarded (\$41 million GST incl).
- 12 Target Locations did not result in an outcome under the Round:
  - Five (5) locations did not receive applications;
  - Four (4) locations received applications which were assessed by the Department of Infrastructure, Transport, Regional Development, Communications and the Arts as being too expensive and not delivering value for money; and
  - Three (3) locations received applications that the department assessed did not satisfy the technical coverage or solution requirements of the Guidelines.
- Also announced for the 6 of the 12 unsuccessful locations was that:
  - Four (4) of these locations are expected to receive coverage improvements from projects previously funded under the Regional Connectivity Program (RCP) and Peri-Urban Mobile Program (PUMP), or through commercial solutions.
  - Options are being considered to further test industry solutions for two (2) locations (Majors Creek and Mangrove Mountain), where departmental advice indicates there is a reasonable prospect that a value for money solution may exist.
- The Australian Government allocated **\$40 million (GST excl)** for **IMCR** over three years from 2022-23.
- The IMCR used a **competitive merit-based** grants process to seek solutions from Mobile Network Operators (MNOs) and Infrastructure Providers (MNIPs) to improve mobile coverage and quality of service at **54 Target Locations** identified in election commitments during the 2022 Federal election campaign.
- The design of the Round was informed by past rounds of the MBSP, including the 2018 Priority Locations Round (Round 3), feedback from public consultation conducted by the department in November 2022, and Round 1 of the Peri-Urban Mobile Program (PUMP).
- On 18 May 2023 the department received a Freedom of Information request (request 23-280) seeking access to a number of IMCR-related documents held by the department under *the Freedom of Information Act 1982* (FOI Act).
  - The initial request was modified on 16 June 2023. On 16 August 2023 the department released the requested documents to the applicant.

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**Key Issues***Funding outcomes*

- On 19 October 2023, the Minister announced the outcomes of the competitive grants process, awarding \$37.2 million (GST excl; \$40,952,490 GST incl) in Commonwealth funding.
- Funding will support the deployment of 41 new base stations **at** 40 Target Locations, that will deliver new coverage and improved quality of service **to** 42 Target Locations.
- A list of the 41 new base stations, the successful locations and locations that are not receiving a solution is provided at **Attachment A**.
- Key statistics to note:
  - 41 new base stations being built at 40 Target Locations.
  - 40 are Telstra solutions and one (1) is a TPG solution.
  - Total project cost is \$66 million (GST excl, \$72.7m GST incl), including applicant co-contributions of \$28.8 million (GST excl).
  - Mystery Bay, NSW, is receiving two (2) small cell solutions that are dependent on each other.
  - two (2) of the Target Locations (Alonnah and Snowy Mountains Highway) will receive improved coverage from nearby base stations being built at other Target Locations.
  - 12 of the Target Locations will not receive any solutions from this process.
  - \$2.8 million in funding is currently uncommitted.
- The department is commencing contract negotiations with the successful grantees. Information about the rollout schedule will be published on the funding recipients' websites as it becomes available.

*Locations without a solution*

- Further to the Talking Points for the unsuccessful locations:
  - Options are being considered to further test industry solutions for two (2) locations (Majors Creek and Mangrove Mountain)
  - Four (4) of these locations are expected to receive coverage improvements:
    - Three (3) will be receiving some improved coverage from other Commonwealth programs (Princes Highway – Ulladulla to Batemans Bay, and Mount Tomah through RCP Round 2; and Brigadoon through PUMP).
    - One (1) is expected to receive improved coverage through new commercial investment (Bowen Mountain).
  - The remaining six (6) Target Locations (Breera Brand, Carwoola, Queenstown, Wee Jasper, Monaro Highway and Herne Hill) are not being progressed further through the IMCR as there is a low chance of success at this time.

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*Applications received*

- Applications were open from 2 February to 13 April 2023 with the Grant Opportunity Guidelines available on the Grant Connect website.
  - Applications were received from three (3) applicants for solutions at 49 locations.
  - 79 proposed solutions were received, with a mix of macro cell, small cell and joint proposals.
  - Applicants sought Commonwealth funding of \$79.8 million (GST incl) for a total project value of \$138 million (GST incl).

*Assessment process*

- The department completed an assessment of all eligible applications in accordance with the assessment criteria in the Guidelines.
- On 23 August 2023, the department provided a detailed Evaluation Report to the Minister for Communications as the Decision Maker, with funding recommendations and a merit list.
- On 12 September 2023, the Minister agreed the department's recommendations without change.

**Background***Summary of key IMCR dates*

Date	Activity/Event
25 October 2022	Funding for IMCR announced as part of October 2022 Budget
14 November 2022	Public consultation on draft IMCR guidelines open
28 November 2022	Public consultation on draft IMCR guidelines close
2 February 2023	Applications open
13 April 2023	Applications close
23 August 2023	IMCR Evaluation Report provided to Minister Rowland, as the Decision Maker, with funding recommendations and a merit list.
12 September 2023	Minister Rowland agreed the recommendations in the IMCR Evaluation Report
19 October 2023	Public announcement of IMCR outcomes

- Funding commitments for the Target Locations were announced by the Minister for Communications, incumbent Members of Parliament and/or election candidates during the 2022 Federal Election.

*Analysis of coverage issues at the Target Locations*

- The department undertook a desktop analysis of each of the announced Target Locations to identify the types of coverage or quality of service issues at each location for the purposes of developing the Guidelines and the evaluation process.

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- Each location was classified into one of following three “Solution Category” types based on the coverage and/or quality of service issues at the location (refer to Section 5.1 of the Guidelines):
  - New Mobile Coverage – where the issues appear to primarily relate to poor or no mobile coverage;
  - Improving Mobile Coverage – where the issues appear to primarily relate to mobile capacity and/or poor indoor coverage; or
  - New Highway Coverage – where the issues primarily relate to stretches of highway with poor or no mobile coverage.
- This desktop analysis used publicly available mobile coverage data, targeted highway survey data and other information, such as any recent correspondence received about mobile issues at any of the locations.
- Where additional information was available about a specific coverage and/or quality of issues at a location (e.g. provided in the original announcement or via feedback from the public consultation process), it was included in the Guidelines as a specific note in the table at Appendix A in the column “*Specific areas with coverage issue (if known)*”. (See table at **Attachment B**)
- The department did not undertake an assessment or provide advice on the relative merits of any of the Target Locations.

*Program design*

- The Guidelines are available on Grant Connect at [www.grants.gov.au](http://www.grants.gov.au) (see GO6108).
- The IMCR is based on the design of the former Government’s MBSP Priority Locations Round (a similar Target Location initiative), revised for experience from subsequent MBSP rounds and Round 1 of the PUMP (inclusion of operational funding).
- Industry applicants were invited to submit proposals that addressed connectivity issues in one or more of the Target Locations.
- Different assessment criteria were used for the Solution Categories. These included the level of new coverage delivered by the solution, the level of improved service quality, how the solution anticipates future growth in service demand, and the cost to the Australian Government.

*Consultation on draft guidelines*

- During 14-28 November 2022, the Government released draft Guidelines for public consultation. 108 submissions were received from industry and other key stakeholders.
- Non-confidential submissions were published on the department’s website. Overall there was strong support for the draft Guidelines, with comments largely focused on minor matters and clarifications, or feedback on coverage issues at the Target Locations.

**Contact:** Karly Pidgeon**Cleared by First Assistant Secretary:** Sam Grunhard**Phone:** (02) s22(1)(a)(ii)**Version Number:** 01**Date:** 20/10/2023

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- Feedback from this consultation informed the design of the final Guidelines. This included:
  - provision of additional information on specific coverage issues at Target Locations, where known; and
  - clarification of the nominal cap mechanism for each site. The nominal cap was consistent with the election commitment amounts and provided flexibility to encourage the best outcomes at each location. The caps reflected costs for typical solutions (macro and small cell) funded under the MBSP and PUMP, noting that costs are site-specific and vary widely.

*Freedom of Information (FOI) request 23-280*

On 18 May 2023 an applicant requested access to documents held by the Department of Infrastructure, Transport, Regional Development, Communications and the Arts under the *Freedom of Information Act 1982* (FOI Act).

The original request received from the applicant was:

*Copies of all briefs, emails and attached documents, specifically between the department and staff in the Office of the Minister for Communications (including the ministerial office departmental liaison officer), in relation to the decision to allocate funding to 54 target locations under the Improving Mobile Coverage Round (IMCR) of the Mobile Black Spot Program – announced in the Minister’s media statement of 2 February 2023 on the opening of the IMCR round to ‘54 target locations’. This request includes copies of briefs that have been signed or notated by the Minister on the program during this period*

On 16 June 2023, following discussions between the department’s FOI team and the applicant, the applicant agreed to modify the scope of the request to:

1. *Ministerial Briefs signed by the Minister for Communications formalising round 6 (Improving Mobile Coverage Round) under the Mobile Black Spot Program, including any attachments, excluding Meeting/Event Briefs.*
2. *Correspondence between the Department and the Office of the Minister for Communication’s relevant key advisor/s or Chief of Staff detailing the operation, management, or delivery of round 6 (Improving Mobile Coverage Round) under the Mobile Black Spot Program, excluding media related documents.*

*These documents will have been created, finalised, or sent/received between the period 1 June 2022 to 30 March 2023.*

On 16 August 2023 the department released the documents to the applicant in response to the FOI request. These are noted on the department’s FOI [disclosure log](#) and available on request (due to the file size of the documents).

Contact: Karly Pidgeon

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**Financial Information as at 31 August 2023***Funding profile (GST exclusive)<sup>1</sup>*

<b>Program Start Date:</b>	<b>2022-23</b>			
<b>Program End Date:</b>	<b>2024-25</b>			
	2022-23 \$m	2023-24 \$m	2024-25 \$m	<b>TOTAL \$m</b>
Appropriation Budget <sup>2</sup> - Administered	8.0	15.0	17.0	<b>40.0<sup>3</sup></b>
Less:				
Actual Expenditure YTD at 31 August 2023	0	0		
Total Committed Funds at 31 August 2023	0	0	0	<b>0</b>
Total Uncommitted Funds (balance)	8.0	15.0	17.0	<b>40.0</b>

Note:

1. Committed funds relate to funds committed under a Funding Agreement, Contract or Program of Works where the Project, Profile and Conditions have been agreed to, or a formal offer has been made pending agreement, by the recipient.
2. The \$40 million IMCR is being implemented through the previous \$79.1 million allocation to Round 6 of MBSP, with remaining funding committed to additional rounds of the PUMP.
3. Movements of funds will be considered as appropriate to support the program implementation.

**Attachments**

Attachment A: List of outcomes under the Round

Attachment B: List of Target Locations under the IMCR (from the Guidelines)

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Phone: (02) s22(1)(a)(ii)

Version Number: 01

Date: 20/10/2023

## ATTACHMENT A

List of outcomes under the Round**Table 1: Locations receiving an outcome** (in alphabetical order)

Location	State	Applicant	Macrocell/ Small cell	Solution Category	Comment
Alkimos (North)	WA	Telstra	Macrocell	Improving Mobile Coverage	
Alonnah (South Bruny Island)	TAS	Telstra	-	New Mobile Coverage	Receiving improved coverage from Telstra base station funded at Verona Sands
Ansons Bay	TAS	Telstra	Macrocell	New Mobile Coverage	
Blaxlands Ridge	NSW	Telstra	Macrocell	Improving Mobile Coverage	
Budgewoi	NSW	Telstra	Macrocell	Improving Mobile Coverage	
Cudlee Creek	SA	Telstra	Macrocell	Improving Mobile Coverage	
Dalmeny	NSW	Telstra	Macrocell	Improving Mobile Coverage	
East Douglas (Townsville Region)	QLD	Telstra	Macrocell	Improving Mobile Coverage	
Eleebana	NSW	Telstra	Macrocell	Improving Mobile Coverage	
Emerald (South West)	QLD	Telstra	Macrocell	Improving Mobile Coverage	
Forrest Highway (near Australind)	WA	Telstra	Macrocell	Improving Mobile Coverage	
Gisborne South	VIC	TPG	Macrocell	Improving Mobile Coverage	
Grindelwald	TAS	Telstra	Macrocell	Improving Mobile Coverage	
Jamberoo (greater area)	NSW	Telstra	Macrocell	New Mobile Coverage	
Jewells and Redhead	NSW	Telstra	Macrocell	Improving Mobile Coverage	
Kangaroo Valley	NSW	Telstra	Macrocell	Improving Mobile Coverage	
Kings Highway	NSW	Telstra	Macrocell	New Highway Coverage	
Kuranda (West)	QLD	Telstra	Macrocell	New Mobile Coverage	
Lake Munmorah	NSW	Telstra	Macrocell	Improving Mobile Coverage	
Lilli Pilli	NSW	Telstra	Macrocell	Improving Mobile Coverage	
Maraylya	NSW	Telstra	Macrocell	Improving Mobile Coverage	
Matcham-Holgate	NSW	Telstra	Macrocell	Improving Mobile Coverage	
Mystery Bay	NSW	Telstra	Small Cell	Improving Mobile Coverage	Two interdependent small cells will deliver improved coverage to Mystery bay
	NSW	Telstra	Small Cell		
Port Rickaby	SA	Telstra	Macrocell	Improving Mobile Coverage	
Princes Highway: Batemans Bay to Eden	NSW	Telstra	Macrocell	New Highway Coverage	

Location	State	Applicant	Macrocell/ Small cell	Solution Category	Comment
Rapid Bay	SA	Telstra	Macrocell	Improving Mobile Coverage	
Sheffield	TAS	Telstra	Macrocell	New Mobile Coverage	
Snowy Mountains Highway	NSW	Telstra	-	New Highway Coverage	Receiving improved coverage from Telstra base station funded at Talbingo
St Leonards	VIC	Telstra	Macrocell	Improving Mobile Coverage	
Stoneville	WA	Telstra	Macrocell	Improving Mobile Coverage	
Talbingo	NSW	Telstra	Macrocell	New Mobile Coverage	
Tea Tree	TAS	Telstra	Macrocell	New Mobile Coverage	
Togari	TAS	Telstra	Macrocell	New Mobile Coverage	
Upper Stone	QLD	Telstra	Macrocell	New Mobile Coverage	
Verona Sands	TAS	Telstra	Macrocell	Improving Mobile Coverage	
West Tamar Highway (leading into Kelso)	TAS	Telstra	Macrocell	New Highway Coverage	
Woodend	VIC	Telstra	Macrocell	Improving Mobile Coverage	
Wool Bay	SA	Telstra	Macrocell	Improving Mobile Coverage	
Worrigee	NSW	Telstra	Macrocell	Improving Mobile Coverage	
Wreck Bay Village	ACT	Telstra	Macrocell	New Mobile Coverage	Located in the Jervis Bay Territory
Wyoming	NSW	Telstra	Macrocell	Improving Mobile Coverage	
Yellow Rock	NSW	Telstra	Macrocell	Improving Mobile Coverage	

## Notes:

1. The breakdown of the 41 solutions (and 42 Target Locations) by state and territory is:
  - a. 1 ACT
  - b. 19 NSW
  - c. 4 QLD
  - d. 4 SA
  - e. 8 TAS\* (including Alonnah TAS is 9 Target Locations receiving a solution)
  - f. 3 VIC
  - g. 2 WA
2. The breakdown of the 42 Target Locations by coverage issue is:
  - a. 28 Improving Mobile Coverage
  - b. 4 New Highway Coverage
  - c. 10 New Mobile Coverage

**Table 2: List of 12 Target Locations without an outcome**

Target Location (Solution Category)	Reason	Note	Way Forward for Target Locations
Mangrove Mountain, NSW  (New Mobile Coverage)	Ineligible solution	The proposed solution did not materially address the Target Location.	The department is considering options to further test industry solutions at Mangrove Mountain, noting there is a reasonable prospect that a value for money solution may exist.
Majors Creek, NSW  (New Mobile Coverage)	Ineligible solution	The Round did not receive an eligible solution for this location.	The department is considering options to further test industry solutions at Majors Creek, noting there is a reasonable prospect that a value for money solution may exist.
Princes Highway – Ulladulla to Batemans Bay, NSW  (New Highway Coverage)	Ineligible Solutions	Two separate proposals were received at different locations.  They either provided negligible or no new coverage to the target highway.	Receiving improved coverage from two new base stations funded under the Regional Connectivity Program Round 2 (RCP-R2-081)
Bowen Mountain, NSW  (Improving Mobile Coverage)	Not value for money	The proposed solution did not represent value for money under the Round based on the expected outcomes.	Receiving some improved coverage from new commercial investment.
Queenstown, Tas  (Improving Mobile Coverage)	Not value for money	The proposed solution was extremely high cost and did not represent value for money under the Round.	Not being progressed further through the IMCR as there is a low chance of success at this time.
Wee Jasper, NSW  (New Mobile Coverage)	Not value for money	The proposed solution was extremely high cost and did not represent value for money under the Round.	Not being progressed further through the IMCR as there is a low chance of success at this time.
Carwoola, NSW  (New Mobile Coverage)	Not value for money	The proposed solution was high cost, and there was a low level of confidence in the viability of the proposed site, and did not represent value for money under the Round.	Not being progressed further through the IMCR as there is a low chance of success at this time.  Community-level discussion will explore the viability of alternative sites with mobile carriers.

Target Location (Solution Category)	Reason	Note	Way Forward for Target Locations
Breera (Brand Highway), WA <i>(Improving Mobile Coverage)</i>	<b>No solution received</b>	No proposal was received for this location.	Not being progressed further through the IMCR as there is a low chance of success at this time.
Brigadoon, WA <i>(Improving Mobile Coverage)</i>	<b>No solution received</b>	No proposal was received for this location.	Receiving improved coverage from a new base station funded under the Peri-Urban Mobile Program Round 1 (PUMP-WA-009).
Herne Hill, WA <i>(Improving Mobile Coverage)</i>	<b>No solution received</b>	No proposal was received for this location.	Not being progressed further through the IMCR as there is a low chance of success at this time.
Monaro Highway, NSW <i>(New Highway Coverage)</i>	<b>No solution received</b>	No proposal was received for this location.	Not being progressed further through the IMCR as there is a low chance of success at this time.
Mount Tomah, NSW <i>(Improving Mobile Coverage)</i>	<b>No solution received</b>	No proposal was received for this location.	Receiving improved coverage from a new base station funded under the Regional Connectivity Program Round 2 (RCP-R2-075)

## Notes:

1. The breakdown of Target Locations not receiving an outcome by state and territory is:
  - a. 8 NSW
  - b. 1 TAS
  - c. 3 WA
2. The breakdown Target Locations not receiving an outcome by coverage issue is:
  - a. 6 Improving Mobile Coverage
  - b. 2 New Highway Coverage
  - c. 4 New Mobile Coverage

## ATTACHMENT B

List of 54 Target Locations and Mobile solution categories in the Improving Mobile Coverage round of the MBSP

Target Location	State	Specific areas with coverage issue (if known)	Solution Category	Specified mobile coverage or quality of service issue/s
<b>Wreck Bay Village</b>	ACT (JBT)	Jervis Bay Territory, including Wreck Bay and surrounding cliffs, and HMAS Creswell	New Mobile Coverage	Issues appear to relate to poor or no mobile coverage.
<b>Blaxlands Ridge</b>	NSW		Improving Mobile Coverage	Issues appear to relate to mobile capacity and/or poor indoor coverage.
<b>Bowen Mountain</b>	NSW		Improving Mobile Coverage	Issues appear to relate to mobile capacity and/or poor indoor coverage.
<b>Budgewoi</b>	NSW		Improving Mobile Coverage	Issues appear to relate to mobile capacity and/or poor indoor coverage.
<b>Carwoola</b>	NSW	Large sections of Carwoola identified as having poor or non-existent handheld coverage. This includes areas up to 3km north of Carwoola, the corner of Clydesdale Rd and Captains Flat Rd, and Little Whiskers Creek Rd.	New Mobile Coverage	Issues appear to relate to poor or no mobile coverage.
<b>Dalmeny</b>	NSW		Improving Mobile Coverage	Issues appear to relate to mobile capacity and/or poor indoor coverage.
<b>Eleebana</b>	NSW		Improving Mobile Coverage	Issues appear to relate to mobile capacity and/or poor indoor coverage.
<b>Jamberoo (greater area)</b>	NSW	Some areas of poor to non-existent coverage identified in greater areas of Jamberoo, from the south west edge of the town of Jamberoo along Wyalla Rd, as well as Minnamurra Falls Rd.  Poor reception also identified on Jamberoo Rd at Spring Creek (west of Kiama).	New Mobile Coverage	Issues appear to relate to poor or no mobile coverage.
<b>Jewells and Redhead</b>	NSW		Improving Mobile Coverage	Issues appear to relate to mobile capacity and/or poor indoor coverage.
<b>Kangaroo Valley</b>	NSW	Poor reception reported at Budgong (south of Kangaroo Valley).	Improving Mobile Coverage	Issues appear to relate to localised areas of poor mobile coverage and/or limited capacity.

Target Location	State	Specific areas with coverage issue (if known)	Solution Category	Specified mobile coverage or quality of service issue/s
<b>Kings Highway</b>	NSW	Coverage audit maps identifying areas of poor or no mobile coverage will be provided for this New Highway Coverage Target Location.  Poor coverage reported at Bungendore.	New Highway Coverage	Issues relate to stretches of highway with poor or no mobile coverage.
<b>Lake Munmorah</b>	NSW	Poor coverage in the local conservation areas	Improving Mobile Coverage	Issues appear to relate to mobile capacity and/or poor indoor coverage.
<b>Lilli Pilli (2536 – Eurobodalla Shire)</b>	NSW		Improving Mobile Coverage	Issues appear to relate to mobile capacity and/or poor indoor coverage.
<b>Majors Creek</b>	NSW	The Government's election commitment is for a small cell solution to improve mobile coverage in Majors Creek.	New Mobile Coverage	Issues appear to relate to areas of poor or no mobile coverage.
<b>Mangrove Mountain</b>	NSW	Poor handheld coverage identified at Upper Mangrove, spanning the area around Waratah Rd, Mangrove Creek (south and south west of Mangrove Mountain) and Central Mangrove. Poor handheld coverage identified at Mangrove Mountain in the sector west of George Downes Dr.	New Mobile Coverage	Issues appear to relate to areas of poor or no mobile coverage.
<b>Maraylya</b>	NSW	Increased demand for capacity identified at Gables, Box Hill and Vineyard.	Improving Mobile Coverage	Issues appear to relate to mobile capacity and/or poor indoor coverage.
<b>Matcham-Holgate</b>	NSW	Reports of poor reception due to local terrain impeding line-of-sight.	Improving Mobile Coverage	Issues appear to relate to mobile capacity and/or poor indoor coverage.
<b>Monaro Highway</b>	NSW	Coverage audit maps identifying areas of poor or no mobile coverage will be provided for this New Highway Coverage Target Location.	New Highway Coverage	Issues relate to stretches of highway with poor or no mobile coverage.
<b>Mount Tomah</b>	NSW		Improving Mobile Coverage	Issues appear to relate to localised areas of poor mobile coverage and/or limited capacity.
<b>Mystery Bay</b>	NSW		Improving Mobile Coverage	Issues appear to relate to localised areas of poor mobile coverage and/or limited capacity.



Target Location	State	Specific areas with coverage issue (if known)	Solution Category	Specified mobile coverage or quality of service issue/s
<b>Princes Highway: Batemans Bay to Eden</b>	NSW	Coverage audit maps identifying areas of poor or no mobile coverage will be provided for this New Highway Coverage Target Location.  Poor coverage reported at Lochiel (near Pambula) and Mt Darragh.	New Highway Coverage	Issues relate to stretches of highway with poor or no mobile coverage.
<b>Princes Highway: Ulladulla to Batemans Bay</b>	NSW	Coverage audit maps identifying areas of poor or no mobile coverage will be provided for this New Highway Coverage Target Location.	New Highway Coverage	Issues relate to stretches of highway with poor or no mobile coverage.
<b>Snowy Mountains Highway</b>	NSW	Coverage audit maps identifying areas of poor or no mobile coverage will be provided for this New Highway Coverage Target Location.	New Highway Coverage	Issues relate to stretches of highway with poor or no mobile coverage.
<b>Talbingo</b>	NSW	Large areas of non-existent handheld coverage identified surrounding residents in Talbingo and Talbingo township.	New Mobile Coverage	Issues appear to relate to areas of poor or no mobile coverage.
<b>Wee Jasper</b>	NSW	Large sections of the Wee Jasper area identified as having poor or non-existent handheld coverage. This includes the area surrounding the Wee Jasper Public School and Goodradigbee River Bridge, Wee Jasper Creek, and other communities.  Poor coverage also reported at Doctors Flat and Micalong Close.	New Mobile Coverage	Issues appear to relate to areas of poor or no mobile coverage.
<b>Worrigee</b>	NSW		Improving Mobile Coverage	Issues appear to relate to mobile capacity and/or poor indoor coverage.
<b>Wyoming</b>	NSW	Poor to no mobile coverage identified specifically in the Henry Kendall Gardens and Adelene Village Retirement Villages	Improving Mobile Coverage	Issues appear to relate to localised areas of poor mobile coverage and/or limited capacity
<b>Yellow Rock (2777)</b>	NSW		Improving Mobile Coverage	Issues appear to relate to mobile capacity and/or poor indoor coverage.
<b>East Douglas (Townsville Region)</b>	QLD		Improving Mobile Coverage	Issues appear to relate to mobile capacity and/or poor indoor coverage.
<b>Emerald (south west)</b>	QLD		Improving Mobile Coverage	Issues appear to relate to localised areas of poor mobile coverage and/or limited capacity.



Target Location	State	Specific areas with coverage issue (if known)	Solution Category	Specified mobile coverage or quality of service issue/s
<b>Kuranda (West)</b>	QLD	Patches of poor to non-existent handheld coverage identified in the west Kuranda region, west of Kuranda village—including districts of Myola, Dismal Creek, and Kowrowa	New Mobile Coverage	Issues appear to relate to areas of poor or no mobile coverage.
<b>Upper Stone</b>	QLD	Large areas of poor to non-existent handheld coverage identified in the Upper Stone area.	New Mobile Coverage	Issues appear to relate to areas of poor or no mobile coverage.
<b>Cudlee Creek</b>	SA	Poor coverage reported at Fox Creek Road, Croft Road, Hannaford Road and Redden Drive; Cudlee Creek Road; Cudlee Creek Cafe, Cudlee Creek CFS station, Cudlee Creek Hall (on Gorge Road); Retreat Valley Road.	Improving Mobile Coverage	Issues appear to relate to localised areas of poor mobile coverage and/or limited capacity.
<b>Port Rickaby</b>	SA		Improving Mobile Coverage	Issues appear to relate to mobile capacity and/or poor indoor coverage.
<b>Rapid Bay</b>	SA	Poor coverage reported at Rapid Bay Primary School and Rapid Bay Cricket Club/Oval.	Improving Mobile Coverage	Issues appear to relate to mobile capacity and/or poor indoor coverage.
<b>Wool Bay</b>	SA		Improving Mobile Coverage	Issues appear to relate to mobile capacity and/or poor indoor coverage.
<b>Alonnah (South Bruny Island)</b>	TAS	The Government's election commitment is for a small cell solution to improve mobile coverage in Alonnah.  Patches of poor to non-existent coverage identified at Alonnah, Bruny Island.	New Mobile Coverage	Issues appear to relate to areas of poor or no mobile coverage.
<b>Ansons Bay</b>	TAS	Areas of poor to non-existent coverage identified in Ansons Bay township areas along the coast of Ansons Bay and Shark Bay.	New Mobile Coverage	Issues appear to relate to areas of poor or no mobile coverage.
<b>Grindelwald</b>	TAS	Poor handheld quality of service identified in Grindelwald township. Poor quality of service identified in areas near Waldhorn Dr and Atkinsons Rd. Poor coverage and quality of service identified near residential tourist resort, Aspect Tamar Valley. Poor coverage and quality of service identified surrounding retirement villages and complexes in Grindelwald.	Improving Mobile Coverage	Issues appear to relate to localised areas of poor mobile coverage and/or limited capacity.

Target Location	State	Specific areas with coverage issue (if known)	Solution Category	Specified mobile coverage or quality of service issue/s
Queenstown	TAS	Network congestions and periods of intermittent handheld coverage identified in Queenstown township during peak tourist season. Poor quality of service and/or poor handheld coverage also identified in areas of Queenstown, including areas near Lyell Highway. Poor coverage also identified surrounding premises near Lovett St in the south of Queenstown.	Improving Mobile Coverage	Issues appear to relate to localised areas of poor mobile coverage and/or limited capacity.
Sheffield	TAS	Poor to non-existent coverage identified in Sheffield township, and in wider areas surrounding the township in the Sheffield area, including hilly areas of Lizard Hill and near Kimberley's lookout.  Poor reception also reported at Claude Road Hall.	New Mobile Coverage	Issues appear to relate to areas of poor or no mobile coverage.
Tea Tree	TAS	Poor reception reported on Back Tea Tree Rd and Tea Tree Rd, as well as Pontville (near Brighton).	New Mobile Coverage	Issues appear to relate to areas of poor or no mobile coverage.
Togari	TAS	Areas of poor to no coverage identified in Togari. Poor reception reported between Brittons Swamp and Togari towards Redpa.	New Mobile Coverage	Issues appear to relate to areas of poor or no mobile coverage.
Verona Sands	TAS		Improving Mobile Coverage	Issues appear to relate to mobile capacity and/or poor indoor coverage.
West Tamar Highway (leading into Kelso)	TAS	Coverage audit maps identifying areas of poor or no mobile coverage will be provided for this New Highway Coverage Target Location.	New Highway Coverage	Issues relate to stretches of highway with poor or no mobile coverage.
Gisborne South	VIC		Improving Mobile Coverage	Issues appear to relate to mobile capacity and/or poor indoor coverage.
St Leonards	VIC	Areas of poor indoor handheld reception signal strength or quality of service issues identified in St Leonards.  Poor reception reported on Queenscliff Road between St Leonards and Point Lonsdale.	Improving Mobile Coverage	Issues appear to relate to mobile capacity and/or indoor coverage issues.

Target Location	State	Specific areas with coverage issue (if known)	Solution Category	Specified mobile coverage or quality of service issue/s
Woodend	VIC	Areas of handheld network congestion and periods of intermittent coverage or quality of service identified in Woodend. Complaints of poor quality of service identified in greater Woodend, including small areas surrounding premises near Ravenswood Park in greater Woodend; near residential premises south of Slay Creek; near the intersection between Donalds Rd and Ashbourne Rd, south of Woodend towncentre; near the corner of Donalds Rd and Harpers Rd; and surrounding properties near areas along the Campaspe River in western greater Woodend.	Improving Mobile Coverage	Issues appear to relate to mobile capacity and/or poor indoor coverage.
Alkimos (North)	WA		Improving Mobile Coverage	Issues appear to relate to mobile capacity and/or poor indoor coverage.
Breera (Brand Highway)	WA		Improving Mobile Coverage	Issues appear to relate to mobile capacity and/or poor indoor coverage.
Brigadoon	WA		Improving Mobile Coverage	Issues appear to relate to mobile capacity and/or poor indoor coverage.
Forrest Highway (near Australind)	WA	Complaints of weak coverage signal identified along the Forrest Highway near Australind.	Improving Mobile Coverage	Issues appear to relate to mobile capacity and/or poor indoor coverage.
Herne Hill	WA	Poor reception reported at Jane Brook and Swan View.	Improving Mobile Coverage	Issues appear to relate to mobile capacity and/or poor indoor coverage.
Stoneville	WA	Poor reception reported at Parkerville.	Improving Mobile Coverage	Issues appear to relate to mobile capacity and/or poor indoor coverage.

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## Environment and Communications

Lead/Support contact: Karly Pidgeon / Sam Grunhard

SB23-000772

**SUBJECT: Peri-Urban Mobile Program (PUMP)****Talking Points**

- The Australian Government committed **\$39.1 million** (GST exclusive) in the October 2022-23 Budget for **two additional rounds** of the **Peri-Urban Mobile Program (PUMP)**.
- The program addresses mobile reception and quality of service issues on the peri-urban fringe of major cities. This is where the bush often directly interfaces with the suburbs, creating natural disaster risks for those who live and work in these areas.
- By improving coverage in these areas, communities will be able to receive vital information during emergencies, seek help if needed and stay in touch with loved ones.
- Improved mobile connectivity will also ensure that rapidly growing peri-urban communities across Australia are not held back or left behind.
- PUMP Round 1 focused on the major cities of: Adelaide, Brisbane, Hobart, Melbourne, Perth and Sydney.
- PUMP Rounds 2 and 3 will **expand** the program to take in the peri-urban fringes of Australia's major **regional cities** as well, like Geelong, the Gold Coast, and Newcastle.
- The Department of Infrastructure, Transport, Regional Development, Communications and the Arts has completed public **consultation** on draft **Round 2** Guidelines and is currently considering feedback. The \$20 million Round 2 is expected to open in late 2023.
- **Round 1** of PUMP is providing **\$25.7 million** (GST excl) in funding to Optus, Telstra and TPG Telecom for **66** mobile infrastructure solutions to improve mobile connectivity in **50** bushfire priority areas along the edges of Australia's major cities.

**Key Issues**

- **\$1.8 million** (GST excl) has been offset from uncommitted new PUMP funds in 2022-23 to support other Government regional communication priorities [see SB23-000556].
- It is anticipated that underspends from frustrated projects under the Mobile Black Spot Program (MBSP) Rounds 1-5A will be used to reinstate this funding prior to PUMP Round 3.

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## Environment and Communications

Lead/Support contact: Karly Pidgeon / Sam Grunhard

SB23-000772

*Funding for additional rounds*

- The Government committed **\$39.1 million** (GST excl) in the October 2022-23 Budget for two additional rounds of PUMP over five years from 2022-23 (funded from unallocated MBSP funds in previous Budgets). **\$37.3 million** (GST excl) is currently available given the reallocation.
- Underspends are expected from frustrated projects in earlier MBSP rounds (i.e. sites unable to be built by industry). These funds will be available once all of a grantee's projects within a round are completed and the funding agreement is fully reconciled.

*Round 2 Status and Boundaries*

- Public **consultation** on the draft PUMP Round 2 Guidelines, and Round 2 peri-urban boundaries, was conducted from **5 July to 16 August 2023** (six weeks). The draft guidelines, maps and information are on the department's "Have your say" page.
- 79 submissions were received, with 44 expected to be published on the department's website when final Guidelines are released and the round opens in late 2023. The department is currently considering the submissions received.
- Round 2 will use an updated "peri-urban fringe" definition that includes all "Major Urban" areas with a population of more than 100,000 people (ABS definition).
  - This now also includes: Bendigo, Ballarat, Cairns, Canberra, Central Coast (NSW), Darwin, Geelong, Gold Coast, Newcastle, Sunshine Coast, Toowoomba, Townsville and Wollongong.
  - The eligible peri-urban "corridor" borders the Major Urban area, and extends 2 km inside the Major Urban boundary and 15 km outside the boundary.
  - The corridor requires manual adjustment by the department, given the geography of some regional cities (e.g. the standard boundaries would otherwise include the central business districts of Gosford and Canberra), to ensure eligibility targets the peri-urban fringe risk areas.
  - It also includes a road corridor either side of selected Major Transport Passages that exit the peri-urban corridors, to provide coverage along major exit routes.
    - This is a 5-km corridor either side of the transport passages, out to a distance of 15 kms.
- The proposed peri-urban boundaries for Round 2 have been published on the National Map under the title "Peri-Urban Mobile Program (PUMP) - Round 2 GeoJSON".

*Round 2 Community Involvement - Program Noticeboard*

- A Project Noticeboard for Round 2 has been established to help local councils and community groups identify mobile coverage, reception and quality of service issues, to assist industry applicants (Mobile Network Operators (MNOs) and infrastructure providers) to develop proposals for Round 2 of the PUMP.

**Contact:** Karly Pidgeon**Cleared by First Assistant Secretary:** Sam Grunhard**Phone:** (02) s22(1)(a)(ii)**Version Number:** 01**Date:** 10/10/2023

**2023 - 2024 Supplementary Budget Estimates**

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**Lead/Support contact: Karly Pidgeon / Sam Grunhard**

**SB23-000772**

- Local councils and community groups are invited to upload their project proposals to the Noticeboard, noting decisions on applications is a matter for the industry applicants.

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**Date:** 10/10/2023



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Lead/Support contact: Karly Pidgeon / Sam Grunhard

SB23-000772

**Background***Round 1 Outcomes*

- Round 1 of PUMP is delivering **66** 4G and 5G mobile infrastructure solutions in **50** different locations in peri-urban areas of Australia's major cities. Key statistics for Round 1, including the full list of funded solutions and breakdowns by grantee and state, are at **Attachment A**.
- At **16** of the 50 locations, two separate mobile carriers have been funded to deploy (co-locate) base stations on the same tower (i.e. **32** total solutions across 16 towers). This will improve coverage in the area, as well as increasing competition between the carriers at these locations.
- All Round 1 grant agreements have been executed (Optus - 7 March 2023, TPG - 17 May 2023 and Telstra - 8 August 2023), with funded projects currently scheduled to be completed by 31 December 2025.
- Funding is expected to be moved across financial years as needed, as part of normal program administration and budgetary processes.
- PUMP grant funding was provided to the Mobile Network Operators through a **competitive, merit-based assessment process** undertaken by the department.
- The former Minister agreed the department's recommendations for Round 1 outcomes without change on 30 March 2022. Following the 2022 Federal Election, the Minister for Communications, the Hon Michelle Rowland MP, considered and endorsed the outcomes without change on **17 June 2022**.

*Round 1 - Opportunity for Federal Member of Parliament to identify priority coverage issues*

- The corridor definition, including transport passages, was informed by feedback from the public consultation process for the Round 1 draft guidelines. Bushfire priority areas in general were identified using CSIRO bushfire threat mapping data.
- Prior to applications opening under Round 1, Members of Parliament (MPs) that represented a Local Government Area eligible under PUMP were asked to identify three eligible priority locations within their electorate.
- Nominations were not sought from MPs whose electorates did not materially intersect the eligible area under PUMP (i.e. less than 10 square kilometres) or whose electorates were located at the end of the eligible road corridors.
- The locations were provided to registered applicants to assist them to identify areas where poor coverage in the local community has been identified.
  - Applicants were not required to target these locations. However, proposals that targeted priority locations received additional weighting in the assessment process.

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## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Karly Pidgeon / Sam Grunhard

SB23-000772

**Financial Information as at 31 August 2023**

<b>Program/Project Start Date:</b>	<b>2021-22</b>					
<b>Program/Project End Date:</b>	<b>2026-27</b>					
	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m	<b>TOTAL \$m</b>
Appropriation Budget – PUMP Round 1 (Administered)	9.6	16.1	0.0	0.0	0.0	<b>25.7</b>
Appropriation Budget – PUMP Round 1 (Departmental)	0.4	0.0	0.0	0.0	0.0	<b>0.4</b>
Appropriation Budget – PUMP Rounds 2 and 3 (Administered)	1.9	8.0	11.5	8.0	7.9	<b>37.3</b>
Appropriation Budget –PUMP Rounds 2 and 3 (Departmental)	0.0	0.0	0.0	0.0	0.0	<b>0.0</b>
Less:						
Actual Expenditure YTD at 31 August 2023	0.6					
Total Committed Funds (Administered) at 31 August 2023	9.0	16.1	0	0	0	<b>25.1</b>
Total Uncommitted Funds (balance)	1.9	8.0	11.5	8.0	7.9	<b>37.3</b>

*Note: Committed funds relate to funds committed under a Funding Agreement, Contract or Program of Works where the Project, Profile and Conditions have been agreed to, or a formal offer has been made pending agreement, by the recipient.*

**Contact:** Karly Pidgeon**Cleared by First Assistant Secretary:** Sam Grunhard**Phone:** (02) s22(1)(a)(ii)**Version Number:** 01**Date:** 10/10/2023



## 2023 - 2024 Supplementary Budget Estimates

### Environment and Communications

Lead/Support contact: Karly Pidgeon / Sam Grunhard

SB23-000772

#### Financial Information – Full program envelope

	2020-21 \$m	2021-22 \$m	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m	TOTAL \$m
Opening Appropriation – May 2021 Budget	0	2.5	5.0	7.5	0	0	0	15.0
Movements/decisions – May 2022 Budget <sup>1</sup>			10.7					10.7
Movements/decisions – October 2022 Budget <sup>2</sup>			3.7	8.0	11.5	8.0	7.9	39.1
Movements/decisions – October 2022 (movement of funds)		-2.5	-6.1	8.6				0
Movements/decisions – May 2023 Budget (used for offset) <sup>3</sup>			-1.8					-1.8
Current Appropriation	0	0	11.5	24.1	11.5	8.0	7.9	63.0

<sup>1</sup>Re-allocated from the Mobile Black Spot Program as part of the May 2022 Budget to increase funding amount for Round 1.

<sup>2</sup>Funding for additional rounds (Rounds 2 and 3) announced.

<sup>3</sup>\$1.8 million of uncommitted funds was used as an offset and is intended to be re-instated utilising underspends from the Mobile Black Spot Program when realised.

#### Attachments

Attachment A: Peri-Urban Mobile Program: Key Statistics

Contact: Karly Pidgeon

Cleared by First Assistant Secretary: Sam Grunhard

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Version Number: 01

Date: 10/10/2023

## Attachment A

**Peri-Urban Mobile Program: Key Statistics****PUMP Round 1 - List of funded solutions**

Funding Recipient	State	Location	Co-location	MP priority (27 Y / 39 N)
Telstra	NSW	Annangrove Currie Ave	No	Yes
TPG	WA	Banjup East A	Yes	No
Optus	WA	Banjup East B	Yes	Yes
Telstra	QLD	Bellmere	No	No
TPG	WA	Bennett Springs	No	No
Telstra	NSW	Bullaburra A	Yes	No
Optus	NSW	Bullaburra B	Yes	No
Optus	WA	Byford North	No	Yes
TPG	WA	Byford West A	Yes	Yes
Optus	WA	Byford West B	Yes	Yes
Telstra	QLD	Caboolture South A	Yes	Yes
Optus	QLD	Caboolture South B	Yes	Yes
Telstra	WA	Churchman Brook	No	No
TPG	VIC	Clyde South	No	Yes
TPG	VIC	Craigieburn Central	No	Yes
TPG	VIC	Craigieburn Newbury Park A	Yes	Yes
Optus	VIC	Craigieburn Newbury Park B	Yes	Yes
Telstra	QLD	Deebing Heights North	No	Yes
Telstra	VIC	Gisborne South East A	Yes	Yes
Optus	VIC	Gisborne South East B	Yes	Yes
Telstra	NSW	Hawesbury Heights	No	Yes
TPG	NSW	Hornsby Heights A	Yes	No
Optus	NSW	Hornsby Heights B	Yes	No
TPG	WA	Leda West A	Yes	No
Optus	WA	Leda West B	Yes	No
Telstra	QLD	Logan Village East	No	No
Optus	QLD	Mackenzie North A	Yes	Yes

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Funding Recipient	State	Location	Co-location	MP priority (27 Y / 39 N)
TPG	QLD	Mackenzie North B	Yes	Yes
TPG	VIC	Main Ridge	No	No
Telstra	VIC	Maryknoll	No	No
Telstra	VIC	Menzies Creek	No	No
TPG	VIC	Mernda Central	No	No
TPG	VIC	Merricks North	No	No
Optus	QLD	Molendinar North	No	Yes
Telstra	TAS	Molesworth	No	Yes
Optus	VIC	Mt Martha Esplanade A	Yes	Yes
TPG	VIC	Mt Martha Esplanade B	Yes	No
Telstra	VIC	Nar Nar Goon North	No	No
TPG	NSW	North Catherine Field	No	No
Telstra	SA	Norton Summit	No	No
TPG	NSW	Oakville Boundary Rd A	Yes	Yes
Optus	NSW	Oakville Boundary Rd B	Yes	Yes
Optus	QLD	Old Cleveland and Gateway	No	Yes
TPG	WA	Orelia	No	No
Optus	QLD	Oxford North	No	No
TPG	VIC	Ravenhall A	Yes	No
Optus	VIC	Ravenhall B	Yes	No
TPG	VIC	Research East	No	No
TPG	QLD	Ripley South A	Yes	Yes
Optus	QLD	Ripley South B	Yes	Yes
TPG	QLD	Rosewood	No	No
TPG	VIC	Rye South A	Yes	No
Optus	VIC	Rye South B	Yes	No
Optus	NSW	Sandy Point Mini	No	Yes
TPG	SA	Seaford Rise	No	No
Optus	WA	Seville Grove	No	No

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Funding Recipient	State	Location	Co-location	MP priority (27 Y / 39 N)
TPG	VIC	Silvan	No	No
TPG	VIC	Sorrento North	No	No
TPG	VIC	St Andrew Beach	No	No
Telstra	WA	Swan	No	No
Optus	VIC	Tootgarook Reserve A	Yes	No
TPG	VIC	Tootgarook Reserve B	Yes	No
TPG	VIC	Tuerong	No	No
TPG	VIC	Werribee A	Yes	No
Optus	VIC	Werribee B	Yes	No
Telstra	SA	Yattalunga	No	Yes

#### PUMP Round 1 - Outcomes by Grantee

Funding Recipient	Commonwealth funding (GST excl.)	Commonwealth funding (GST incl.)	No. of funded solutions
Optus	\$8,638,773	\$9,502,650	22
Telstra	\$5,664,309	\$6,230,740	16
TPG	\$11,360,118	\$12,496,130	28
<b>Total</b>	<b>\$25,663,200</b>	<b>\$28,229,520</b>	<b>66</b>

#### PUMP Round 1 – Outcomes by State

State	Commonwealth funding (GST excl.)	Commonwealth funding (GST incl.)	No. of funded solutions
NSW	\$4,347,136	\$4,781,850	10
QLD	\$6,099,555	\$6,709,510	13
SA	\$1,301,236	\$1,431,360	3
TAS	\$492,136	\$541,350	1
VIC	\$7,634,755	\$8,398,230	27
WA	\$5,788,382	\$6,367,220	12
<b>Total</b>	<b>\$25,663,200</b>	<b>\$28,229,520</b>	<b>66</b>

## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Samuel Grunhard / s22(1)(a)(ii)

SB23-000773

**SUBJECT: Regional Connectivity Program - Implementation****Talking Points**

- The first two rounds of the Regional Connectivity Program (RCP) have generated a total investment of \$454.8 million (GST inclusive) in 222 place-based telecommunications projects that will provide regional, rural and remote communities with significant improvements to digital connectivity.
- The Australian Government's investment through the RCP includes \$115.8 million (GST inclusive) in 129 projects under Round 1, and \$137.2 million (GST inclusive) in 93 projects under Round 2. This includes \$69.6 million (GST inclusive) of dedicated funding for projects in Northern Australia in Round 2 under the Connecting Northern Australia (CNA) initiative.
- As part of the *Better Connectivity Plan for Regional and Rural Australia* <https://www.infrastructure.gov.au/media-communications-arts/better-connectivity-plan-regional-and-rural-australia>, the Government has committed a further \$200 million (GST exclusive) to two new rounds of the RCP to improve the accessibility and reliability of mobile and broadband services in regional, rural and First Nations communities.
- Applications for Round 3 of the RCP opened on 20 March 2023 and closed on 11 August 2023 (see SB23-000768 - Mobile Black Spot Program (MBSP) Round 7 and RCP Round 3 - Combined Round).

**Key Issues***RCP Round 1 (all figures GST inclusive)*

- Round 1 of the RCP is delivering a total new investment of \$229 million in fibre, fixed wireless, mobile and satellite infrastructure in regional and remote Australia.
- This includes \$115.8 million from the Australian Government, \$75.0 million from grantees, \$31.5 million from state and territory governments and \$6.3 million from other third parties, including the telecommunications industry, local governments, regional businesses, communities, and development organisations.
- Field Solutions Group Pty Ltd (\$24.6 million), NBN Co Limited (\$38.9 million) and Telstra Limited (\$39.8 million) are the main recipients of Commonwealth funding under Round 1 of the RCP. These applicants secured third party co-contributions.
- As part of the 2023 May Budget, a movement of funds was agreed, which extends the funding profile of Round 1 to 30 June 2024. On 11 May 2023, the Minister for Communications, the Hon Michelle Rowland MP, approved the extension of Round 1 of the RCP to align with the updated funding profile as at the 2023 Budget.

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- The extension of Round 1 to 30 June 2024 allowed the Department of Infrastructure, Transport, Regional Development, Communications and the Arts to agree to extensions to the capital works completion dates for Telstra Corporation Limited, NBN Co Limited, Field Solutions Group Pty Ltd, Wi-Sky NSW Pty Ltd and Pivotel Mobile Pty Ltd, to accommodate project delivery delays.
- As at 31 August 2023, 48 of 129 RCP Round 1 projects have been completed.

*RCP Round 2 (all figures GST inclusive)*

- Round 2 of the RCP is delivering a total new investment of over \$226 million in fibre, fixed wireless, mobile and satellite infrastructure in regional and remote Australia.
- This includes \$137.2 million from the Australian Government, \$48.7 million from grantees, \$32.2 million from state and territory governments and \$8 million from other third parties, including the telecommunications industry, local governments, regional businesses, communities, and development organisations.
- Telstra Limited (\$69 million) and NBN Co Limited (\$37.9 million) are the main recipients of Commonwealth funding under Round 2 of the RCP. These applicants secured third party co-contributions.
- Projects funded under RCP Round 2 are scheduled to be progressively delivered, with completion currently scheduled for 30 June 2024. As part of the 2023 May Budget, a movement of funds was agreed, and provides for the extension of the capital works completion dates to FY23-24 for three (3) Round 2 grantees (Bizcom NT Pty Ltd, Connected Farms Pty Ltd and Crisp Wireless Pty Ltd).
- As at 31 August 2023, five (5) of 93 RCP Round 2 Projects have been completed.

*RCP Round 3*

- For details on RCP Round 3 please refer to SB23-000768 - Mobile Black Spot Program (MBSP) Round 7 and RCP Round 3 - Combined Round.

**Background***Regional Connectivity Program*Round 1

- On 16 April 2021, the then Government announced that 81 telecommunications infrastructure projects would receive \$90.3 million (GST exclusive) in funding under RCP, following a competitive assessment process.
- On 10 June 2021, the then Government announced funding for a further 51 projects under Round 1 totalling \$27.1 million (GST exclusive).

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SB23-000773

s47G(1)(a), s47E(d)



Round 2

- On 12 October 2022, the Albanese Government confirmed its commitment to Round 2 of the RCP, announcing that 93 telecommunications infrastructure projects would receive \$137.2 million (GST inclusive) in funding under RCP Round 2.
- Funding has been allocated under Round 2 of the Program on a competitive basis, with agreements executed for 15 grantees.

*If asked: Why did the Government re-announce projects in Roma, QLD and Canyonleigh, NSW?*

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- In March 2022, the department published details on its website indicating these two projects had been completed (see First projects delivered under Regional Connectivity Program <https://www.infrastructure.gov.au/department/media/news/first-projects-delivered-under-regional-connectivity-program>). On advice from the department that the projects had not been announced, the Minister's Office re-announced the completed projects in August 2022 to local media.
- At the time, local MP David Littleproud criticised the Government for claiming credit for the projects, but did not raise the re-announcement.

*If asked: Why has funding been removed from the RCP?*

- No funding has been removed from the Regional Connectivity Program.
- As part of the 2023 May Budget, a movement of funds was agreed to support an extension of the completion date for Round 1 of the RCP to 30 June 2024, and to accommodate three (3) extensions to Round 2 agreements to the FY 23-24.
- This movement of funds is supporting the continued delivery of projects that have experienced delays.

*If asked: Why are some projects delayed?*

- A number of factors have contributed to project delays, including acquiring landowner agreement at viable locations, obtaining local government planning approvals, and the availability and access to supporting infrastructure.
- Extreme weather events (including bushfires and floods) have contributed to site access difficulties which have delayed a number of Round 1 RCP projects.
- The COVID pandemic also introduced complexities and delays due to state and territory border restrictions as well as sourcing of materials and equipment from international supply chains. Some supply chain issues are still being experienced as materials and equipment are in short supply.

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Lead/Support contact: Samuel Grunhard / s22(1)(a)(ii)

SB23-000773

**Financial Information as at 31 August 2023****Regional Connectivity**

<b>Program/Project Start Date:</b>	April 2021					
<b>Program/Project End Date:</b>	June 2024					
	2020-21 \$m	2021-22 \$m	2022-23 \$m	2023-24 \$m	2024-25 \$m	<b>TOTAL \$m</b>
Appropriation Budget	2.6	23.6	44.7	96.4	0	<b>167.3</b>
Less:						
Actual Expenditure YTD at 31 August 2023	1.6	26.6	48.1	1.3		
Total Committed Funds at 31 August 2023			0	95.0	0	<b>95.0</b>
Total Uncommitted Funds (balance)			0	0	0	<b>0</b>

Note: Committed funds relate to funds committed under a Funding Agreement, Contract or Program of Works where the Project, Profile and Conditions have been agreed to, or a formal offer has been made pending agreement, by the recipient.

**Connecting Northern Australia**

<b>Program/Project Start Date:</b>	April 2021					
<b>Program/Project End Date:</b>	June 2024					
	2020-21 \$m	2021-22 \$m	2022-23 \$m	2023-24 \$m	2024-25 \$m	<b>TOTAL \$m</b>
Appropriation Budget		0	16.2	47.1	0	<b>63.3</b>
Less:						
Actual Expenditure YTD at 31 August 2023		0	17.2	0		
Total Committed Funds at 31 August 2023			0	47.1	0	<b>47.1</b>
Total Uncommitted Funds (balance)			0	0	0	<b>0</b>

Note: Committed funds relate to funds committed under a Funding Agreement, Contract or Program of Works where the Project, Profile and Conditions have been agreed to, or a formal offer has been made pending agreement, by the recipient.

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## 2023 - 2024 Supplementary Budget Estimates

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Lead/Support contact: Samuel Grunhard / s22(1)(a)(ii)

SB23-000773

## Financial Information – Full program envelope

## Regional Connectivity

	2019-20 \$m	2020-21 \$m	2021-22 \$m	2022-23 \$m	2023-24 \$m	2024-25 \$m	TOTAL \$m
<b>Opening Appropriation – May 2019 Budget</b>	<b>28.6</b>	<b>28.6</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>57.2</b>
Movement of Funds - May 2020	- 27.8	27.8					<b>0</b>
Movement of Funds - September 2020	- 0.8	- 0.2	1.0				<b>0</b>
<i>Additional funding in October 2020 Budget</i>		11.9	18.0				<b>29.9</b>
Movement of Funds - February 2021		- 46.4	45.4	1.0			<b>0</b>
<i>Additional funding in May 2021 Budget</i>			17.3	64.8			<b>82.1</b>
Movement of Funds - August 2021		- 19.0	19.0				<b>0</b>
Movement of Funds - February 2022			- 16.7		16.7		<b>0</b>
Movement of Funds - October 2022			- 60.4	45.3	15.1		<b>0</b>
Movement of Funds – May 2023				-64.6	64.6		<b>0</b>
Reallocation to other program (terminated contract) – June 2023				-1.9			<b>-1.9</b>
<b>Current Appropriation</b>	<b>0</b>	<b>2.7</b>	<b>23.6</b>	<b>44.7</b>	<b>96.4</b>	<b>0</b>	<b>167.3</b>

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SB23-000773

## Connecting Northern Australia

	2021-22 \$m	2022-23 \$m	2023-24 \$m	2024-25 \$m	TOTAL \$m
<b>Opening Appropriation – May 2021 Budget</b>	22.0	44.5	0	0	66.5
Movement of Funds - October 2022	-22.0	0	22.0	0	0
Movement of Funds – May 2023	0	-28.3	28.3	0	0
Reallocation – May 2023	0	0	-3.2	0	-3.2
<b>Current Appropriation</b>	<b>0</b>	<b>16.2</b>	<b>47.1</b>	<b>0</b>	<b>63.3</b>

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Version Number: 01

Date: 04/10/2023

## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Samuel Grunhard / Meghan Hibbert

SB23-000774

**SUBJECT: On Farm Connectivity Program****Talking Points**

- The Australian Government has committed \$30 million to the On Farm Connectivity Program (the Program) over three years from 2022-23 to 2024-25.
- The Program will support investments by primary producers in connectivity solutions for their businesses, facilitating increases in productivity and safety through the uptake of connected machinery and sensor technology.
- The Program will target commercial primary producers in the agricultural, fisheries and forestry sectors, whose main source of income is primary production.
- The Program is part of the Government's *Better Connectivity Plan for Regional and Rural Australia*.
- Funding will be provided as a rebate to approved suppliers following the sale of eligible equipment. The rebate will be passed on to eligible primary producers through reduced costs of eligible equipment.
- Expressions of Interest to be an eligible supplier closed on 7 July 2023.
  - 88 Expressions of Interests were received and 79 businesses have been assessed as meeting eligibility criteria. Of those that met eligibility criteria, 77 businesses have agreed to Program requirements and confirmed they want to participate in the Program.
- Round one will open to applications from eligible suppliers shortly.

**Key Issues**

The Program will improve digital connectivity in the primary production sector by subsidising the upfront cost, installation, and training in the use of connected agricultural technology. The Program aims to leverage existing connectivity to the homestead.

Similar programs are being, or have been, run by the New South Wales, Victorian, and Western Australian Governments. The Department of Infrastructure, Transport, Regional Development, Communications and the Arts has worked with these states in designing the Program to ensure complementarity in initiatives and eligible equipment.

Public consultation on the draft Program Guidelines was undertaken between 2 and 23 August 2023. The department received 11 submissions from three individuals and eight organisations. Submissions requested confirmation of the eligibility of low-power, wide area network (LPWAN), satellite, cellular, and wi-fi communications technology solutions, and that the rebate be directly provided to the primary producer.

These issues were clarified in the final Guidelines. A discussion paper was released in December 2022, with submissions received helping to inform program design.

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## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Samuel Grunhard / Meghan Hibbert

SB23-000774

Consultation

The department conducted two rounds of public consultation, initially on a discussion paper (20 December 2022 to 3 March 2023) and the draft Program guidelines (2 to 23 August 2023). Targeted discussions were also held with government and industry stakeholders, including the NFF, and technical advice was obtained from Nova Systems.

Expression of Interest

An Expression of Interest (EOI) process was undertaken in July 2023 to identify eligible businesses that supply connectivity equipment to the agricultural sector and wished to participate in the Program. The department received 88 applications, with three (3) withdrawing and six (6) assessed as not meeting the eligibility criteria.

- The six applications which did not meet the eligibility criteria either sold ineligible equipment or did not make sales direct to the public.
- Applicants were advised of the outcome of their EOI on 5 October, with those that had met eligibility criteria asked to agree to the Program requirements and confirm they still wanted to participate in the Program before being deemed an eligible equipment supplier.

**Background**

The Program is an election commitment and part of the Government's Better Connectivity Plan. It responds to the *2021 Regional Telecommunications Review: A Step Change in Demand*, which highlighted good digital connectivity as being essential for the economic growth and sustainability of many industries in Australia, including agribusiness. This view is supported by research from the Australian Farm Institute that shows uptake of advanced farming technology could add an estimated \$20 billion to the gross value of Australian agricultural production.

The department has consulted extensively on the design of the Program, including with the Commonwealth Department of Agriculture, Fisheries and Forestry; the NSW Department of Primary Industries; the National Farmers' Federation; the Victorian Department of Environment and Climate Action; and the Business Grants Hub in the Commonwealth Department of Industry, Science and Resources.

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Version Number: 01

Date: 12/10/2023

## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Samuel Grunhard / Meghan Hibbert

SB23-000774

**Financial Information as at 31 August 2023**

Program/Project	On Farm Connectivity Program			
Program/Project Start Date:	2022-23			
Program/Project End Date:	30 June 2025			
	2022-23 \$m	2023-24 \$m	2024-25 \$m	TOTAL \$m
Appropriation Budget	\$5.0 <sup>1</sup>	\$12.5	\$12.5	\$30.0
Less:				
Actual Expenditure YTD at 31 August 2023	0			
Total Committed Funds at 31 August 2023	0	0	0	0
Total Uncommitted Funds (balance)	\$5.0 <sup>1</sup>	\$12.5	\$12.5	\$30.0

*Note: Committed funds relate to funds committed under a Funding Agreement, Contract or Program of Works where the Project, Profile and Conditions have been agreed to, or a formal offer has been made pending agreement, by the recipient.*

<sup>1</sup>Ministerial approval being sought to move the \$5.0 million from FY2022-23 between FY2023-24 and FY2024-25. The total then being for each Financial Year of \$15.0 million.

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Date: 12/10/2023

## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Sam Grunhard / s22(1)(a)(ii)

SB23-000775

**SUBJECT: Viewer Access Satellite Television (VAST)****Talking Points**

- The Australian Government recognises that regional broadcasters are facing financial pressure from factors such as increasing costs and declining advertising revenue.
- To alleviate some of this pressure and maintain the eastern VAST services, the Government is providing additional funding in 2023-24. This funding will enable broadcasters to recover additional costs incurred in delivering the service.
- The department is also working with Imparja and Southern Cross Australia to simplify the existing payment arrangements to improve flexibility and ensure funding flows as quickly as possible.
- The department is considering longer-term sustainable solutions for broadcasting in remote and regional areas of Australia, in recognition that satellite reception equipment is of poor condition or inoperable in some areas.

**Key Issues**

Eastern Australia Satellite Broadcasters Pty Ltd (EASB) is the licensee of the Eastern VAST service, which is a joint venture between Southern Cross Austereo (SCA) and Imparja.

*Additional funding for the Eastern VAST service in 2023-24*

The majority of the additional funding for 2023-24 will allow Imparja to recover costs associated with acquiring Nine Network content.

Imparja, a 100 per cent First Nations-owned not-for-profit commercial television broadcaster, has been in a challenging financial position for some years, as verified by independent financial analysis. Imparja cannot cross-subsidise its losses as it does not operate in other markets. VAST funding is critical to Imparja's cash flow and ability to continue to provide services in remote Australia.

The additional funding will be made available through a closed, non-competitive grant to EASB and a variation to the existing Funding Deed. The *Commonwealth Grant Rules and Guidelines* apply:

- once the Grant Opportunity Guidelines are published, EASB will submit a proposal addressing the criteria set out in the Guidelines;
- the department will assess the proposal, including value for money; and
- the Minister will make a decision, as the decision-maker for the grant.
- The department will vary the Funding Deed with EASB to make the additional funds available in November 2023, subject to securing Ministerial approvals.

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## Environment and Communications

Lead/Support contact: Sam Grunhard / s22(1)(a)(ii)

SB23-000775

*Providing additional flexibility for EASB to recoup eligible costs*

The Funding Deed with EASB includes funding caps that were determined in consultation with EASB. These funding caps are based on EASB's forecast costs to deliver the eastern VAST service when the Funding Deed was varied in 2021.

Given costs to deliver the eastern VAST service have changed over time, the department and EASB have executed a Deed of Variation to amend the Funding Deed to combine two funding streams (for news and non-news) into one stream with a single funding caps for all operating expenses. Combining the two streams recognises that costs have changed over time, relative to forecasts provided in 2020. This change will provide much-needed flexibility and allow EASB to claim the full amount of funding available. The Deed of Variation to combine the Eastern VAST funding streams was executed on 17 October 2023.

*Extension of VAST funding to 30 June 2031*

New funding has been appropriated in the Budget to support the continuation of the western and eastern VAST service for seven years from 2024-25. The appropriation has not been published to protect commercial negotiations. This extension provides long-term certainty for both the industry that delivers, and consumers who rely on, the VAST service.

The department has commenced initial discussions with the licensees on the new agreements.

**Background**

To date, funding of \$172.7 million has been provided over 15 years (2009-10 to 2023-24) to deliver commercial television services on VAST (excludes additional funding for 2023-24, which is subject to contract negotiations). The current Funding Deeds end on 30 June 2024.

Over 266,000 households across Australia rely on the VAST direct-to-home satellite service for free-to-air television broadcasts, with 92 per cent of those in regional and remote Australia. A further estimated 300,000 households, primarily in remote Western Australia, Northern Territory and Queensland, rely on VAST feeds to terrestrial TV towers.

VAST provides the only source of commercial television to many parts of regional and remote Australia. Congested internet service in many regions limits the ability of households to stream television and subscription services.

The department is aware there are communities where satellite reception equipment is in a poor state. We are also aware that some regional terrestrial transmission equipment, fed by VAST, is not being maintained. Work is being initiated on developing longer-term, sustainable solutions for broadcasting in remote and regional areas of Australia as part of the Government's broader media reform agenda, informed by the industry-led Future of Broadcasting Working Group and the First Nations Digital Inclusion Advisory Group.

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Environment and Communications

Lead/Support contact: Sam Grunhard / s22(1)(a)(ii)

SB23-000775

**Attachments**

Attachment A -VAST providers, services, viewers and funding

leased under the FOI Act 1982 by the Department of Infrastructure  
nsport, Regional Development, Communications and the Arts

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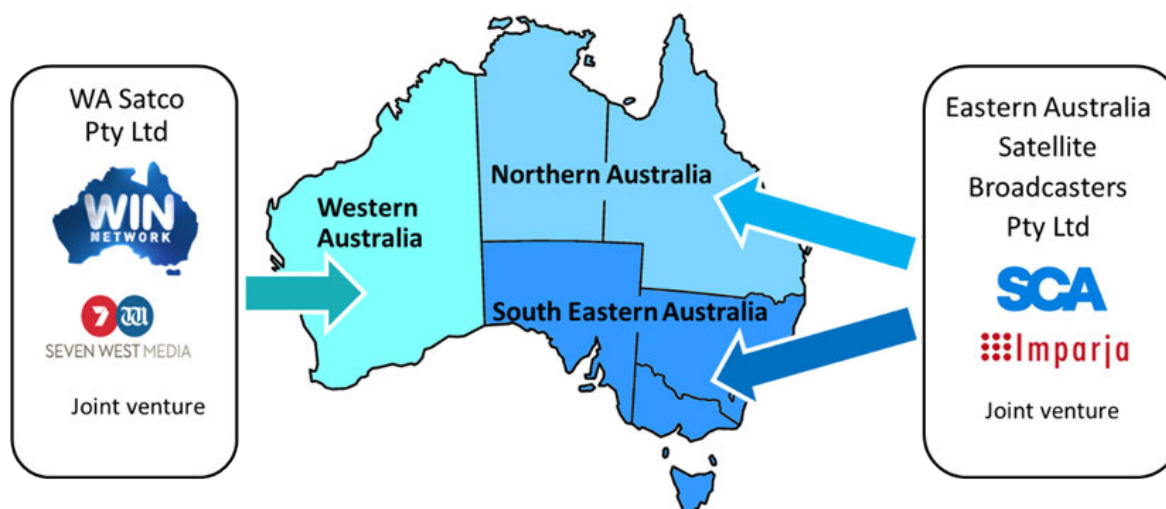
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## OFFICIAL

**SB23-000775 Budget Estimates: Viewer Access Satellite Television (VAST)**  
**Attachment A - VAST providers, services, viewers and funding**

### Joint venture licensees



### Household statistics

The number of households that rely on the VAST direct-to-home satellite (DTH) services has continued to increase every year.

**Table 1 – Detailed number of households accessing VAST via DTH satellite**

Year	Metro households	Regional households (inc. remote and regional WA)	Remote RCEA households	Travellers	Total	Year-on-Year increase
2011	754	7,457	12,391		20,602	
2012	2,045	33,272	31,879	12,956	80,152	+59,550
2013	6,883	62,822	47,186	23,097	139,988	+59,836
2014	13,238	77,951	64,262	23,412	178,863	+3,8875
2015	14,984	84,483	67,669	33,117	200,253	+2,1390
2016	16,161	87,815	69,496	29,426	202,898	+2,645
2017	17,365	92,407	70,969	29,132	209,873	+6,975
2018	18,364	103,544	81,537	31,788	235,233	+25,360
2019	19,129	106,777	83,677	30,506	240,089	+4,856
2020	19,810	109,762	85,235	31,979	246,786	+6,697
2021	20,477	113,034	87,428	31,705	252,644	+5858
2022	20,963	115,902	89,442	30,563	256,870	+4226
2023 (30 June)	21,516	117,339	90,371	37,454	266,680	9810

Source: RBA Holdings Pty Ltd which administers access to VAST commercial television services as part of the conditional access schemes registered under Part 9C of the Broadcasting Services Act 1992.

## OFFICIAL

**SB23-000775 Budget Estimates: Viewer Access Satellite Television (VAST)**  
**Attachment A - VAST providers, services, viewers and funding**

In addition to the direct to home VAST households, an estimated 300,000 households watch television from terrestrial transmission sites that rely on VAST. There are 49 of these sites operated by broadcasters in WA and 28 in remote central and Eastern Australia. Around a further 145 retransmission sites are operated by self-help entities such as local councils.

### Services

Commercial broadcasting with the use of a satellite is licensed under section 38C of the *Broadcasting Services Act 1992*. Licence conditions require licensees to provide services the same or substantially the same as the related remote terrestrial licence area. There are also provisions on broadcasting local news services provided by regional commercial television broadcasting licensees in the eastern VAST area.

**Table 3: Television channels available on VAST**

Satellite TV licence area	Time zone	Broadcaster	Commercial channels	National broadcasters	Other services
<b>Northern Australia TV3</b> (AEST*)	QLD <sup>1</sup>	EASB	Southern Cross Central 7; 7mate; 7TWO; Imparja Nine; Gem; Go!; Bold; Ten; Peach Regional commercial news channels	ABC; ABC HD; ABC TV Plus/ABC Kids); ABC ME; ABC NEWS; SBS; SBS HD; VICELAND; World Movies, SBS Food; NITV Note: ABC State feeds: NSW, VIC, QLD,SA, TAS, NT. SBS state feeds: South East, QLD/TAS/SA	ICTV (funded by NIAA)  3ABN, GOD, TBN Pacific, SBN, Angel TV, Hope Channel, AD TV
<b>South Eastern Australia TV3</b> (AEDT)	NSW	EASB	Southern Cross 7; 7mate; 7TWO; Imparja Nine; Gem; Go!; Bold; Ten; Peach Regional commercial news channels		
<b>Western Australia TV3</b> (AWST)	WA	WA Satco	7; 7Two; 7Mate; Nine; NineGo; NineGem; Win; Bold; Peach; WinHD; One; <i>Outside VAST deed:</i> Racing.com; ishopTV; Gold; TVSN		

Source: Department analysis

<sup>1</sup> The three commercial high definition services in the Northern Australia satellite area are shown in line with the NSW time zone.

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**SB23-000775 Budget Estimates: Viewer Access Satellite Television (VAST)**  
**Attachment A - VAST providers, services, viewers and funding**

**Table 2: VAST commitments and claims paid**

<b>Financial year</b>	<b>Total claims paid \$m (ex GST)</b>	<b>Total funding committed \$m (ex GST)</b>
2009-10	3.5	12.4
2010-11	11.9	11.8
2011-12	13.2	10.1
2012-13	9.7	10.3
2013-14	9.7	10.3
2014-15	9.6	10.2
2015-16	9.5	10.4
2016-17	9.5	10.6
2017-18	9.8	10.9
2018-19	9.3	11.1
2019-20	10.1	10.5
2020-21	11.4	11.7
2021-22	13.7	14
2022-23	7.1	14.1
<b>2023-24</b>	<b>0.2*</b>	<b>14.3</b>
<b>Total</b>	<b>138</b>	<b>172.7</b>

\* Funding paid as of 31 August 2023.

**Table 3: Funding profile**

	<b>2022-23 \$m</b>	<b>2023-24 \$m</b>	<b>2024-25 \$m</b>	<b>2025-26 \$m</b>	<b>TOTAL \$m</b>
Appropriation Budget – DITRDCA Administered	14.610#	14.373~	NFP	NFP	28.98~

# includes \$500,000 uncommitted funds rolled over from previous years.

~ Excludes additional funding for 2023-24 in 23-24 Budget (NFP)

## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Daniel Caruso/s22(1)(a)(ii)

SB23-000776

**SUBJECT: Postal Services Modernisation****Talking Points**

- On 2 March 2023, Shareholder Ministers commenced a public consultation process to develop options to modernise postal services and support the long-term financial sustainability of Australia Post.
- Submissions were open for 8 weeks and closed on 27 April 2023. The Department of Infrastructure, Transport, Regional Development, Communications and the Arts received 1,106 contributions.
- On 11 August 2023, 105 submissions were published on the department's website. Comments and confidential submissions have not been published.
- Specific modernisation measures are now being developed, informed by the consultation process and in consultation with Australia Post.
- The Australian Government is committed to ensuring that Australia Post remains in full public ownership and continues to provide a nation-wide letters service and other services that meet the needs of Australian communities.
- The Government's focus in the near term is to work with Australia Post to:
  - improve productivity and revenue in delivery,
  - manage costs, and
  - support sustainability objectives and deliver benefits from modernisation.
- The Government will also work with Australia Post, licensees, businesses and communities to ensure retail network services continue to meet the needs of Australian communities, taking into account the *Australian Postal Corporation (Performance Standards) Regulations 2019*.
- It is expected that the Government will make a further announcement about modernisation measures toward the end of this year.

**Key Issues**

Australia Post's full year results released on 31 August 2023 show a continuing decline in demand for its letters services, and further deterioration in its financial position.

Australia Post reported a full financial year loss before tax of \$200.3 million in 2022-23, its first annual loss since 2015, and second since becoming self-funded in 1989.

Letter volumes were down 7.8 percent, with a significant increase in losses in its letters business of \$384.1 million, up 50.2 per cent on last year.

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## Environment and Communications

Lead/Support contact: Daniel Caruso/s22(1)(a)(ii)

SB23-000776

Australia Post has commenced a voluntary buyout scheme for Licenced Post Offices (LPOs) in metropolitan areas, as part of actions to optimise its Post Office network within current regulatory settings.

### Background

Letter volumes in Australia have declined 67 per cent since peaking in 2007-08 (1.5 billion in 2021-23, down from 4.6 billion in 2007-08), with ongoing declines expected as customers turn to increasingly accessible, affordable and sophisticated digital alternatives.

Digital technologies have also resulted in declining visits to Post Offices. Post Office revenue is projected to decline over the next decade, with costs projected to grow (for example, Licensed Post Office commissions are linked to the General Retail Index Award).

At the same time, domestic parcel volumes have increased significantly over recent years, and 1 in 5 retail sales are now done online. With an estimated more than 70 per cent share of the domestic business to consumer (B2C) parcel delivery market, Australia Post needs to make significant ongoing investments to meet business and consumer service expectations.

The Government is aware of the financial impact of Australia Post's legislated Community Service Obligations. In 2021-22, these obligations cost Australia Post \$348.5 million, and this has increased 26.9 percent to \$442.2 million in 2022-23.

Objectives of reforms to modernise the postal services are to provide a stronger, more viable Australia Post that will be able to continue meeting its service obligations, and reflect contemporary levels of demand.

Delivery standards that reflect demand would also mean less pressure on letter prices, and more opportunities for Australia Post to invest in improved store experiences, technology, refreshed storefronts in some locations, and services that better meet their needs.

In 2022, 9.4 million (82 per cent) Australian households shopped online, with 5.6 million shopping online every month. In outer rural and remote Australia, online purchases increased by 6.4 per cent and 5.7 per cent year-on-year respectively. Benefits for these Australians from modernisation could include:

- Improved parcel frequency and delivery reliability to respond to demand for online shopping, including weekend deliveries in some locations.
- Greater control over where and when a parcel is delivered, and improving tracking technology so that consumers know more accurately when they will receive a parcel.
- New and improved mobile apps and online services enabling simpler interactions for customers to buy, send, receive and redirect parcels.

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SB23-000776

Consultation process

Submissions were accepted in a variety of formats (digitally via the department's website, by email and post). The Minister also wrote to key peak bodies representing various business and other community sectors, and various Government, business and other community stakeholder organisations. The department's social media channels were used to raise awareness of the consultation and promote public participation in it.

The department also undertook targeted consultation with key stakeholders including Australia Post, peak bodies representing Australia Post Licensees, and postal worker unions.

Options canvassed in consultation

The discussion paper identified a range of options to make Australia Post services more aligned with community needs:

- Improvements in parcel delivery services and features (for example, tracking and delivery choice), to benefit businesses and consumers.
- Letters pricing arrangements that support Australia Post to recover more of its costs, while retaining appropriate Government oversight and maintaining subsidised social mail pricing.
- Relaxing letter delivery frequency requirements, while maintaining appropriate maximum letter delivery speed regulations.
- Deregulating the priority letter service, while maintaining a commercial bulk priority letter service to meet the needs of Australian businesses and Government agencies.
- Expanding use of innovative retail service formats to compliment the traditional network and provide consumers' flexibility and convenience, such as parcel lockers and self-service vending machines.
- Refreshing Post Offices to enable faster customer service and a more appealing in-store experience, and new store formats with a wider range of services.

Basic Postage Rate

On 3 January 2023, Australia Post increased its Basic Postage Rate (BPR) – the cost to send an ordinary stamped letter – by 10 cents to \$1.20. The Australian Competition and Consumer Commission (ACCC) did not object to the increase, following its review and a public consultation process.

On 11 August 2023, Australia Post lodged a price notification with the ACCC to increase the BPR by 30 cents to \$1.50 with effect from January 2024. The ACCC is reviewing the price notification and is expected to make a decision late this year.

Less than 3 per cent of letters are now sent by consumers, with the rest sent by businesses and Government. The average consumer who still sends letters, sends around 15 letters per year, which means that for consumers that are either not eligible for, or have not taken up

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the concession stamp offer, the impact of this price increase (if agreed) would be around \$4.50 per year.

LPO voluntary buyout scheme

On 17 October, Australia Post notified Licensed Post Office (LPO) representative groups that it will commence a voluntary licence handback program. The program is targeted at LPOs in metropolitan areas, where Australia Post is currently above the regulated minimum number of retail outlets.

Australia Post has approached LPOs that meet the following eligibility criteria:

1. must be classified as a “metropolitan” outlet (as defined in the Rural, Remote and Metropolitan Areas Classification (1991 Census Edition));
2. must be located within 1.75kms of another outlet; and
3. have received less than \$185,000 (including GST) in Post Office Management System (POMS) fees and commissions and value of discounts for pre-paid products purchased from Australia Post over the 2023 financial year period.

Eligible LPOs who are interested in the program can commence non-binding discussions with Australia Post, including on the amount to be offered (which will represent a standard multiple of eligible revenue) and the terms and conditions that will apply. Australia Post will not accept any EOIs after 31 March 2024.

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## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

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SB23-000777

**SUBJECT: Australia Post Performance and Remuneration****Talking Points***Australia Post 2022-23 Performance*

- Australia Post released its results for 2022-23 on 31 August 2023: Group revenue is \$8.97 billion and the full year loss before tax is \$200.3 million, which is down from a \$55.6 million profit in 2021-22 (see Australia Post media release at **Attachment A**). Australia Post's losses are largely attributable to higher staffing costs and ongoing decline of letter volumes.
- Operating costs increased by 2.7 per cent to \$9.1 billion and is mainly driven by wages growth, labour shortages, extreme weather disruptions in the first half of 2022-23, domestic air freight costs and fuel surcharges. All these factors have impacted the profitability of the business.
- The estimated cost of the Community Service Obligations for 2022-23 was \$442.2 million, up 26.9 per cent on 2021-22, with the increase being driven by the 12-month effect of returning to 5-day a week mail delivery and wage increases.
- The Basic Postage Rate (BPR) increase from 3 January 2023 has only partially offset the letter losses which totalled \$384.1 million in 2022-23.
- Australia Post met or exceeded all prescribed performance standards for 2022-23 (see **Table B Prescribed Performance Standard table** in Background).

*Remuneration*

- Australia Post operates in a competitive commercial environment and uses at-risk remuneration arrangements, including performance bonuses, to attract and retain high-calibre leaders to deliver its commercial strategy.
- Remuneration arrangements including 'at risk' and other incentive payments are set by the Board as the accountable authority.
- The Australian Government expects the Board to exercise restraint in the use of performance bonus payments, and apply the principles in the Australian Public Service Commission's Performance Bonus Guidance.
- Australia Post's remuneration policies and disclosures are outlined in its Annual Report.
- The current Group Remuneration Policy does not preclude performance pay being awarded when the business is loss making.

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## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Sam Grunhard/Daniel Caruso

SB23-000777

**Key Issues**

- Australia Post is required to provide a letter service and deliver a commercial return to Government as its sole shareholder.

**Background***2022-23 financial performance*

Australia Post's draft 2022-23 Annual Report indicates parcel volume growth is slowing, letter volumes are continuing to decline at a steady rate and financial losses are increasing. Key financial performance for 2022-23 includes:

- Group revenue was \$8.97 billion, down \$8.7 million year-on-year (YOY)
- Group loss before tax was \$200.3 million, down from \$55.6 million profit YOY
- Parcels and Services revenue was \$7.3 billion, up 0.9 per cent (\$64 million) YOY
- Letters revenue was \$1.71 billion, down 4.1 percent YOY. Total letter revenue was not enough to cover its costs and total letters losses were \$384.1 million in 2022-23.

Letters volumes were down 7.8 per cent from last year, despite business-related letters resulting from consecutive interest rate rises and data breach notifications.

**Table A – Australia Post Financial Information as at 31 August 2023**

	2018-19	2019-20	2020-21	2021-22	2022-23
Revenue (\$m)	\$6,989.8	\$7,499.2	\$8,273.7	\$8,973.9	\$8,965.2
Expenditure (\$m)	\$6,950.3	\$7,447.5	\$8,174.4	\$8,918.7	\$9,167.4
Capital expenditure (\$m)	\$423.9	\$316.1	\$450.0	\$427.2	\$343.1
Profit before tax (\$m)	\$41.1	\$53.6	\$100.7	\$55.3	(\$200.3)
Profit after tax (\$m)	\$40.6	\$42.9	\$69.6	\$49.5	(\$134.6)
Dividends declared (\$m)	\$25.4	\$27.9	\$44.3	\$32.1	-
Dividends paid (\$m)	\$42.2	\$21.0	\$46.2	\$36.3	\$21.8
Direct Staff (excl. casuals and ext. contractors)	35,101	34,998	34,734	36,374	35,496

Source: Australia Post Annual Report 2023 – Draft as at 4 September 2023 – **to be tabled in Parliament on 19 October 2023 before Estimates.**

All figures are GST exclusive.

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## 2022-23 services performance

Table B – Australia Post Prescribed Performance Standard table for 2022-23

Prescribed Performance Standard	Standard	Actual performance
On-time letters delivery (%)	94.0%	96.9%
Letters Delivery frequency (%)		
– to delivery points every business day	98.0%	98.55%
– to delivery points at least 2 days per week	99.7%	99.99%
Delivery timetables	Maintain	Maintained
Street posting boxes	10,000	14,934
Retail outlets		
– in total (rural, remote and metropolitan areas)	4,000	4,271
– in rural and remote areas	2,500	2,507
– in metropolitan areas, residences to be located within 2.5 kms of an outlet (%)	90.0%	93.9%
– in non-metropolitan (i.e. rural and remote) areas, residences to be located within 7.5 kms of an outlet (%)	85.0%	89.2%

Source: Australia Post Annual Report 2023 – Draft as at 4 September 2023 – **to be tabled in Parliament on 19 October 2023 before Estimates.**

## Workforce

During 2021-22, Australia Post negotiated five new Enterprise Agreements to cover more than 30,000 Award team members. The agreements guarantee a three per cent or Consumer Price Index (CPI), whichever is higher, pay rise for the next three years, which resulted in higher staffing costs in 2022-23. The first wage increases of 6.1 per cent took effect from September 2022 for Australia Post Award team members and July 2022 for StarTrack Award team members.

## CEO Remuneration

In 2022-23, Mr Paul Graham's total remuneration was \$2.39 million, which comprised fixed annual remuneration of \$1.43 million, at-risk variable component of \$887,819, and \$69,281 in other benefits and allowances, including superannuation and long-service leave entitlements.

In February 2017, the Government placed the pay of Australia Post's CEO under the oversight of the Remuneration Tribunal (Tribunal), which has set the CEO's base salary at \$1.46 million per annum with an additional agreed performance-based at-risk variable remuneration component of up to 100 per cent of the base salary.

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The Board has the discretion to vary the CEO's remuneration from 10 per cent below to 5 per cent above the base salary determined by the Tribunal, however, may not exceed the base rate within the first 12 months of an appointment.

*Senior Executive Remuneration*

In 2022-23, Australia Post's current senior executives – that is Executive General Managers working directly to the CEO – received base salaries ranging between \$475,560 and \$821,736.

The total remuneration for seven current senior executives, including the CEO, and one former senior executive in 2022-23 was \$10.07 million, which is less than the remuneration in 2021-22 of \$11.59 million. Total payment to the former executive Ms Leonie Valentine was \$735,791, including \$248,836 in termination payment.

Mr Rod Barnes received a \$100,000 'other long-term benefit' payment in 2022-23 as part of a long-term retention program for Mr Barnes.

*At-risk remuneration*

In 2022-23, Australia Post made provisions of up to \$34.2 million for at-risk variable remuneration payments (compared to \$70.6 million in 2021-22), including \$2.816 million in at-risk variable remuneration to the CEO and senior executive team. This equates to around 40 per cent of maximum at risk payments for the senior executive team and 59 per cent for the CEO.

This outcome reflects lower financial performance results, but achievement against other Key Performance Indicators including the Environmental Impact Index (including reductions in emissions and waste to landfill).

As outlined in Australia Post's 2022-23 Annual Report, the number of team members eligible to participate in the Australia Post's Variable Remuneration Plan (VRP) has been reduced from around 2,500 in 2022-23 to less than 100 in 2023-24. Participation in the VRP has been limited to the Group CEO & Managing Director, leadership team and other senior leaders.

To partially compensate the foregone maximum VR opportunity for team members that will not be eligible anymore for variable remuneration, a one-off increase in fixed remuneration at a rate of 70 per cent of target VR opportunity was applied from 1 July 2023.

**Attachments:**

Attachment A: Media Release – Australia Post delivering on its Post26 Strategy amid increasing historical letters losses

Contact: Daniel Caruso

Cleared by First Assistant Secretary: Sam Grunhard

Phone: (02) s22(1)(a)(ii)

Version Number: 01

Date: 10/10/2023



## Media Release

31 August 2023

### **Australia Post delivering on its Post26 Strategy amid increasing historical Letters losses**

Performance for the full year to 30 June 2023:

- Group revenue remained steady at \$8.97 billion, largely flat from FY22
- Group loss before tax \$200.3 million, down from \$55.3 million profit in FY22
- Parcels and Services revenue \$7.3 billion, up 0.9 per cent on last year
- Letters volumes 2.0 billion, down 7.8 per cent on last year
- Losses in the Letters business of \$384.1 million, were up 50.2 per cent from FY22
- Business efficiencies of \$237 million realised in FY23
- Estimated cost of Community Service Obligations (CSO): \$442.2 million, up 26.9 per cent on last year

Australia Post today announced its full year 2023 financial year results, recording a \$200 million pre-tax loss, its second since it became a self-funded Government Business Enterprise (GBE) in 1989. Further losses are expected unless Australia Post can secure the necessary support required to modernise its business.

Australia Post's parcels business continues to achieve steady growth, with revenue up almost 1 per cent from FY22. However, Letters losses increased over 50 per cent to \$384 million in FY23. This financial year also saw a marked increase in the estimated cost to deliver Australia Post's Community Service Obligations to \$442 million, up 27 per cent from FY22.

Despite the financial challenges, Australia Post has made significant progress delivering on its Post26 Strategy. In FY23, Australia Post focused on simplifying its business to be future ready by announcing the exit from a number of non-core businesses. Additionally, the revised operating model changes have already started to deliver savings across the business.

During FY23, Australia Post invested \$343 million in its network to support growth in parcels and making Australia Post more sustainable, bringing the total investment over the past three years to \$1.2 billion. This included Australia Post's first dual-named facility, Boorna Wangkiny Mia in Perth, as well as facilities in Kemps Creek, Dubbo and Ballarat and adding 500 new eDVs to its electric delivery vehicle fleet.

#### **Parcels and Services**

As forecast at the 2023 half year financial results, revenue from Parcels and Services remained steady at \$7.3 billion, despite increased and intense competition from multi-national competitors. Australia Post has made a concerted effort to focus on the quality of revenue within the parcels business and has conducted a review of products and their associated pricing to align with the market and better optimise the network.

Australia Post has continued investment and innovation in parcel delivery. It has made good progress on simplifying how customers interact through enhanced digital transactions, parcel tracking and increased convenience including the installation of parcel lockers in almost 100 new locations nationally during the year.

Delivering on the Post26 Strategy, Australia Post continued to simplify its business in FY23, announcing its intention to close third-party logistics provider Fulfilio, document scanning service Decipha and alternative payments platform POLi, which resulted in large one-off costs. This will free up capital to invest in the growing Parcels and Retail Services business.

### **Letters**

Letters continued to decline with Letters volumes down 7.8 per cent from last year, despite an increase in business-related letters including consecutive interest rate rises and data breach notifications. Today the average Australian household receives only 2.2 addressed letters each week, down from 8.5 each week in 2008, and this is expected to almost halve in the next five years. As Letters losses continue to increase, it is expected the estimated cost for Australia Post to deliver in line with its Community Service Obligations will also continue to increase.

The delivery frequency of letters remains one of the most significant costs to the business and working in conjunction with the Communications Workers Union, this year Australia Post trialled a new delivery model in Hornsby, which will be expanded to other locations in FY24.

### **Post Office Network**

Customers continue to change the way they use the local Post Office. In FY23, over-the-counter transactions continued the downward trend and have declined 20.9 per cent since FY19. The Corporate Post Office network faces increasing losses as foot traffic falls.

Australia Post has developed a new Point of Sale (POS) system that will soon be rolled out across its Post Office network. Post+ is the result of a four-year, \$250 million investment that will replace a 30-year-old legacy POS system.

Australia Post provided an additional \$29 million to the Licensed Post Office Network, bringing the total paid to Licensees in FY23 to \$565.5 million. This added payment has become increasingly necessary to ensure the financial sustainability of these small businesses and recognises the important role of Post Offices in communities across Australia, particularly in remote and rural areas.

### **Operations**

Offset by a high inflationary environment, Australia Post has displayed disciplined cost management, with total expenses increasing by 2.7 per cent to \$9.1 billion in FY23, well below the headline inflation rate. Major contributors to expenses include increasing fuel, energy and labour costs. Throughout the year \$237 million in efficiencies were achieved which included streamlining support office structures to achieve operational improvements.

### **Outlook**

Group Chief Executive Officer and Managing Director Paul Graham said despite all efforts, it is simply not possible to stop the structural shift in the way Australians are using postal services.

“The headwinds Australia Post is facing into aren’t new and it’s my job along with the leadership team to transform and modernise Australia Post, so it can once again be a financially sustainable business.

“If we do everything in our power to run this business well and we get a favourable regulatory response towards modernisation, I’m confident that Australia Post will return to profit. Without this support, the FY23 loss will be followed by many more. Inaction could result in a greatly devalued Australian asset.

“We’re 12-months into delivering on our Post 26 Strategy, and already we’re seeing the benefits of this. Every day, our team of almost 65,000 people are focused on the task at hand, and I would like to thank them for their efforts.

“We have a laser-like focus on simplifying our business, we’re stripping out the complexity accrued over a number of years and investing in our key growth area of parcels. We have a clear plan and we’re doing everything we can within our control, however we need regulatory support.

“Given our trajectory, we are responsibly addressing the financial challenges of the business. This includes putting in place the right organisational structure to support our frontline, simplifying our operations, ensuring we have an effective retail footprint and reviewing our pricing to address increasing losses across our Letters business.

“We now have a distinct two-speed business, with our Letters business weighing heavily on our eCommerce-driven parcels business, retail and other services.

“Australia Post plays a critical role in the lives of all Australians. A stronger, more viable Australia Post will be able to continue to meet the evolving needs of Australian communities. We want our consumers and businesses to continue to benefit from a large, national network of postal services, particularly in rural and regional areas.” Mr Graham said.

**ENDS**

**Media enquiries, please contact:**

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s22(1)(a)(ii), **Senior Media Manager, Australia Post**

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**About Australia Post:** As Australia’s postal service for more than 200 years, we’re at the heart of every community. Last year we delivered more than 2.7 billion items around the country and carried out more than 220 million transactions across one of Australia’s largest retail networks of more than 4,000 Post Offices. We employ people of all ages, genders and abilities in our extended workforce of more than 64,000 to reflect the diverse communities we operate in. We are proud to be included in the inaugural Indigenous Employment Index with 3 per cent of our workforce identifying as Aboriginal or Torres Strait Islander and we are the largest Australian employer to be certified as a Disability Confident Recruiter.



## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Daniel Caruso

SB23-000778

**SUBJECT: Australia Post Board Governance and Inquiries****Talking Points***Chair Appointment*

- On 15 December 2022, the Governor-General appointed Ms Siobhan McKenna as a part-time Chair to the Australia Post Board for a period of three years.
  - The position had been vacant since the expiry of the former Chair, Mr Lucio Di Bartolomeo's term on 21 November 2022.
- An executive search process was undertaken by the Department of Finance to identify candidates for the position.
- Ms McKenna brings significant commercial, strategy and transformation, digital and technology, and government relations experience to the Australia Post Board.

*Board Appointments*

- On 6 July 2023, the Governor-General appointed Dr Jodie Auster as a non-executive Director to the Australia Post Board, for a period of three years.
- Dr Auster was identified through an executive search undertaken by Department of Finance to identify potential board members for all Government Business Enterprises.
- Dr Auster has extensive experience in senior strategic and operational roles with technology companies, and eCommerce retail and suppliers. Dr Auster brings a valuable insight into modern Australian digital marketplaces and management of contemporary delivery and logistics services that operate in a competitive market.
- There are currently two vacancies on the Board, for the Deputy Chair and a non-executive Director. The Government is considering options to fill these vacancies.

**Key Issues***Board Appointments*

The *Australian Postal Corporation Act 1989* (the APC Act) provides for the Governor-General to appoint a maximum of 8 directors to the Board of Australia Post, including the Chair and Deputy Chair. The Board appoints the CEO, taking the maximum number of appointments to nine members (**Attachment A**).

The APC Act sets out specific requirements for appointments to the Australia Post Board. Under section 73 of the Act, appointments to the Australia Post Board are made by the Governor-General on the nomination of the Minister for Communications. Under the Cabinet Handbook these appointments are considered significant and must also be considered by Cabinet.

**Contact:** Daniel Caruso**Cleared by First Assistant Secretary:** Sam Grunhard**Phone:** (02) s22(1)(a)(ii)**Version Number:** 01**Date:** 12/10/2023



## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Daniel Caruso

SB23-000778

In nominating a person, the Minister:

- must have regard to the need to ensure that the directors collectively possess an appropriate balance of expertise;
- must consult with the Chairperson, prior to the appointment of a director; and
- after consultation with representatives of industrial organisations, must be satisfied that the Board has someone who has an appropriate understanding of the interests of employees. Ms Lorna Inman is currently the designated director for this requirement.

Under section 81 of the Act, the Deputy Chair shall act as the Chair when the office of Chair is vacant. There are no powers under the Act for the Minister to appoint an acting Chair.

Under the Government Business Enterprise Guidelines, there is an expectation that the Chair will regularly review the Board's skills and capabilities and report to Shareholder Ministers. On 4 August 2023, Australia Post provided its Annual Board Plan 2023-24 to Shareholder Ministers. The Plan assists the Government in considering Board appointments to ensure an appropriate skill mix on the Board.

#### *Bank Closures in Regional Australia Inquiry*

On 8 February 2023, the Senate referred an inquiry to assess the impact of bank branch closures on regional and rural communities in Australia. Australia Post's submission to the inquiry included information on Bank@Post and the critical role it plays in regional and rural Australia, as well as key related observations. It notes the work undertaken by Australia Post on key recommendations from the Regional Banking Taskforce Final Report in September 2022 and considers opportunities to enhance the customer experience of Bank@Post users.

Australia Post has dedicated communication channels to draw attention towards Bank@Post services, such as point-of-sale and social media, and via the closing branch bank's platforms in affected towns. Australia Post is working with the banks to refine protocols for when a closure is announced to ensure the local post office outlet is equipped to provide these services and manage increased foot traffic.

Australia Post has been engaging with the Treasury and major participating banks to identify solutions for maintaining or improving banking services and accessibility in regional areas.

#### **Background**

##### *Bank@Post*

Australia Post is responsible for managing its commercial agreements to offer Bank@Post services on behalf of banks and financial institutions. Bank@Post was introduced as a long-term solution to support the sustainability of Australia Post's retail network, particularly post office licensees.

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**2023 - 2024 Supplementary Budget Estimates****Environment and Communications****Lead/Support contact: Daniel Caruso****SB23-000778**

Australia Post does not receive funding from the Australian Government to fulfill its community service obligations, and relies on commercial deals to provide these services.

**Attachments**

Attachment A: Board Membership List as at 31 August 2023

released under the FOI Act 1982 by the Department of Infrastructure, Transport, Regional Development, Communications and the Arts

**Contact:** Daniel Caruso**Cleared by First Assistant Secretary:** Sam Grunhard**Phone:** (02) s22(1)(a)(ii)**Version Number:** 01**Date:** 12/10/2023

## ATTACHMENT A

## Australia Post Board Membership as at 31 August 2023

<b>Current board summary:</b>					
<b>Current Vacancies:</b>	2	<b>Current Members:</b>	7	<b>Next vacancy</b>	1/3/2024

## Current Membership

Member	Gender	State	Position	FT/PT	Appointed By	Start of term	End of term
Vacant			Deputy Chair		Governor-General		
Vacant			Non-Executive Director		Governor-General		
Dr Jodie Auster	Female	VIC	Non-Executive Director	PT	Governor-General	06/07/2023	05/07/2026
Mr Tony Nutt AO	Male	ACT	Non-Executive Director	PT	Governor-General	02/03/2021	01/03/2024
Dr Richard Dammary	Male	VIC	Non-Executive Director	PT	Governor-General	30/09/2021	29/09/2024
Ms Launa Inman	Female	VIC	Non-Executive Director	PT	Governor-General	30/05/2022	29/05/2025
Ms Robyn Clubb AM	Female	NSW	Non-Executive Director	PT	Governor-General	15/09/2022	14/09/2025
Ms Siobhan McKenna	Female	VIC	Chair	PT	Governor-General	15/12/2022	14/12/2025
Mr Paul Graham	Male	NSW	CEO (Ex Officio)	FT	Board	24/09/2021	

<b>Gender balance</b>	Female:	57%	<b>Geographic balance</b>	NSW:	2	WA:	0	SA:	0	NT:	0
	Male:	42%		VIC:	4	QLD:	0	TAS:	0	ACT:	1

<b>Maximum Term</b>	5
<b>Quorum</b>	4
<b>Remuneration</b>	CEO \$1,456,560.00, Chair \$199,040.00, Deputy Chair \$111,080.00, Non-Executive Director \$99,560.00
<b>2023 meeting dates</b>	

<b>Legend</b>
Current appointment expiring within next 6 months
Appointment expiring in more than 6 months' time
Vacant appointment

**Note:** Where expiry date is less than 6 months away but a future appointment has been finalised, the row will be coloured green

leased under the FOI Act 1982 by the Department of Infrastructure, Transport, Regional Development, Communications and the Arts

## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Sam Grunhard / Kath Silleri

SB23-000779

**SUBJECT: Telecommunications Scams****Talking Points**

- The May 2023 budget dedicated \$86.5 million over four years to the fight against scams.
  - This is led by the establishment of the National Anti-Scam Centre in the ACCC. Treasury has carriage of this work.
- The Department of Infrastructure, Transport, Regional Development, Communications and the Arts is supporting Treasury by developing options to address scams facilitated by industries that fall within this portfolio, such as the telecommunications and digital platforms industries.
- The Australian Government is establishing an SMS sender ID Registry to combat scammers pretending to be trusted brands targeting Australians via text message.
- The registry will allow brands to record their primary and associated names used in message headers. It will help telcos prevent scammers from spoofing industry or government brand names (such as Linkt or myGov) in message headers.
- Funding will also allow ACMA to make and enforce rules for the Registry.
- Implementation of the registry will be phased, commencing with a voluntary registry before moving to the establishment of rules for telcos.
- The Registry will supplement existing measures such as the industry scams code, developed by Communications Alliance. The code requires all telecommunications providers to identify, trace and block phone and SMS scams.
- These code rules have resulted in over 1 billion attempted scams being blocked in the 2022-23 financial year (747 million scam calls and 257 million scam texts).

**Key Issues**

The May 2023 budget provided \$10.9 million over 4 years for the ACMA to fight SMS scams by establishing an SMS sender ID registry to help prevent scammers from spoofing industry or government brand names (such as Linkt or myGov) in message headers. The funding will allow ACMA to establish and enforce rules for the registry.

The Government is providing \$4.5 million in up-front funding in the first year (2023-24) to build the database and make supporting rules.

Ongoing costs could be recovered by charging users of the database (i.e. entities that send SMS messages to their customers using alphanumeric message headers) from 2024-25.

**Contact:** Kath Silleri**Cleared by First Assistant Secretary:** Sam Grunhard**Phone:** s22(1)(a)(ii)**Version Number:** 01**Date:** 12/09/2023

## 2023 - 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Sam Grunhard / Kath Silleri

SB23-000779

This approach will reduce the costs to Australian businesses and trusted entities (when compared to a full cost-recovery model).

There are different models operating overseas. These include a voluntary approach in the United Kingdom and a mandatory registry in Singapore.

The Government is currently examining the best model for Australia.

## Background

### Scam data

- The ACCC estimates that Australians lost a record amount of \$3.1 billion to scams in 2022.
- For the first six months of 2023, **phone scams** have accounted for **\$65,165,918 in losses**.
- Scamwatch data demonstrates **text message** is one of the most commonly reported delivery method for scams: 60,606 reports were received between January and June 2023 relating to scams delivered via SMS – an 85% increase from the same time period last year.

### Anti-scam funding in the 2023 budget

- The May 2023 budget provided:
  - \$58 million over 2 years to establish a National Anti-Scam Centre (NASC) in the Australian Competition and Consumer Commission (ACCC)
  - \$17.6 million over 4 years to establish a webpage takedown function in the Australian Securities and Investments Commission (ASIC) to remove pages established for investment scams
  - \$10.9 million over 4 years to enable the **Australian and Communications and Media Authority (ACMA)** to establish a SMS Sender ID registry.

### How the SMS registry would work

- When SMS' are sent using alphanumeric sender IDs (by Aus Post or Linkt, for example), the registry would be used to check if the sender ID is registered and if the sender is the registered party or their authorised representative. Depending on the nature of the rules and the level of mandation, some (if the scheme is voluntary) or all (if the scheme becomes mandatory) non-conforming messages could either be delivered with a warning message or blocked.
- Rules will be established for telcos that originate, transit or terminate SMS traffic on Australian networks with alphanumeric sender IDs.
- The registry would be an ICT system (provided by ACMA or an external provider) that is capable of securely listing verified registered sender IDs.

Contact: Kath Silleri

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- The ACMA will promote the registry to brands via targeted communications.

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**Contact:** Kath Silleri**Cleared by First Assistant Secretary:** Sam Grunhard**Phone:** s22(1)(a)(ii)**Version Number:** 01**Date:** 12/09/2023

## 2023 - 2024 Supplementary Budget Estimates

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SB23-000779

*Timing*

Introduction will be phased, with an initial voluntary trial (involving the larger providers and brands most targeted by SMS impersonation) operating by December 2023. Establishing rules for telcos will follow. Any enforceable industry-wide model is likely to take around 12-24 months to set up – to allow for required legislative changes, cost recovery and management of technical issues.

*Scams on Digital Platforms*

The ACCC has consulted extensively on the issue of scams on digital platforms and has concluded that digital platforms could do more to protect their users from scams operating across their services. The fifth interim DPSI report (Recommendation 2) has recommended the introduction of mandatory processes for digital platforms to prevent and remove scams from their services, including through the use of a notice-and-action mechanism and improved verification procedures.

The department is working with Treasury on the development of a Government response to the 5<sup>th</sup> DPSI report, and on measures to combat online scams in line with the Government's scams election commitments.

*Existing ACMA scam disruption activity*

The ACMA has led a significant work program to disrupt scam activity for both telephone and SMS scams, including the introduction of new rules, and the enforcement of those rules.

Rules include:

- December 2022 variations to the *Numbering Plan 2015* which aim to support scam disruption initiatives. They include: specifying 7226 (SCAM) as a shared special community service number (this is for use by telcos to provide a quick and easy way for their customers to report scams directly to their telco), preventing freephone, local rate, and premium rate numbers from being used for outbound calls (this will help stop scammers using these numbers as a point of trust in scam calls) and giving the ACMA power to withdraw a number associated with scam or other fraudulent activity.
- Registering the *Reducing Scam Calls and Scam SMS Code* in 2020 (updated in 2022) which requires telecommunications providers to publish information to assist their customers to proactively manage and report scam calls and texts, trace reported scam calls and texts, report scam calls and texts and block calls and texts from recognised scammers.

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## 2023 - 2024 Supplementary Budget Estimates

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Lead/Support contact: Sam Grunhard / Kath Silleri

SB23-000779

- Mandating stronger identity verification processes before mobile numbers can be transferred between providers – aimed to stop scammers hijacking mobile phone numbers in order to steal from people’s personal accounts, and
- Requiring an authorisation process for sensitive transactions via the *Telecommunications Service Provider (Customer Identity Authentication) Determination 2022* to provide a high level of assurance in order to protect malicious actors from gaining access to a device and the personal information held on it.

This is in addition to continuation of existing ACMA activities such as:

- supporting scam reduction via the Numbering Plan;
- convening the Telecommunications Scam Action Taskforce (the Taskforce); and International cooperation with telco regulators

The scams code has generated positive results. Latest figures show more scammers are being blocked than ever before, with 67 per cent more scam calls blocked in 2022-23 than in the previous year.

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## 2023 – 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Sam Grunhard / Kathleen Silleri

SB23-000780

**SUBJECT: Retail Level Consumer Safeguards****Talking Points**Industry Standard on Financial Hardship

- On 31 August 2023 the Minister formally directed the Australian Communications and Media Authority (ACMA) to make an industry standard to ensure appropriate support is provided to telecommunications customers experiencing financial hardship.
- This announcement is supported by mounting evidence, including from the ACMA, that current industry practices are not adequately supporting customers struggling with increased cost of living pressures, and acknowledges the essential role telecommunications play in everyday life.

Retail-level consumer Safeguards Reform – General

- The Minister Rowland is considering broader proposals from a range of stakeholders (consumer, industry, regulators) for retail-level safeguards reform, including: a registration system for carriage service providers, penalty reform, industry code enforcement, and the provision of better information to inform consumer choice.

If asked - about the TCP Code and ACMA's position paper

- In parallel, Communications Alliance is leading a review of the Telecommunications Consumer Protection (TCP) Code - due for completion in mid to late 2024.
- On 6 July 2023, the ACMA released a position paper *What consumers want - Consumer expectations for telecommunications safeguards*, which outlines a number of areas it believes need to be improved. The ACMA has given industry until December 2023 to show how it will improve these issues or it will take steps to directly regulate.

Complaints handling data

- Complaints to the Telecommunications Industry Ombudsman (TIO) dropped by 33.4% in 2021-22 (from 119,400 in 2020-21 to 79,534 in 2021-22).
- Complaints made directly to telcos increased by 2.3% in 2022-23 (from 1,014,031 in 2021-22 to 1,037,823 in 2022-23). This data is reported by the ACMA.
- Complaints have trended down over quarters 1 to 3 in 2022-23, apart from complaints made directly to telcos in quarter 2 (noting the impact of the Optus data breach here).
- The number of formal complaints measured by the TIO and the ACMA paints an incomplete picture of consumer experience. Research and reporting by consumer groups, the TIO and the ACMA is also relevant, and highlights a range of issues including: selling practices; limited payment methods; and support for vulnerable consumers.

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Date: 10/10/2023

## 2023 – 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Sam Grunhard / Kathleen Silleri

SB23-000780

**Key Issues**Minister Rowland – recent public statements

See media releases at Attachments A to D regarding the financial hardship industry standard direction, ACMA's financial hardship report, Comms Alliance's Domestic and Family Violence (DFV) guidelines and consumer safeguards reform generally.

Financial Hardship Direction – including key dates

On 6 July 2023 the Minister announced her decision to direct the ACMA to make an industry standard on financial hardship arrangements. The Department of Infrastructure, Transport, Regional Development, Communications and the Arts undertook a targeted consultation on a draft Direction between 2 and 9 August 2023. The department received 10 submission from consumer groups, industry stakeholders, the TIO and the ACMA. The full list is: Communications Alliance; Optus; TPG; Telstra; ACCAN; Indigenous Digital Inclusion Advisory Group; South Australian Council of Social Services; Isolated Children's Parents' Association; TIO; and ACMA.

The Minister signed the direction and cover letter to the ACMA Chair on 31 August 2023. The Direction and cover letter were provided to the ACMA on 1 September 2023. The Direction was registered on the Federal Register of Legislation on 5 September 2023 and announced by the Minister the same day. The Direction formally commenced on 6 September 2023. The ACMA is leading development and consultation on the standard. The standard must be determined by 15 February 2024. The ACMA may specify commencement at the earliest practical opportunity and no later than 29 March 2024.

ACMA TCP Code position paper (6 July 2023)

The position paper argues the current TCP Code is lacking in key areas including: selling practices, credit assessments, payment methods, disconnection processes, financial hardship assistance and treatment of consumers in vulnerable circumstances (including those experiencing domestic and family violence).

ACMA – Financial Hardship Report (2 May 2023)

On 2 May 2023 ACMA released a report outlining deficiencies in the telco industry's management of customers in financial hardship.

The report used data sourced from 11 telecommunication providers that had post-paid residential customers in 2021-22 (Note: ACMA requested data from 15 providers though 4 were unable to provide appropriate information); and 2 independent survey reports (by Roy Morgan and OmniPoll Pty Ltd, including qualitative and quantitative data).

**Contact:** s22(1)(a)(ii)**Cleared by Deputy Secretary:** Richard Windeyer**Phone:** (02) s22(1)(a)(ii)**Version Number:** 01**Date:** 10/10/2023

## 2023 – 2024 Supplementary Budget Estimates

## Environment and Communications

Lead/Support contact: Sam Grunhard / Kathleen Silleri

SB23-000780

The report's key findings include:

- The rates of telco financial hardship are significant but the expectations of consumers are not being met, with only a small proportion of customers receiving hardship support.
  - 25% of Australian adults experienced payment difficulty or concerns in the previous 12 months for at least one of their essential services, of these, 48% had difficulty with their telco bills (approx. 2.4 million Australian adults). For the main telcos, there were only 4,388 formal financial hardship customers as at 30 June 2022.
  - The number of financial hardship customers in the telco sector is low compared to other sectors.
- Industry requirements to inform customers about hardship arrangements are not working sufficiently, with many customers unaware they can contact their telco for help.
  - Just 57% of the general Australian adult population and 64% of those who experienced a financial hardship situation in the past 12 months reported they were aware they could contact their telco for help managing payment of bills due to financial difficulties.
- Financial hardship arrangements are not being adequately tailored to individual circumstances, with limited options for how and when payments can be made.

#### Consumer Roundtable (23 March 2023)

Participants were: ACCAN, Consumer Action Law Centre, Westjustice, First Nations Digital Advisory Group, the Australian Mobile Telecommunications Association (AMTA), Comms Alliance, Compete, ACMA and the TIO.

Non-industry stakeholders (including ACMA and the TIO) argued for direct regulation/enforcement of retail level consumer protections (rather than industry codes), penalty reform, establishment of a CSP registration scheme, and better/tailored information for consumers (e.g. how to get connected and stay connected to appropriate services).

Consumer groups (including ACCAN and the Consumer Action Law Centre) and the TIO have been particularly active in public forums and the media during 2023 raising deficiencies with the current framework and advocating for the reforms outlined above.

#### **Background**

*Universal Service – Delivery and Reform (SB23-000594)* includes detail on Universal Service Obligation arrangements. Queries about safeguards dealing with connection and repair of services (including the Statutory Infrastructure Provider framework and the Consumer Safeguards Guarantee) should be directed to Universal Services Branch.

#### The Statutory Infrastructure Provider 'SIP Bill'

In September 2022 the department consulted on the 'SIP Bill' i.e. the *Telecommunications Legislation Amendment (Statutory Infrastructure Providers and Other Measures) Bill 2022*.

**Contact:** s22(1)(a)(ii)

**Cleared by Deputy Secretary:** Richard Windeyer

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Lead/Support contact: Sam Grunhard / Kathleen Silleri

SB23-000780

In addition to changes related to the SIP regime, the bill would enable the ACMA to publish data that identifies the performance of individual telcos on a range of customer service, safeguards, and reliability matters. This would empower consumers to make more informed purchasing decisions and drive greater competition on matters such as complaints handling. The Universal Services Branch is engaging with the Minister on next steps for progressing the measures in this Bill.

Comms Alliance – DFV Guidelines

On 4 May 2023, Comms Alliance released the updated *Assisting Consumers Affected by Domestic and Family Violence* Guideline. The guideline is not enforceable. Stakeholders (including ACCAN) want to see greater, more enforceable action in this space.

Comms Alliance intends to include new protections in the updated TCP Code – however, it is unlikely this will satisfy consumers arguing for strong, directly enforceable obligations.

**Attachments**

Attachment A – Minister Rowland media release – re the Minister formally directing the ACMA to make a Financial Hardship Industry Standard

Attachment B – Minister Rowland media release – re announcing the Minister’s intention to direct the ACMA to make a Financial Hardship Industry Standard

Attachment C – Minister Rowland media release – re ACMA’s financial hardship report and consumer safeguards reforms generally.

Attachment D – Minister Rowland media release – re Communications Alliance’s DFV guidelines

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## ATTACHMENT A

Minister Rowland media release, 5 September 2023

**Better support for telco customers experiencing financial hardship**

The Minister for Communications has directed the Australian Communications and Media Authority (ACMA) to make an enforceable industry standard to ensure appropriate support is provided to telecommunications customers experiencing financial hardship.

The move will improve safeguards for the many Australians struggling with the increased cost of living to ensure they are able to stay connected – an essential part of everyday life.

The Direction has been developed in consultation with stakeholders, with constructive feedback received, ensuring the Direction is robust and positions the ACMA well to make effective financial hardship rules.

The ACMA will now formally commence its work with stakeholders on drafting the industry standard in line with the broad parameters set out in the Direction.

The Australian Government's decision to directly regulate the rules on financial hardship is in response to the serious issues being faced by vulnerable consumers in accessing financial support when they need it.

It also follows the findings from the ACMA's Financial hardship in the telco sector: Keeping the customer connected report, released in May 2023, which highlighted disproportionately low rates of consumers receiving formal financial hardship assistance from their telco compared to the number of Australians experiencing difficulty paying their telco bill.

The report showed that while around 2.4 million Australians experienced difficulty or concern regarding their telco bills over the 12-month reporting period, industry data from the main telcos identified only 4,388 residential financial hardship customers as at June 2022.

The report also found that only 64 per cent of Australians who had experienced financial hardship in the reporting period were aware that they could contact their telco provider for help in managing their bill payments, indicating that telcos are not doing enough to proactively engage and assist customers in need.

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While telecommunications services have not been a central contributor to the increase in cost of living pressures, this decision looks to ensure that consumers doing it tough can stay connected to essential telco services.

**Quotes attributable to Minister for Communications, the Hon Michelle Rowland MP:**

*“Staying connected to a telecommunications service is not a luxury – it’s central to our everyday lives.*

*“With so many Australians doing it tough, clear and enforceable rules to make sure that people are getting appropriate support are needed now more than ever.*

*“I would like to acknowledge the constructive engagement of all stakeholders during consultation on the Direction, setting a positive tone for the development of the industry standard and positioning the ACMA well to make rules that will work for everyone.*

*“If a consumer is experiencing financial hardship and needs help with their telco bill, they should contact their service provider to discuss what arrangements are available. If a consumer is unable to come to a satisfactory arrangement directly with their provider, they should then contact the Telecommunications Industry Ombudsman (TIO) for assistance.”*

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## ATTACHMENT B

Minister Rowland media release, 6 July 2023

**Albanese Government to improve safeguards for telco consumers experiencing financial hardship**

The Minister for Communications will direct the Australian Communications and Media Authority (ACMA) to make an enforceable industry standard to ensure appropriate support is provided to telecommunications customers experiencing financial hardship.

Telecommunications are an essential part of everyday life and staying connected is no longer a luxury - it is a necessity to support education, work and access to critical services.

The Albanese Government is committed to ensuring Australians struggling with increased cost of living have access to appropriate safeguards.

This decision reflects that priority by elevating financial hardship obligations to direct and enforceable regulation, which will deliver better outcomes for consumers more quickly.

In May 2023, the ACMA released Financial hardship in the telco sector: Keeping the customer connected. The report used data sourced from telecommunications providers and independent surveys by Roy Morgan and OmniPoll Pty Ltd, and identified the following:

- The rates of telco financial hardship are significant but only a small proportion of customers receive hardship support.
  - 25% of Australians experienced payment difficulty or concerns in the previous 12 months for their essential service bills and 48% of those had difficulty with their telco bills. Industry data from the key telcos showed only 4,388 customers were in financial hardship programs as at 30 June 2022 (0.03% of all residential customers).
- Industry is required to inform customers about hardship arrangements, however many customers are still unaware they can contact their telco for help.
  - Only 57% of Australian adults and 64% of those who experienced financial hardship in the past 12 months were aware they could contact their telco provider for help in managing financial difficulties.

The report's findings aligned with those from the Telecommunications Industry Ombudsman (TIO), the Australian Competition & Consumer Commission (ACCC) and consumer groups including Australian Communications Consumer Action Network (ACCAN) and Consumer Action Law Centre. The Government acknowledges the contributions of all stakeholders in this space.

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Lead/Support contact: Sam Grunhard / Kathleen Silleri

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While telecommunications services have not been a central contributor to the increase in household spending, this decision looks to ensure that consumers doing it tough can stay connected to essential telco services.

The Government encourages industry and consumer stakeholders to work constructively with the ACMA on the development of the financial hardship standard.

Today, the ACMA has also published a position paper which clearly outlines expectations it has for industry to address a range of issues through the current review of the Telecommunications Consumer Protections (TCP) Code – which is due for completion in 2024.

The Government will continue to actively consider the consumer safeguards framework and engage with stakeholders on tangible steps that can be taken to improve consumer outcomes – including to consider calls for reform of penalties and code enforcement, establishing a retailer registration scheme and providing better information to consumers.

**Quotes attributable to Minister for Communications, the Hon Michelle Rowland MP:**

*“Telecommunications are an essential part of life.*

*“Given the current cost of living pressures that many Australians are facing, it’s important we have clear and enforceable rules so telcos give appropriate support to consumers doing it tough.*

*“That’s why I have directed the ACMA to ensure the appropriate safeguards are in place, and I will continue to take a close look at the consumer safeguards framework to ensure it is fit for purpose.*

*“I welcome the position paper published today by the ACMA which outlines necessary improvements to the Telecommunications Consumer Protection (TCP) Code, and related industry practice. I also thank the ACMA for its work in preparing for the TCP Code review and I thank Communications Alliance for its efforts in leading the process.*

*“If a consumer is experiencing financial hardship and needs help with their telco bill, they should contact their service provider to discuss what arrangements are available. If a consumer is unable to come to a satisfactory arrangement directly with their provider, they should then contact the Telecommunications Industry Ombudsman (TIO) for assistance.”*

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SB23-000780

## ATTACHMENT C

## Minister Rowland media release, 2 May 2023

**Albanese Government will ensure telco customers are treated fairly**

The Albanese Government is concerned by a report today by the Australian Communications and Media Authority (ACMA) which outlines deficiencies in the way telcos engage with customers in financial hardship.

It has never been more important to support customers who are doing it tough given the current cost of living pressures. While there are examples of good practice, the telco industry can and should do better.

Key findings of the report, which used data sourced from telecommunications providers and independent surveys by Roy Morgan and OmniPoll Pty Ltd, include:

- The rates of telco financial hardship are significant and the expectations of consumers are not being met, with only a small proportion of customers receiving hardship support.
- Industry is required to inform customers about hardship arrangements. However, many customers are still unaware they can contact their telco for help.
- Financial hardship arrangements are not being adequately tailored to individual circumstances, with limited options for how and when payments can be made.

Telecommunications are now essential, if not, critical services. There is a need to have effective safeguards that support consumers to get connected, stay connected, and ensure they receive appropriate customer service and assistance, especially those in financial hardship.

The Government is actively considering the consumer safeguards framework to determine whether it remains fit for purpose. This includes adequate protections to ensure telcos provide appropriate financial hardship assistance, credit management and billing processes, and to stamp out mis-selling and other practices that result in financial hardship.

The Government held a consumer roundtable with key stakeholders on 23 March 2023 to discuss the retail-level consumer protection framework. Participants included consumer and industry representatives, the Telecommunications Industry Ombudsman (TIO) and the ACMA. Minister Rowland is considering advice provided at the Roundtable, including calls for greater use of directly enforceable regulation and penalty reform.

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**Quotes attributable to Minister for Communications, the Hon Michelle Rowland MP:**

*"The telco industry must do better.*

*"Telecommunications should enrich peoples' lives, not cause inconvenience, frustration or detriment.*

*"I am looking closely at the consumer safeguards framework to ensure it is fit for purpose and prevents any mismanagement of financial hardship issues.*

*"If a consumer is experiencing financial hardship and needs help with their telco bill, I encourage them to contact their service provider to discuss what arrangements are available. However, if a consumer is unable to come to a satisfactory arrangement directly with their provider, they should then contact the Telecommunications Industry Ombudsman (TIO) for assistance."*

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SB23-000780

## ATTACHMENT D

## Minister Rowland media release, 4 May 2022

**Updated industry guidelines to help address domestic and family violence**

Peak telecommunications industry body, Communications Alliance, has today released updated guidance that aims to better equip telcos to support providers helping customers affected by domestic and family violence (DFV).

The updated guideline *Assisting Consumers Affected by Domestic and Family Violence* focuses on how telcos identify abuse and support victim-survivors. It provides practical, operational-level guidance about the policies, training, and supporting materials telcos should have in place to identify DFV and provide appropriate support to consumers affected by it.

The resources include case studies on possible presentations of DFV cases, information on how telcos can manage DFV matters against the backdrop of other industry legal and regulatory obligations, and best-practice recommendations on policies, tools and processes to help DFV victims, and educate, train and support staff.

The revised Guideline updates the original version published by Communications Alliance in 2018, and draws on feedback from an industry review launched in 2020.

Violence against women and children is a problem of epidemic proportions in Australia. One in 3 women has experienced physical violence since the age of 15, and one in 5 has experienced sexual violence.

For more information and to read the updated Guideline, visit [www.commsalliance.com.au/Documents/all/guidelines](http://www.commsalliance.com.au/Documents/all/guidelines)

**Quotes attributable to Minister for Communications, the Hon Michelle Rowland MP:**

*"The Albanese Government is committed to doing all we can to overcome the scourge of domestic and family violence, and welcomes steps taking by Communications Alliance to coordinate an industry-wide response to support victim-survivors."*

*"We know telecommunications networks are misused all too often by perpetrators to carry out their abuse."*

*"This updated industry Guideline will assist staff who answer customers' calls every day to recognise what is often hidden in plain sight, and empower them with a framework to safely and effectively assist victims the best they can."*

*"I am considering what further tools are necessary to ensure victim-survivors of domestic and family violence are appropriately supported – including any changes to consumer protection rules."*

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**Quotes attributable to Minister for Social Services, the Hon Amanda Rishworth MP:**

*"Victim-survivors often rely on telecommunications as a lifeline, but they can also compound domestic and family violence by facilitating abuse – whether that be through repeated unwanted messages, monitoring of calls or tracking of movements.*

*"Telcos need to be aware of how products can be used and misused to make sure that do not add to the harm that customers are already experiencing.*

*"All staff who are assisting customers experiencing family, domestic or sexual violence, regardless of whether it is taking place in the physical or online environment, need to be equipped with appropriate training to respond appropriately and effectively. This updated industry guideline will help providers with improved and compassionate responses that have victim-survivors at the centre."*

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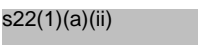
SB23-000781

**SUBJECT: Audio Description****Talking Points**

- The Australian Government has provided ongoing indexed funding to the ABC and SBS in the Budget to continue and expand the provision of audio description.
- Audio description is also available on a number of subscription video on demand services.
-  s47C
- The Minister wrote to commercial free-to-air broadcasters (Free TV, 7, 9 and 10) on 21 December 2022 to gather views about audio description on free-to-air TV.
- The Minister wrote again to commercial free-to-air broadcasters (Free TV, 7, 9 and 10) and also subscription television broadcasters (Foxtel and ASTRA) on 22 March 2023 to develop a framework and timetable to improve the provision of audio description in Australia.
- The Minister held an industry round-table on Friday (20 October) to discuss her expectations of the industry in improving broadcasting accessibility.
- There will be ongoing consultation with members of the blind and vision impaired community during 2023-24 to facilitate their input and involvement as the Government further develops policies on the provision of audio description.
- The Australian Government lodged its response to the United Nations Committee on the Rights of Persons with Disabilities regarding audio descriptions on free-to-air television on 22 March 2023. This was in accordance with the Committee's deadline.

**Key Issues***Budget*

- The ABC and SBS are each receiving funding of \$5.2 million over five years to extend the previous Audio Description (AD) program funding (which was previously scheduled to terminate on 30 June 2025). This will be rolled into ongoing (non-terminating) funding with audio description provision considered part of their ongoing functions.
- This is an element of the 5-year funding terms for the national broadcasters which commenced on 1 July 2023. These funding terms will replace the previous triennium (3-year) funding arrangements and provide greater funding certainty to the national broadcasters.

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- Provision of audio description has increased since the move from tied grant funding to triennial funding. The ABC screened an average of 89 hours per week of audio described content in 2022-23, up from 65 hours per week in 2021-22. SBS screened an average of 145 hours per week of audio described content in 2022-23, up from 80 hours per week in 2021-22.

*Expanding AD where it is lacking*

- The Government is considering options to expand AD arrangements, either voluntarily or via legislation.
- Legislation could involve a 'trigger mechanism' or similar arrangement, whereby requirements could be imposed where there has been a clear failure on the part of a provider to meet a minimum level of AD content. For example, given the high levels of AD being provided by the national broadcasters and many of the subscription video on demand (SVOD) services, such a requirement may not need to be activated for these providers.
- With regard to setting the minimum level of AD content, a starting point may be the Australian Human Rights Commission's (AHRC) 2021 recommendation that services be required to provide audio described content for a minimum of 14 hours of programming per week. This could be increased to a minimum of 21 hours per week in a timeframe to be determined in consultation with people with disability and broadcasting services.

*UN complaint*

- The Australian Government's response to the UN Committee's Views on 22 March 2023, in accordance with the Committee's deadline, is available on the Attorney-General's Department's website.
- The Australian Government's response to the Committee's Views details the steps the Australian Government is taking to continuously improve access by persons with disabilities to appropriate communications technologies, including audio description.
- This includes a significant increase in the provision of audio description on free-to-air television by the national broadcasters, plans to extend audio described programming on catch-up services, corresponding funding for the national broadcasters, ongoing consultation with members of the blind and vision impaired community; and the start of meaningful consultation with commercial free-to-air and subscription television broadcasters on the development of a framework and timeframes to realise improvements in the provision of audio description in Australia.

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**Background**Streaming

Audio described programming is also available on subscription video on demand services in Australia such as Netflix, Stan, Disney Plus, Amazon Prime Video, Paramount Plus and Apple TV Plus.

AHRC Human Rights and Technology Final Report 2021

In March 2021, the AHRC Commission presented its report on new and emerging technologies, to the then Attorney-General. The Report reflects the Commission's public consultation regarding the impact of new technologies on human rights, and can be accessed at <https://tech.humanrights.gov.au/>.

Though primarily about the impact of AI on people with disabilities, the report contained a chapter on broadcasting and audio visual services. The report contained several recommendations to expand AD and captioning.

*Recommendation 27: The Australian Government should amend the Broadcasting Services Act 1992 (Cth) to increase the amount of accessible content available for people who have hearing or vision difficulties as follows:*

*(a) national and commercial free-to-air television services should be required to provide audio described content for a minimum of 14 hours of programming per week, distributed across the primary and secondary channels. This should be increased to a minimum of 21 hours per week in a timeframe to be determined in consultation with people with disability and broadcasting services.*

*(b) subscription television services should be required to provide audio described content for a minimum of 14 hours of programming per week for their main channels. This should be increased to a minimum of 21 hours per week in a timeframe to be determined in consultation with people with disability and broadcasting services.*

*(c) national and commercial television free-to-air services should be required to increase the captioning of their content on an annual basis, resulting in all such broadcasting being captioned on primary and secondary channels within five years. The Government should determine a formula for annual progressive increases of captioning in consultation with industry, people with disability and their representatives.*

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*Recommendation 28: The Australian Government Department of Infrastructure, Transport, Regional Development and Communications should conduct a review to identify effective, practical ways to increase audio description and captioning on secondary or specialist broadcast television channels.*

*Recommendation 29: The Australian Government should introduce legislation to provide minimum requirements for audio description and captioning in respect of audio-visual content delivered through subscription video-on-demand, social media and other services that are not covered by the Broadcasting Services Act 1992 (Cth). Obligations should be determined in consultation with industry, and people with disability and their representatives.*

The UN complaint

Lauren Henley, an Australian national who is visually impaired, submitted a complaint (called a 'communication') to the UN Committee on the Rights of Persons with Disabilities (the Committee) on 3 October 2018. The complaint was transmitted to Australia on 28 November 2018.

The complaint alleged that the Australian Government breached Ms Henley's human rights under the Convention on the Rights of Persons with Disabilities (CRPD) by failing to provide audio description (narrated sentences describing TV and screen content) on free-to-air television for the blind and vision impaired community, in violation of the CRPD.

The complaint alleged breaches by the Australian Government of the following rights under the CRPD:

- Article 5(3) – obligation by States to take appropriate steps to provide reasonable accommodation to persons with disabilities
- Article 9(1)(b) – the right of persons with disabilities to access information and communications on an equal basis to others
- Article 30(1)(b) – the right of persons with disabilities to take part in cultural life on an equal basis to others
- Read in conjunction with Articles 4(1) and (2) – the general obligations to ensure and promote human rights for all persons with disabilities without discrimination; and to take measures to the maximum of the State's available resources with a view to progressively achieving the full realization of these rights.

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The communication sought the following remedies: that the Australian Government adopt, through legislation, minimum targets for audio description on television, with such targets providing for an incremental increase of the minimum number of hours to be audio-described on television over time; and that the Australian Government develop a targeted plan for the achievement of CRPD rights over time.

Views of the UN Committee on the Rights of Persons with Disabilities

On 23 September 2022, the Committee transmitted adverse Views in this matter to Australia, finding that while Australia has provided audio description to persons with visual impairments in two trials in 2012 and 2015, and provided funding to the national television broadcasters in 2020, those measures do not reveal the existence of a strategy to progressively and effectively take the necessary steps to provide audio description in a sustainable manner. The Committee also observed that Australia has failed to adopt specific legislation, a policy framework, a sustainable budget line allocation or any other foreseeable measures to demonstrate its commitment to advance in the provision of audio description. The Committee dismissed the author's claims with respect to Article 5(3), accepting Australia's argument that the author had not sufficiently substantiated this claim.

As a result, the Committee has recommended that Australia:

- Afford adequate compensation to the author, including any legal costs incurred in filing the complaint
- Take measures to prevent similar future violations by:
  - Adopting action plans and strategies to identify existing barriers to accessibility, set timeframes for action, provide resources to remove barriers and strengthen monitoring mechanisms
  - Take necessary legislative and policy measures to ensure the provision of audio description
  - Educate persons with disabilities about the rights under the CRPD, in particular about accessibility
  - Ensure training and awareness raising activities on the scope of CRPD, including on accessibility for persons with disabilities, is provided to all service providers of free-to-air television and other relevant stakeholders

The Committee's Views are not legally binding on Australia.

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