



19 December 2013

Deregulation@communications.gov.au

The Hon Malcolm Turnbull MP
Minister for Communications
c/o Department of Communications
38 Sydney Ave
Forrest ACT 2603

Deregulation: Initiatives in the Communications Sector

Dear Minister

The Australian Association of National Advertisers (AANA) has been the peak national body for advertisers for over 85 years and represents the interests of organisations involved in Australia's \$30 billion a year advertising, marketing and media industry. Included among our members are many of Australia's most well known brands.

We thank you for the opportunity to provide a headline summary of key areas of Deregulation required to sustain and evolve Australia's advertising and marketing industry. Please see Attachment 1 for our response. I also set out for you below some background information about the AANA and the AANA Self regulatory system.

The AANA Self-Regulatory System

AANA owns the self-regulatory Codes to which all brand marketing communications across all media must measure up to. AANA is committed to promoting and safeguarding the rights of its members to communicate freely with their customers, and to protect consumers by ensuring advertising and marketing communications are conducted responsibly. This is achieved, in large part, through management of the self-regulatory system, including a range of Codes which apply across all platforms and media to ensure that consumers can expect uniform community standards in all marketing communications no matter the media it is accessed from.

Complaints under the Codes are adjudicated by the independent Advertising Standards Board (ASB). The system, created, reviewed and owned by AANA, came into operation in 1997 following extensive consultations with advertisers, agencies, the media, consumer groups and government representatives.

AANA's commitment to self regulation

AANA's continued commitment to self regulation is demonstrated in a range of new initiatives which we have recently launched. These initiatives are aimed at assisting members in their understanding of and compliance with the self regulatory codes and restrictions. For example,



AANA hosts **AdWatch** - a one-stop web portal that provides real case histories that illustrate evolving community standards, particularly around the portrayal of people, language, sex and nudity, violence and health and safety in Australian advertising. We have also been reaching out to our members with a series of on line and in person training programs around the self regulatory system and evolving community standards.

Our commitment to regular and rolling reviews of the Codes within the self regulatory system remains and we will be entrenching this program in our workflows.

AANA continues to work with government (state and federal) and interested community groups to explain the self regulatory system and the community safeguards it provides.

As described in the Attachment, AANA is of the view that the AANA Self regulatory system provides appropriate community safeguards in all advertising and marketing communications in Australia, irrespective of the platform or medium. The restrictions in the various broadcasting codes are largely duplicative of the restrictions in the AANA Codes however they are limited to the particular broadcasting segment to which they apply. The restrictions also apply unevenly across different platforms and this is no longer reflective of the viewing patterns or media consumption habits of Australian consumers.

AANA proposes that the broadcaster specific restrictions be removed from the co-regulatory codes and that in their place the codes refer to the AANA Self regulatory system and the obligation on advertisers to comply with those codes.

We would be happy to provide you with more information about the AANA Self regulatory system, the Codes which AANA develops along with the complaints handling system administered by the Advertising Standards Bureau.

We look forward to working with you and the Communications Department and welcome the review of the regulations which apply to communications in Australia.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Alina Bain', is positioned above the printed name and title.

Alina Bain

Director of Operations and Regulatory Affairs



Proposal for Deregulation Reform

| | | AANA Response |
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| 1. | Description of relevant regulation | <ol style="list-style-type: none"> Advertising restrictions in the co-regulatory codes of ASTRA, Commercial Radio (CRA) and Free TV Australia <ol style="list-style-type: none"> Messaging restrictions Scheduling restrictions Limits on number of minutes Children's Television Standards (CTS) State based advertising regulation |
| 2. | Policy underlying regulation | To provide appropriate community safeguards and in the case of children to reduce children's exposure to potentially harmful content. |
| 3. | Reasons regulation is no longer needed/ could be amended | <p>The regulation is uneven across platforms and in some cases across state lines. This is not reflective of modern media consumption by consumers or the media placement decisions of advertisers.</p> <p>This brings with it high compliance costs for advertisers and heavy handed restrictions around for example, marketing material for an adult market.</p> |
| 4. | Proposal to remove or amend (if amend, please describe amendment) | <p>Remove all advertising restrictions from the broadcasting codes, including messaging and scheduling restrictions. Remove the advertising restrictions in the Children's Television Standard. The removal should indicate an intention that the Commonwealth laws (in this case an absence of regulation in favour of self regulation) cover the field, to ensure consistency of community standards nationwide.</p> <p>The AANA Self regulatory system is platform and technology neutral. It imposes an obligation directly on advertisers to comply with community standards in all marketing communications across all media and platforms. It applies to all advertising and marketing communications and is consistent across all states and</p> |



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| | | <p>territories reflecting the national nature of advertising.</p> <p>The AANA Code of Advertising and Marketing to Children restricts the messaging within advertising directed primarily to children to ensure that such advertising is appropriate for children. As such it reflects many of the restrictions in the CTS and applies them across the board to all advertising and marketing communications on all platforms and media.</p> <p>Remove the restrictions limiting the number of minutes of non program matter and allow the market to determine the most appropriate balance between advertising and program content.</p> |
| 5. | What impact removal/amendment will have on industry | <p>Reduced compliance costs and complexity.</p> <p>ACMA should only register Broadcasting Codes on the basis that they provide appropriate community safeguards if they refer to the AANA Self regulatory system which requires advertising on all platforms to comply with community standards.</p> |
| 6. | What impact removal/amendment will have on consumers/individuals | <p>Positive impact. Consumers should expect the same level of community standards for all advertising and marketing communication in all platforms. In a time of convergence, consumers do not distinguish between media which is regulated and that which is not. Uniform community standards should apply in a platform and technology neutral way.</p> <p>The AANA Self regulatory provides this uniformity and industry has demonstrated that it is committed to ensuring the system is maintained and enhanced to continue to reflect new and emerging media, consumer behaviours and community standards.</p> <p>Consumers can access the system through a robust and transparent complaints handling system administered by the Advertising Standards Bureau. The complaints handling system responds to complaints in a timely and efficient manner and provides a single point of access. It is well recognised by consumers.</p> <p>The system is fully funded and administered by Industry, not the tax payer.</p> |