



To: Director - Classification Reform, Online Safety, Media and Platforms Division, Department of Infrastructure, Transport, Regional Development, Communications and the Arts
By ; Submission portal
Date: 21 May,2026

Dear Director - Classification Reform,

Submission on the Update to Modernise and Harmonise Classification Guidelines 2025

The Digital Industry Group Inc. (DIGI) welcomes the opportunity to provide further feedback on the proposed updates to the Classification Guidelines, as outlined in the *Update to Modernise and Harmonise Classification Guidelines 2025* (the *Update*). This letter follows on from our previous submission of 16 May 2024 on the second stage of reforms to the National Classification Scheme (the Scheme), as outlined in the *Public Consultation Paper: Modernising Australia's Classification Scheme - Stage 2 Reforms*, April 2024.

Link between Classification Scheme and Online Safety Act

In our previous submission, DIGI highlighted the critical link between the National Classification Scheme (the Scheme), the Classification Guidelines, and the **Online Safety Act 2021 (OSA)**. The OSA defines restricted 'Class 1' and 'Class 2' material by reference to the Scheme.

- **Class 1 material** is material that is or would be refused classification (e.g., child sexual abuse material).
- **Class 2 material** is material that is or would be classified R18+ or X18+ (e.g., pornography and other high-impact material).

Following the Australian Government's response to the Statutory Review of the *Online Safety Act 2021*, it appears unlikely that the reliance on the Classification Scheme's definitions for Class 1 and Class 2 material under the OSA will change in the near term.

While we appreciate that matters which fall within the remit of the OSA have not formed part of this review of the National Classification Scheme, the Classification Guidelines will continue to have significant implications for the interpretation of the obligations of industry participants regulated under the OSA. The Guidelines will also potentially impact the scope of the new Digital Duty of Care (DDOC), which the Government has committed to implementing. The interaction of the OSA with the Classification Scheme therefore remains a critical issue for all of the industry participants within the scope of the OSA: social media services, app distribution services, search engine services, hosting services, equipment manufacturers and suppliers, relevant electronic services, internet service providers and designated internet services.

Need to consider how changes to Classification Guidelines impact on regulation of Class 1 and Class 2 materials

As identified in DIGI's earlier submission on the Stage 2 reforms, the meaning and application of the concepts in the Classification Guidelines to Class 1 and Class 2 material is often unclear and difficult for entities regulated under the OSA to implement in practice as the Guidelines were developed for a predominantly physical media environment. We understand that the recommendations in the *Update* are intended to facilitate a harmonised approach to classification across all media; however, they do not take into account the need for the Guidelines to be workable for online material that is not professionally produced and subject to regulation under the OSA. For example, to determine the suitability of materials for individuals under 18, digital services must undertake a context-dependent, case-by-case evaluation of how the "themes" criteria in the Classification Guidelines apply to individual items of content posted by users. This is impractical for online services operating under the Online Safety Act (OSA) that must make decisions at scale to the very high volumes of online content, especially user-generated content that is not professionally produced. These issues were acknowledged in the Report of the Statutory Review of the *Online Safety Act 2021* conducted by Ms Delia Rickard PSM, which recommended that the regulation of online content under the OSA be de-coupled from the Classification Scheme. As the Government has not yet committed to implementing this recommendation in the context of the OSA, it is vital that going forward, the Government gives more detailed consideration to how any changes to the National Classification Scheme, including the Classification Guidelines, will impact the regulation of Class 1 and Class 2 materials. This includes the impact of changes to the Guidelines on the existing OSA industry Codes and Standards, as well as the forthcoming digital duty of care.

Harms based Lens to Classification

We agree in principle with the recommendation in the *Update to Modernise and Harmonise Classification Guidelines 2025* that the Government adopt a more harm-informed and evidence-based lens for the Guidelines, including in relation to "themes". As noted in DIGI's previous submission, the key criteria for assessing the suitability of material for adults under the National Classification Scheme is currently the offensiveness of material, rather than its harmfulness, which is inconsistent with the basic philosophy of the OSA which is to regulate online harm. That disconnect further complicates the interaction between the two schemes. We recommend that in updating the guidelines, additional consideration be given not only to the harms that material can cause to Australians, but also more broadly to ensuring children's rights are advanced and protected including their rights to digital participation and expression.

Advisory Body

In DIGI's previous submission, we expressed our support for establishing mechanisms that ensure that Australian Governments are informed at regular intervals about the views of the community on certain types of materials, for example, via surveys of the public or public consultation. An advisory body in the form of a Classification Advisory Panel or Council could be one such mechanism. If the Government proceeded to establish an advisory body, this should not be limited to community representatives as recommended in the *Update to Modernise and Harmonise Classification Guidelines 2025*. The industry participants that must make classification decisions in accordance with the Scheme, need to be able to provide direct input into any proposed changes to classification criteria to ensure that these are clear, readily understood, and capable of consistent application. While the Classification Scheme remains tied to the OSA, any advisory body should additionally include representatives from the wide range of industry

participants subject to the OSA to ensure any updates are practical and workable where these impact on regulatory requirements for Class1 and Class 2 materials under the OSA. We suggest that any such advisory body should have clear governance rules around the approach they should take to decision-making including involving young-people directly in the advisory process where relevant.

We thank you for the opportunity to provide this further feedback and for your consideration of the matters raised.

Yours sincerely,

A handwritten signature in black ink, reading "Jennifer Duxbury", is displayed within a rectangular area that has a light gray dotted background.

Dr Jennifer Duxbury
Director Policy, Regulatory Affairs and Research
Digital Industry Group Inc. (DIGI)