



Office of the Children's  
**eSafety Commissioner**

# ANNUAL REPORTS **2015|16**

**Australian Communications and Media Authority  
Office of the Children's eSafety Commissioner**



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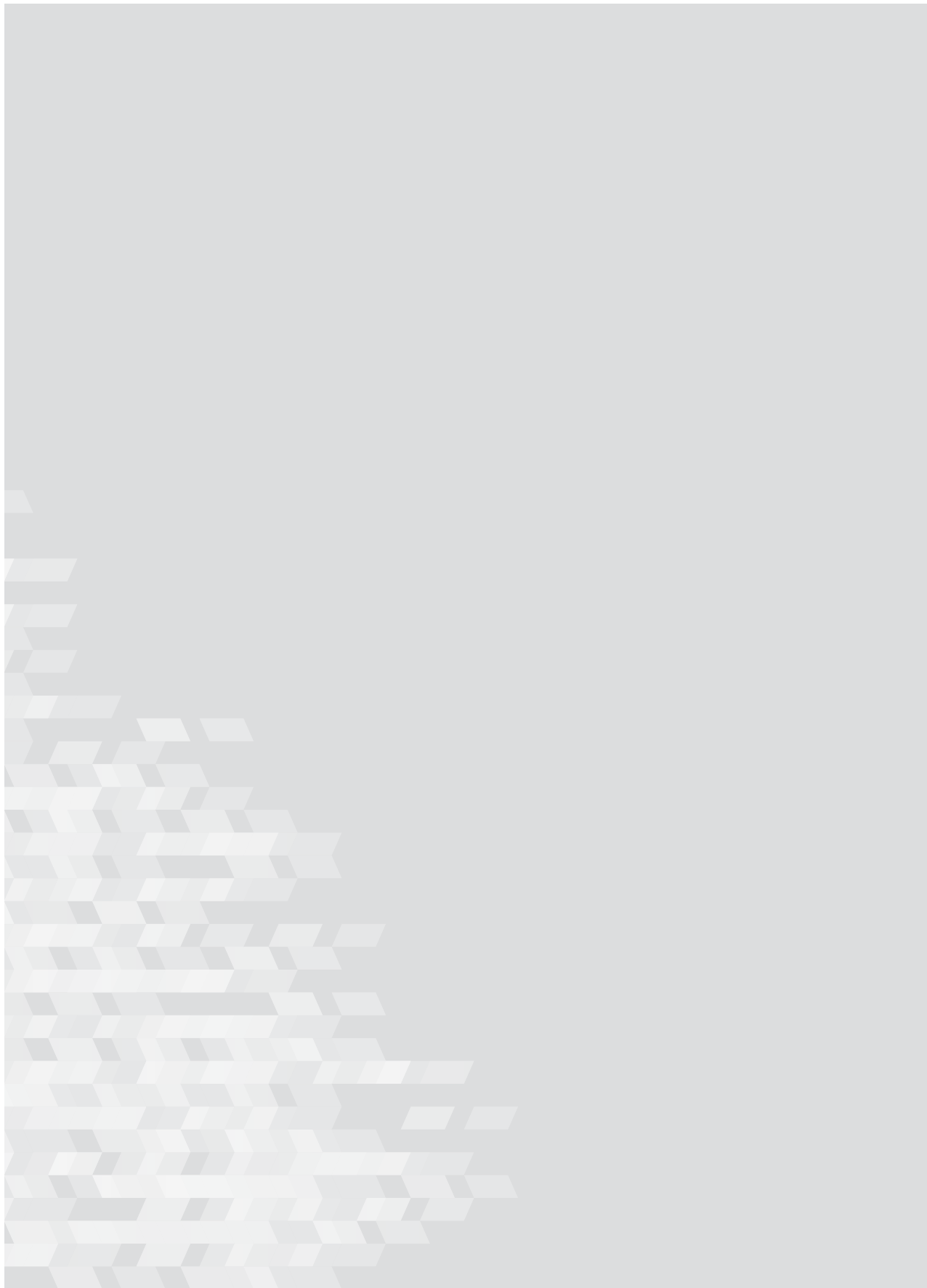
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# Introduction

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This report includes the 2015–16 annual reports for the Australian Communications and Media Authority and the Office of the Children’s eSafety Commissioner.

### **The Australian Communications and Media Authority**

The Australian Communications and Media Authority (the ACMA) is committed to making media and communications work for all Australians. We do this by fostering an innovative communications and media environment that balances the needs of both industry and the Australian community through regulation, education and advice.

We work closely with stakeholders within the legislative regulatory framework to safeguard the public interest, address the broad concerns of the community, and provide access to public resources like spectrum and telephone numbers.

In undertaking our role, we aim to deliver public interest outcomes with the minimum regulatory burden necessary, while managing risks and protecting the interests of the community.

### **The Office of the Children’s eSafety Commissioner**

The Office of the Children’s eSafety Commissioner (the Office) is the national lead on issues of online safety and is responsible for the promotion and support of measures to improve online safety for children. The Office works with industry, government and not-for-profit cybersafety organisations to provide innovative, scalable and sustainable online safety resources for children, parents, teachers and the wider community.

The Children’s eSafety Commissioner is an independent statutory office-holder, established under the *Enhancing Online Safety for Children Act 2015*. The Office commenced operation on 1 July 2015.

The Office operates as functionally separate from the ACMA. However, the ACMA provides staff and resources to the Office to assist in the fulfilment of the functions of the Commissioner under section 67 of the *Enhancing Online Safety for Children Act*. The ACMA also provides corporate support services to the Office, purchased under an agreed cost structure.

## About this report

This annual report contains details of the ACMA's and the Office's performance for 2015–16, in addition to providing key corporate information and mandatory reporting requirements.

As a primary mechanism of accountability to the Parliament of Australia, this report has been prepared in line with the requirements for annual reports for agencies under the *Public Governance Performance and Accountability Act 2013* (PGPA Act). It uses the same program structure as outlined in the ACMA's 2015–16 Portfolio Budget Statements (PBS).

### Guide to the report

**Introduction** outlines the joint nature of this report and where the ACMA and the Office share resources or corporate support. It includes the overarching performance framework and alignment of reporting requirements. Table 1 shows PBS KPIs for both the ACMA and the Office.

**Part 1** contains reporting information for the ACMA, including the Annual Performance Statement (APS) in Chapter 2. APS results are detailed in Chapter 3.

**Part 2** contains reporting information for the Office.

**Part 3** reports on joint management and accountability information for both the ACMA and the Office.

**Part 4** contains the appendixes, which include both the ACMA's and the Office's information.

#### Navigation aids include:

- > tables of contents (overarching and at the beginning of each part)
- > icons indicating alignment to KPIs are throughout and relate to Table 1 (p. 5) and Table 1.2 (p. 27)
- > index
- > glossary
- > list of requirements (Appendix 14).

### Performance framework

The ACMA and the Office provide a range of reporting information across each financial year to demonstrate a clear outline of purpose, programs and outcomes. The requirements for the ACMA and the Office are slightly different, as shown in Figure 1.

The ACMA's PBS sets out the strategic outcomes and performance indicators for both the ACMA and the Office. The ACMA's corporate plan is aligned to the PBS and details performance information on contributions specifically attributable to the ACMA. Performance results for the ACMA are reported in the annual report and more specifically in the APS.

Performance results for the Office are reported throughout the year online and in the annual report. The Office is not a Commonwealth entity under the PGPA Act and is not required to produce a corporate plan.

Both the ACMA and the Office publish a regulator performance self-assessment at the end of the calendar year, measuring the efficiency and effectiveness with which they undertake their roles, and their impact on regulated entities.

Table 1 shows performance measures for the ACMA and the Office grouped by the PBS programs.

Figure 1: Alignment of reporting requirements

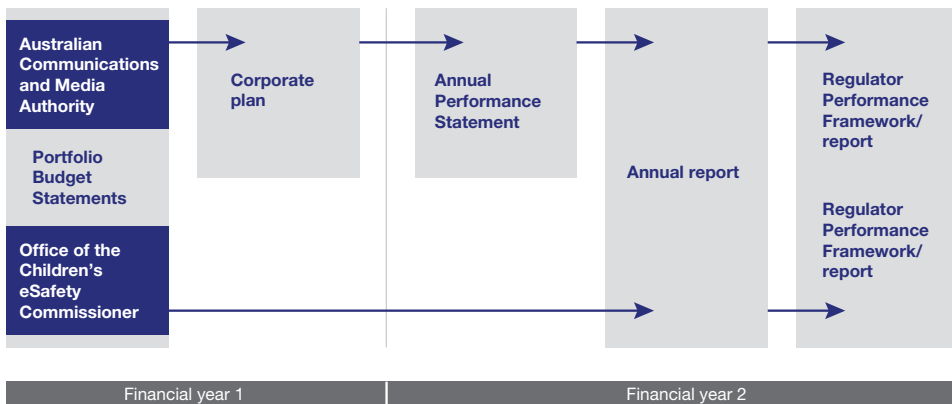


Table 1: PBS key performance indicators (KPIs) for the ACMA and the Office

- ACMA's programs and performance criteria
- Shared programs and performance criteria
- Performance criteria only relating to the Office

PBS	PBS performance criteria (KPIs)	
<b>Purpose</b>	<b>To ensure communications and media works in Australia's public interest.</b>	
<b>Outcome</b>	<b>Outcome 1: A communications and media environment that balances the needs of the industry and the Australian community through regulation, education and advice.</b>	
<b>Program 1.1:</b> That the allocation and use of public resources maximises their value to the Australian community; and that national safety and security interests are appropriately supported in the planning and delivery of communication infrastructure and services.	Spectrum users can access spectrum on terms and conditions appropriate to meet their needs, subject to other users and government policy objectives.	<b>PBS KPI 1</b>
	That interference complaints are resolved within published timeframes and in a cost effective manner.	<b>PBS KPI 2</b>
	That licences are allocated within statutory timeframes; and the outsourcing of the numbering function realises a reduction in administrative costs.	<b>PBS KPI 3</b>
	That law enforcement, emergency services and national security providers are appropriately and reasonably supported by the ACMA and telecommunications industry.  That ACMA determinations contribute to maintaining effective emergency call service access during the transition to an increasingly broadband-enabled environment.	<b>PBS KPI 4</b>
<b>Program 1.2:</b> Consumer, citizen and audience safeguards are effective, designed to keep pace with evolving market developments, reflect community standards and deliver on consumer and community experience; and that consumers, citizens and industry benefit from engagement in the developing information economy and the evolving networked society.	That telecommunications safeguards, including those associated with Australia's new broadband network, protect the interests of citizens and small businesses who purchase or use telecommunications services.	<b>PBS KPI 5</b>
	Effective operation of the Do Not Call Register for citizens and businesses.	<b>PBS KPI 6</b>
	That citizens and businesses have effective and accessible avenues of complaint and advice regarding unsolicited communications.	<b>PBS KPI 7</b>
	That broadcasting safeguards reflect community standards. That citizens have effective and accessible avenues of complaint for broadcast content that breaches community standards.	<b>PBS KPI 8</b>
	Internet providers, critical infrastructure providers and other organisations have access to information that enables them to assist citizens and small businesses to interact securely and safely with the digital networked economy.	<b>PBS KPI 9</b>
	That citizens have effective and accessible avenues of complaint for online content that breaches community standards.	<b>PBS KPI 10</b>
	That families and schools have access to resources that enable them to manage cyberbullying and other online safety issues for children and young people.	<b>PBS KPI 11</b>





# Part 1

# Australian Communications and Media Authority

annual report 2015–16

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**This report is available on the ACMA  
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**Clutter**

19 September 2016

Senator the Hon Mitch Fifield  
Minister for Communications  
Parliament House  
CANBERRA ACT 2600

Dear Minister

In accordance with subsection 46(1) of the *Public Governance, Performance and Accountability Act 2013*, and section 57 of the *Australian Communications and Media Authority Act 2005*, I am pleased to present the annual report on the activities of the Australian Communications and Media Authority (the ACMA) for the 2015–16 reporting year.

Further, in accordance with the *Public Governance, Performance and Accountability Rule 2014*, I certify that:

- (i) fraud risk assessments and fraud control plans have been prepared for the ACMA; and
- (ii) appropriate mechanisms for preventing, detecting incidents of, investigating or otherwise dealing with, and recording or reporting fraud that meet the needs of the ACMA are in place; and
- (iii) all reasonable measures have been taken to deal appropriately with fraud relating to the ACMA.

The annual report of the Office of the Children’s eSafety Commissioner (the Office) is also presented here. The Children’s eSafety Commissioner is responsible for the annual report on the activities of the Office, as required by the *Enhancing Online Safety for Children Act 2015*.

Yours sincerely

**Richard Bean**  
Acting Chairman

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# Chapter 1

## The year in review

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Chapter 1 includes the review by the Chairman, which details significant issues and developments, as well as a snapshot of our year.





## Chairman's foreword

The ACMA was created in 2005 to be a converged regulator, responsible for the regulation of broadcasting, radiocommunications, telecommunications and online content.

We were established to respond to the changes brought about by the digitalisation and networking of communications-related activities and industries. As we move into our second decade, we will continue to work with industry and citizens to solve new problems and mitigate new risks as Australians interact with digital communications and content in changing ways.

A highlight of every year is the release of Australia's flagship publication on the state of telecommunications and media in our country—the communications report. In December 2015, the *Communications report 2014–15* was released, containing important insights into the changes in the communications and media market during that year. Research published in the report highlighted, among other things, Australians' rapidly increasing use of over-the-top communications services, including online subscription video services. The trend toward mobility was also confirmed, with almost 80 per cent of online adult Australians now connecting with the internet using their mobile phones.

The ACMA registered a new Commercial Television Code of Practice in November 2015. Submitted by Free TV, the industry group representing commercial free-to-air broadcasters, this new code reflects big changes in the ways that digital content can now be viewed. It contains a range of community safeguards updated for this new environment and is expressed in a much simpler, more user-friendly form.

Also in November 2015, the *Reconnecting the Customer—Estimation of benefits* report was released. This report quantified the benefits to Australian consumers from improvements in telecommunications customer service as a result of the ACMA's 'Reconnecting the Customer' (RTC) public inquiry in 2010–11. The report confirmed that since the RTC and subsequent revised Telecommunications Consumer Protections Code (the TCP Code), registered by the ACMA in September 2012, telecommunications service providers have improved customer service, reduced complaints, increased compliance, reduced unexpectedly high bills, and enabled customers to make more informed choices about mobile phone plans and pricing. The analysis found that Australian consumers have benefited to the tune of \$545 million each year since registration of the TCP Code in September 2012.

In February 2016, the place of citizens and consumers in the networked society was examined in an occasional paper, *The connected citizen—A disruptive concept informing ACMA perspectives*. This paper built on our body of work focusing on the interests of citizens—in addition to those of businesses and consumers—as a central consideration in making communications and media work for all Australians.

One of our greatest challenges has been the need to accommodate growth in mobile broadband traffic. In February 2016, we achieved a milestone with the release of a new mobile broadband strategy and workplan, capping a decade-long program of work. In place of rigid quantitative targets, a more dynamic approach has been adopted to identify and plan spectrum for mobile broadband. This change in approach allows more flexible and responsive action in the rapidly changing spectrum management environment.

In January 2016, another occasional paper, *5G and mobile network developments—Emerging issues*, looked into developments in 5G mobile and the opportunities that this evolution in mobile technology offers the Australian community through innovative use of mobile broadband and machine-to-machine communications. These themes were discussed at a public seminar, *5G—Exploring the known unknowns*, co-hosted with the International Institute of Communications on 21 June 2016.

As a facilitator of the development of the Internet of Things (IoT), we released the paper *The Internet of Things and the ACMA's areas of focus* in November 2015, as part of our *Emerging issues in media and communications* series. The paper identified areas for attention that are likely to be important to IoT developments in the short and long term, such as the demand for spectrum and telephone numbers. In the following month, changes were proposed to remove technical barriers to the operation of narrowband low-powered wireless networks to provide easier access to spectrum for IoT uses. These changes have now been made.

Commencing on 30 November 2015, the regional 1800 MHz band spectrum auction process—which ran over 179 rounds over 29 working days—concluded in February 2016, resulting in total revenues to the Commonwealth of \$543.5 million. Strong bidding in the simultaneous multi-round ascending auction format resulted in almost all lots on offer being sold for an amount that exceeded expectations. This spectrum is now being put to use, with 4G LTE services being made available in some parts of regional Australia for the first time.

We led Australia's delegation to the month-long International Telecommunication Union 2015 World Radiocommunication Conference (WRC-15) in Geneva, which played a significant role in securing major positive outcomes for worldwide spectrum management. The benefits to Australia are considerable, and will form an important foundation of the ACMA's spectrum planning for the next four years.

In Australia, a move to a single, streamlined and more flexible approach to radiocommunications licensing is under way, following the government's announcement in August 2015 that it will adopt all 11 of the recommendations proposed under the Spectrum Review completed in March that year. We will continue to play a central role in the implementation of the Spectrum Review recommendations, which will see changes made in the roles of the minister, the ACMA and industry participants in a new spectrum management framework.

Other noteworthy industry-, consumer- and citizen-related developments during the year included:

- > Upgrades to the Triple Zero (000) service made by mobile carriers and emergency services organisations announced in May 2016 enabled improved location information to be automatically provided about the location of a mobile caller to Triple Zero, making it easier for Australians to access this crucial service in an emergency.
- > A new era in communications numbering began in August 2015 when ZOAK Solutions switched on the ACMA's automated numbering allocation and administration system, paving the way for a more efficient delivery of Australia's numbering services.
- > An updated version of the TCP Code was registered in December 2015 with streamlined information provisions for consumers. The updated Code also removed overlap with other legislation such as the Privacy Act.

- > New compliance and monitoring arrangements approved in March 2016 for telecommunications providers under Chapter 9 of the TCP Code. These improve the operational effectiveness of the independent industry code compliance body, Communications Compliance Ltd, and increase the flexibility of reporting commitments for smaller telecommunications providers.
- > A revamped Memorandum of Understanding—signed between the ACMA and the New Zealand Department of Internal Affairs (NZDIA) in February 2016—bolstered the trans-Tasman fight against the scourge of spam.

On 6 May 2016, the Department of Communications and the Arts released the draft report of the ACMA Review. Commissioned in June 2015 by the then Minister for Communications, the Review set out to examine the objectives, functions, performance, governance and resource base of the ACMA to ensure it remains fit-for-purpose for both the current and future communications regulatory environment. The Department will provide a final report to the Minister for Communications and the Arts later in 2016.

We welcomed the Review, and note that the draft report recognises and confirms the continuing need for a communications regulator with the expertise to deal with the complex technological and commercial issues of the sector it regulates, and with the capacity and powers to manage what will be a changing and challenging environment over the next 10 years and beyond.

I took on the role of Acting Chairman when Chris Chapman, inaugural Chairman and CEO of the ACMA, retired at the end of his 10-year term on 26 February 2016, while full-time Authority Member James Cameron became Acting Deputy. The Authority finished the year with two Part-time Members, Rosemary Sinclair and Anita Jacoby; Louise Benjamin's five-year term having concluded in October 2015.

While in a transitional phase, the ACMA has, over the past year, used its expertise, capacity and the powers available to it to promote the public interest as set out in this annual report. We look forward to continuing to do so in the year to come.



**Richard Bean**  
Acting Chairman

## Our year at a glance

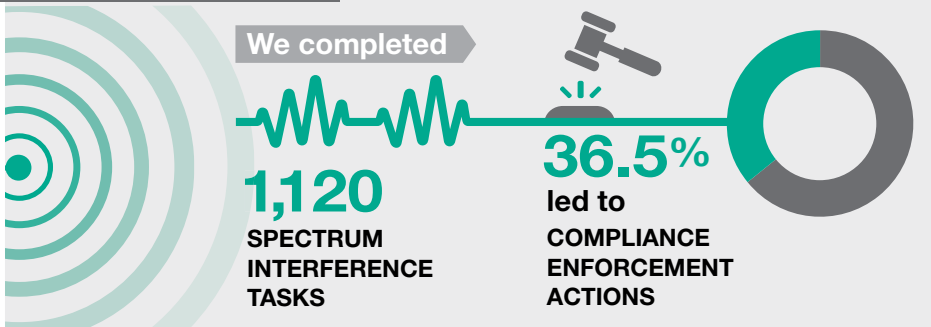
### Cybersecurity



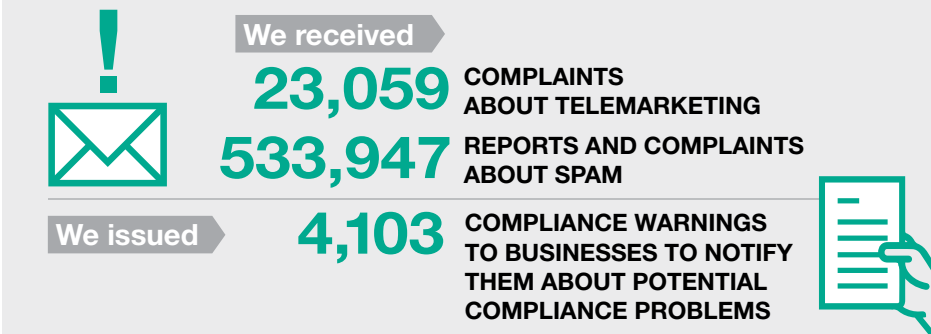
### Spectrum interference – transmitter licensing and compliance labelling arrangements



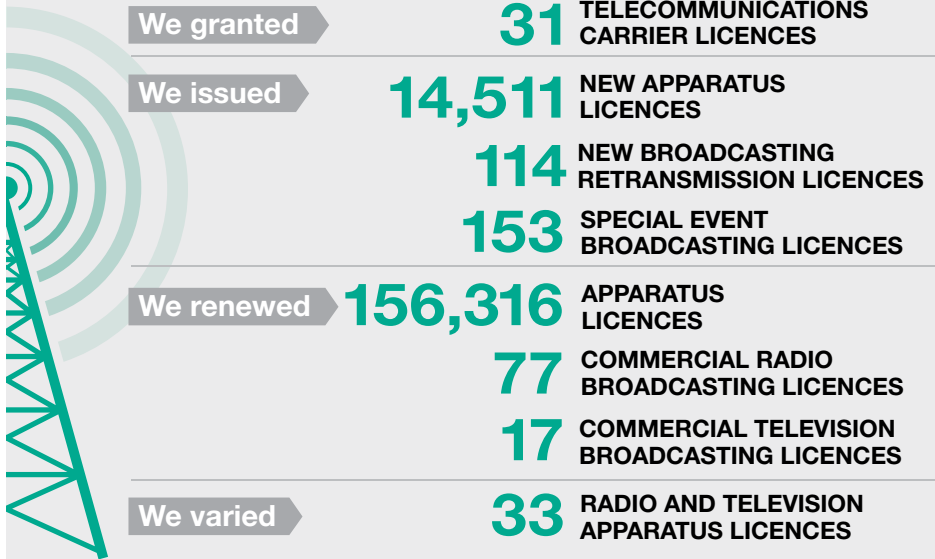
### Spectrum operations



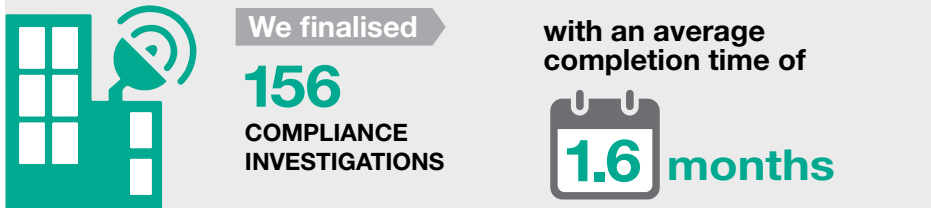
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# Chapter 2

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Chapter 2 details the role and functions and the organisational structure that enable the ACMA to perform its role, administer regulations and legislation, and deliver its services. It also includes revenue collection.

## Functions and responsibilities

The ACMA's regulatory functions and responsibilities are set out in Part 2, Division 2 of the *Australian Communications and Media Authority Act 2005* (the ACMA Act). During the reporting period, the ACMA was a statutory authority within the Department of Communications and the Arts (DoCA) portfolio.

The ACMA is responsible for the regulation of broadcasting, radiocommunications, telecommunications and online content in accordance with four principal acts—the *Radiocommunications Act 1992*, the *Telecommunications Act 1997*, the *Telecommunications (Consumer Protection and Service Standards) Act 1999* and the *Broadcasting Services Act 1992*. There are another 22 Acts to which the agency responds, in areas such as spam, the Do Not Call Register and interactive gambling.

In accordance with the relevant legislation (see Appendix 6 for the legislation under which the ACMA operates), our specific responsibilities include:

- > regulating telecommunications and broadcasting services, internet content and datacasting services
- > managing access to radiofrequency spectrum bands through radiocommunications licence arrangements and resolving competing demands for that spectrum through price-based allocation methods
- > planning the availability of segments of radiofrequency spectrum bands used by broadcasting services, and managing access to that spectrum through broadcasting licence arrangements
- > regulating compliance with the relevant legislation, licence conditions, codes of practice, standards, service guarantees and other safeguards
- > promoting and facilitating industry self-regulatory and co-regulatory solutions to emerging issues
- > where necessary, exercising powers to create legislative and other instruments, often in the form of standards or service provider rules
- > facilitating the provision of community information to promote informed decisions about communications products and services
- > reporting on matters relating to the communications industry, including its performance
- > representing Australia's communications interests internationally
- > advising the government on specific matters from time to time.

## Structure

The ACMA's day-to-day activities are managed by an executive team comprising the Acting Chairman, the Acting Deputy Chairman, four general managers and nine executive managers.

The ACMA's corporate structure at 30 June 2016 is set out in Figure 1.1.

At 30 June 2016, the ACMA employed 446 staff under the *Public Service Act 1999*, most of whom are located in the ACMA's offices in Canberra, Melbourne and Sydney. The ACMA also has staff located in offices in Brisbane, Hobart and Parramatta. Detailed information about our staff is provided in Appendix 2.

## The Authority

At 30 June 2016, the Authority comprised the Acting Chairman, the Acting Deputy Chairman, two Part-time Members and one Associate Member (see Table 1.1).



### Acting Chairman—Richard Bean

*Appointed Deputy Chairman 14 October 2010 for five years  
Re-appointed until 13 October 2017*

Richard Bean commenced as Acting Chairman of the ACMA in February 2016.

During his career, Richard has worked in a variety of senior roles in Australia's media and communications industries. Before joining the ACMA, he was general counsel and company secretary at Unwired Group Limited, a listed wireless broadband infrastructure owner, spectrum licensee and ISP. He had previously held positions responsible for the legal and business affairs side of free-to-air television broadcaster Network Ten's programming activities, and practised as a commercial, media and litigation lawyer at national law firm Blake Dawson Waldron (now Ashurst).

Richard holds a Bachelor of Arts (Honours) from the University of Sydney, and a Bachelor of Laws from the University of New South Wales.



### Acting Deputy Chairman—James Cameron

*Appointed 5 August 2013 for five years  
Appointed 9 July 2015 to 4 August 2018 as Full-time Member  
Appointed 24 February 2016 to 30 June 2017 as Acting Deputy Chairman*

James Cameron has over 20 years of Australian Government public policy experience, including senior executive roles in the telecommunications, radiocommunications, broadcasting and digital economy fields. James has held executive positions managing government policies and programs supporting Australia's arts and sports sectors and, immediately prior to joining the ACMA, was Chief Executive Officer of the National Water Commission.

James has also represented government agencies in parliament, in the media, at conferences and internationally.





### Part-time Member—Anita Jacoby

*Appointed 5 August 2013 for five years*

Anita Jacoby is one of Australia's most experienced media professionals. In a career spanning 30 years, she has worked as a journalist and editor in print and publishing, and produced TV programs for every major network. For 10 years, Anita was an executive with Zapruder's other films, an independent TV production company creating original content including *Gruen Planet* and *Enough Rope*.

Anita is a director of Headspace and the Arts Law Centre of Australia.



### Part-time Member—Rosemary Sinclair

*Appointed 5 August 2013 for five years*

Rosemary Sinclair is CEO of Energy Consumers Australia, a company established by COAG Energy Ministers. Rosemary was a Member of the Telecommunications Universal Service Management Agency and Chair of the Regional Telecommunications Inquiry 2011–12. She was also CEO of the Australian Telecommunications Users Group and Director of Strategic Development at the Australian Broadcasting Corporation.



### Associate Member—Rod Sims

*Appointed 1 August 2011 for five years*

Rod Sims was appointed Chairman of the Australian Competition and Consumer Commission (ACCC) in August 2011 for a five-year term.

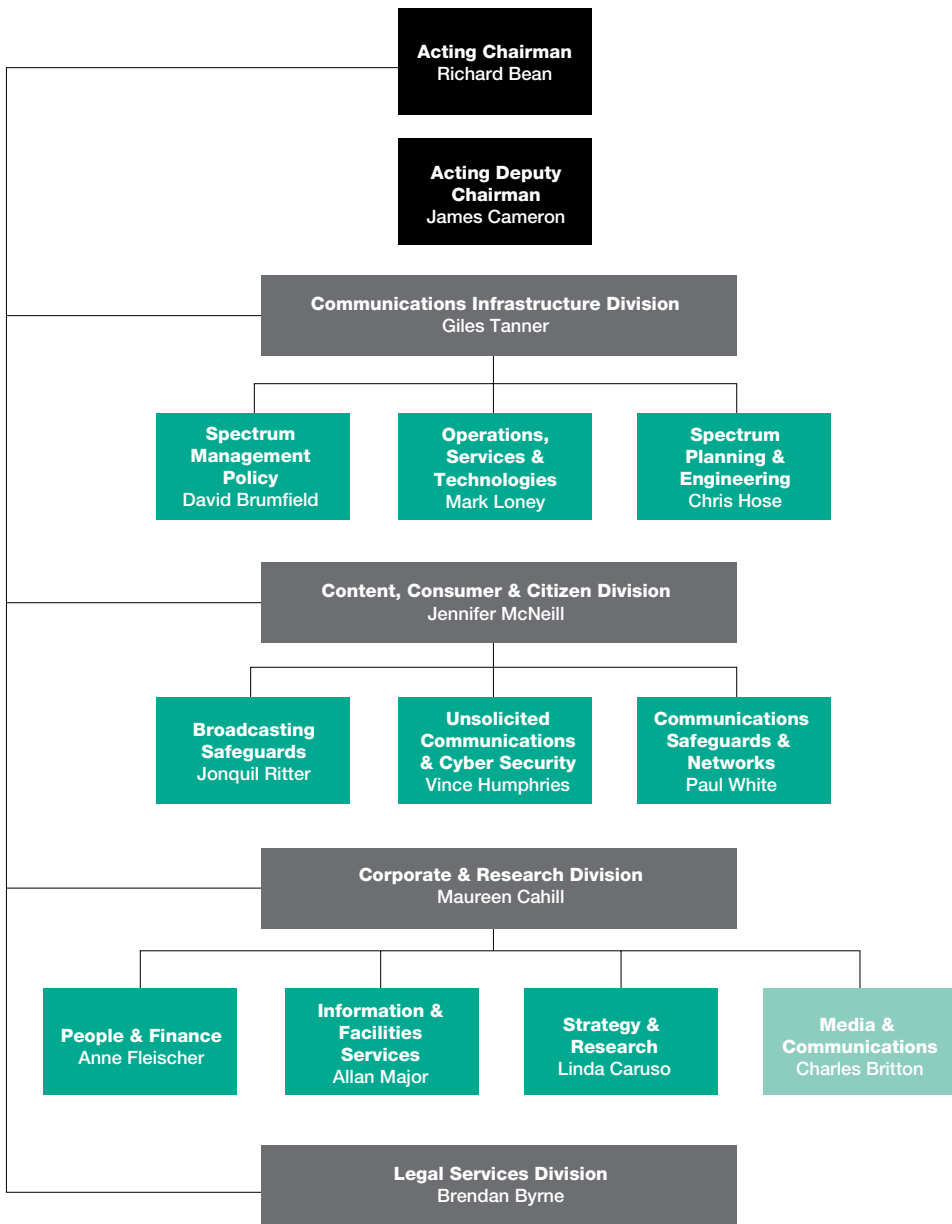
Rod has extensive business and public sector experience as Chairman of the Independent Pricing and Regulatory Tribunal of New South Wales, Chairman of InfraCo Asia, Commissioner on the National Competition Council, Director of Ingeus Limited, and member of the Research and Policy Council of the Committee for Economic Development of Australia. Rod was also a Director of Port Jackson's Partners Limited, where he advised the CEOs and boards of some of Australia's top 50 companies on commercial corporate strategy over many years.

**Table 1.1: The Authority membership, 30 June 2016**

Role	Name	Appointment date
Acting Chairman*	Richard Bean	Appointed 14 October 2010 for five years as Deputy Chair Re-appointed until 13 October 2017
Acting Deputy Chairman/ Full-time Member	James Cameron	5 August 2013 for five years as Part-time Member Appointed 9 July 2015 as Full-time Member to 4 August 2018 Appointed 24 February 2016 as Acting Deputy Chairman to 30 June 2017
Part-time Member	Anita Jacoby	5 August 2013 for five years
Part-time Member	Rosemary Sinclair	5 August 2013 for five years
Associate Member	Rod Sims	1 August 2011 for five years

\*The Chairman of the ACMA is the accountable authority of the ACMA for the purposes of the PGPA Act. In any period in which there is a vacancy in the office of the Chair of the ACMA, the Deputy Chairman is to act as the Chairman.

Figure 1.1: ACMA corporate structure as at 30 June 2016



Management level



## ACMA performance framework

The ACMA's strategic vision is framed around distinct strategic outcomes, designated as Key Result Areas (KRAs). Our KRAs work to align our performance reporting with the outcomes we need to deliver as specified in the PBS. Table 1.2 maps the alignment between the two, and outlines the criteria assessed for the ACMA's 2015–16 Annual Performance Statement in Chapter 3 of this report.

**Table 1.2: Interaction between 2015–16 PBS and the 2015–16 corporate plan**


- ACMA's programs and performance criteria
- Shared programs and performance criteria
- Performance criteria only relating to the Office

PBS	PBS performance criteria	Corporate plan KRAs	Corporate plan (CP) performance criteria
<b>Purpose</b>	<b>To ensure communications and media works in Australia's public interest.</b>		
<b>Outcome</b>	<b>Outcome 1: A communications and media environment that balances the needs of the industry and the Australian community through regulation, education and advice.</b>		
<b>Program 1.1:</b> That the allocation and use of public resources maximises their value to the Australian community; and that national safety and security interests are appropriately supported in the planning and delivery of communication infrastructure and services.	Spectrum users can access spectrum on terms and conditions appropriate to meet their needs, subject to other users and government policy objectives.  <div style="background-color: #4CAF50; color: white; padding: 2px; text-align: center; font-weight: bold;">PBS KPI 1</div>	<b>KRA 1:</b> That the allocation and use of public resources maximises the public value to the Australian community.	<ul style="list-style-type: none"> <li>&gt; The ACMA facilitates allocation of spectrum to the highest-value use through use of market mechanisms where appropriate.</li> <li>&gt; A high proportion of available spectrum is allocated to meet demand so the productive potential of the economy is enhanced.</li> <li>&gt; Adequate spectrum is allocated to organisations providing public or community services, while minimising any adverse economic impacts (400 MHz).</li> <li>&gt; The ACMA is recognised as continually improving spectrum users' access to public resources.</li> </ul> <div style="background-color: #4CAF50; color: white; padding: 2px; text-align: center; font-weight: bold;">CP KPI 1</div>
	That interference complaints are resolved within published timeframes and in a cost effective manner.  <div style="background-color: #4CAF50; color: white; padding: 2px; text-align: center; font-weight: bold;">PBS KPI 2</div>		<ul style="list-style-type: none"> <li>&gt; Resolve interference complaints within target timeframes.</li> <li>&gt; A graduated risk-based approach to compliance and enforcement activities is applied in managing all interference risks.</li> <li>&gt; Stakeholders are informed of priority compliance areas.</li> <li>&gt; A graduated risk-based approach to compliance and enforcement activities [relating to technical standards and labelling requirements] is applied.</li> <li>&gt; Number of complaints about customer equipment and cabling reduces over time.</li> </ul> <div style="background-color: #4CAF50; color: white; padding: 2px; text-align: center; font-weight: bold;">CP KPI 2</div>

PBS	PBS performance criteria	Corporate plan KRAs	Corporate plan (CP) performance criteria
	<p>That licences are allocated within statutory timeframes; and the outsourcing of the numbering function realises a reduction in administrative costs.</p> <p><b>PBS KPI</b> 3</p>		<ul style="list-style-type: none"> <li>&gt; Numbering scheme arrangements are responsive to industry developments and consumer demand.</li> <li>&gt; A sufficient supply of numbers is available for allocation.</li> <li>&gt; Costs associated with the provision of the numbering function decrease as a result of improved administration and outsourcing.</li> <li>&gt; The administrative cost of applying for licences and numbers is reduced.</li> <li>&gt; The ACMA allocates and renews licences within planned timeframes.</li> <li>&gt; Client satisfaction with the ACMA's allocation and renewal processes is high.</li> </ul> <p><b>CP KPI</b> 3</p>
	<p>That law enforcement, emergency services and national security providers are appropriately and reasonably supported by the ACMA and telecommunications industry.</p> <p>That ACMA determinations contribute to maintaining effective emergency call service access during the transition to an increasingly broadband enabled environment.</p> <p><b>PBS KPI</b> 4</p>	<p><b>KRA 2:</b> That national safety and security interests are appropriately supported in the planning and delivery of communication infrastructure services.</p>	<ul style="list-style-type: none"> <li>&gt; Data supplied to law enforcement, emergency services and national security agencies is highly reliable.</li> <li>&gt; That ACMA determinations contribute to maintaining effective emergency call service access during the transition to an increasingly broadband-enabled environment.</li> <li>&gt; Emergency service organisations and telecommunications stakeholders are supportive of approaches to improved handling of emergency calls, including better access to mobile location information.</li> <li>&gt; Implement harmonised government spectrum in accordance with key milestones in the 400 MHz plan.</li> <li>&gt; Reduced congestion within the 400 MHz band.</li> </ul> <p><b>CP KPI</b> 4</p>

PBS	PBS performance criteria	Corporate plan KRAs	Corporate plan (CP) performance criteria
<p><b>Program 1.2:</b> Consumer, citizen and audience safeguards are effective, designed to keep pace with evolving market developments, reflect community standards and deliver on consumer and community experience; and that consumers, citizens and industry benefit from engagement in the developing information economy and the evolving networked society.</p>	<p>That telecommunications safeguards, including those associated with Australia’s new broadband network, protect the interests of citizens and small businesses who purchase or use telecommunications services.</p> <p><b>PBS KPI 5</b></p>	<p><b>KRA 3:</b> That consumer, citizen and audience safeguards are effective, reflect community standards and deliver on consumer experience.</p>	<ul style="list-style-type: none"> <li>&gt; That telecommunications safeguards, including those associated with Australia’s new broadband network, protect the interests of citizens and small businesses who purchase or use telecommunications services.</li> <li>&gt; ACMA provides support for industry and consumer information initiatives.</li> </ul> <p><b>CP KPI 5</b></p>
	<p>Effective operation of the Do Not Call Register for citizens and businesses.</p> <p><b>PBS KPI 6</b></p>		<ul style="list-style-type: none"> <li>&gt; Maintain effective operation of the Do Not Call Register for citizens and businesses.</li> </ul> <p><b>CP KPI 6</b></p>
	<p>That citizens and businesses have effective and accessible avenues of complaint and advice regarding unsolicited communications.</p> <p><b>PBS KPI 7</b></p>		<ul style="list-style-type: none"> <li>&gt; That citizens and businesses have effective and accessible avenues of complaint and advice regarding unsolicited communications.</li> <li>&gt; That the number of complaints and reports about unsolicited communications received from businesses after they have been sent informal warnings is low.</li> </ul> <p><b>CP KPI 7</b></p>

PBS	PBS performance criteria	Corporate plan KRAs	Corporate plan (CP) performance criteria
	<p>That broadcasting safeguards reflect community standards. That citizens have effective and accessible avenues of complaint for broadcast content that breaches community standards.</p> <p><b>PBS KPI 8</b></p>		<ul style="list-style-type: none"> <li>&gt; That broadcasting rules are informed by an appropriate evidence base and produce diversity in broadcasting services.</li> <li>&gt; That citizens have effective and accessible avenues of complaint for broadcast content that breaches community standards.</li> <li>&gt; That broadcasting providers comply with regulatory requirements to meet community standards.</li> </ul> <p><b>CP KPI 8</b></p>
	<p>Internet providers, critical infrastructure providers and other organisations have access to information that enables them to assist citizens and small businesses to interact securely and safely with the digital networked economy.</p> <p><b>PBS KPI 9</b></p>	<p><b>KRA 4:</b> That citizens engage positively, confidently and securely in an evolving connected economy and society.</p>	<ul style="list-style-type: none"> <li>&gt; Provision of information to internet providers, critical infrastructure providers and other stakeholders about malware infections on their networks and related cybersecurity threats to enable them to assist citizens and small businesses to interact securely and safely with the digital networked economy.</li> </ul> <p><b>CP KPI 9</b></p>
	<p>That citizens have effective and accessible avenues of complaint for online content that breaches community standards.</p> <p><b>PBS KPI 10</b></p>		<p>This PBS KPI refers to work conducted by both the ACMA and the Office. It is reflected in the ACMA's corporate plan under the KPI:</p> <ul style="list-style-type: none"> <li>&gt; That citizens have effective and accessible avenues of complaint for online/interactive gambling content.</li> </ul> <p><b>CP KPI 10</b></p>
	<p>That families and schools have access to resources that enable them to manage cyberbullying and other online safety issues for children and young people.</p> <p><b>PBS KPI 11</b></p>		<p>This PBS KPI refers entirely to work conducted by the Office and is therefore not reflected in the ACMA's corporate plan.</p>

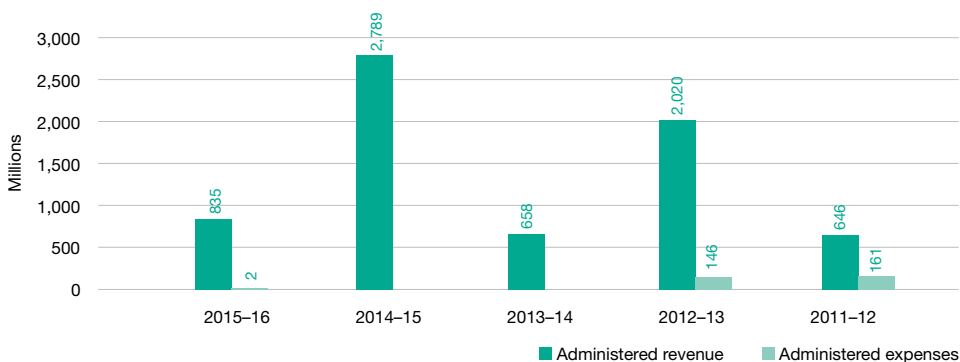
PBS	PBS performance criteria	Corporate plan KRAs	Corporate plan (CP) performance criteria
<p><b>Program 1.1 &amp; Program 1.2</b></p>		<p><b>KRA 5:</b> That the ACMA is an increasingly resilient, agile, efficient and knowledge-based organisation.</p>	<ul style="list-style-type: none"> <li>&gt; Organisational capability requirements determined.</li> <li>&gt; Resource needs are defined, prioritised and managed appropriately to support the achievement of ACMA outcomes.</li> <li>&gt; Capital investment program leverages off technologies currently in place.</li> <li>&gt; Current suite of commercial off-the-shelf systems is re-used, reconfigured and use extended.</li> <li>&gt; Increase use of shared services.</li> <li>&gt; Timely delivery of ACMA communications engagement activities.</li> <li>&gt; Stakeholders are engaged with the ACMA on issues relevant to them.</li> <li>&gt; ACMA makes best use of existing provisions and enhances regulatory settings.</li> <li>&gt; Conduct research into emerging regulatory issues and challenges for the regulatory environment.</li> <li>&gt; Cost to industry of complying with regulations reduces over time.</li> <li>&gt; ACMA implements business process improvements.</li> </ul> <div style="text-align: right; margin-top: 10px;">  </div>

## Revenue collection

The ACMA collects revenue on behalf of the Australian Government through broadcasting, radiocommunications and telecommunications taxes, charges and licence fees. It also administers non-regular revenue from spectrum auctions.

In 2015–16, the ACMA administered \$835.01 million in revenue (2014–15: \$2,789.01 million) and \$1.98 million in expenses (2014–15: nil), as shown in Figure 1.2.

Figure 1.2: Revenues and expenses administered on behalf of government



## Revenue and fees

The ACMA is responsible for the efficient regulation and allocation of public resources such as telecommunications numbering and the radiofrequency spectrum. It also collects annual revenues through broadcasting, radiocommunications and telecommunications licence taxes, levies, fees and charges. The administration of taxes, levies, fees and charges plays a key role in the planning, allocation and effective use of public resources.

The ACMA also recovers the costs of regulating the industry. In accordance with government cost-recovery policy and guidelines, and where it is cost-effective to do so, the ACMA seeks to charge individuals or firms for the costs of providing the activity.

Revenue raised by the ACMA in taxes, charges, levies and other revenue is shown in tables 1.3 to 1.6.

Table 1.3: Resource taxes

Description	Revenue in 2014–15 (\$m)	Revenue in 2015–16 (\$m)
Broadcasting licence fees and datacasting charge*	185.35	127.95
Apparatus licence tax	149.14	231.86
Spectrum licence tax	0.37	0.70
Annual numbering charge	60.00	60.00
Number auctions	1.66	1.75
Apparatus auctions	0.20	0.07
Reissue of 15-year spectrum licences	172.39	125.92
Digital dividend spectrum auction	1,953.77	26.71
<b>Total taxes</b>	<b>2,522.88</b>	<b>574.96</b>

\*Relates to 2014–15 return period plus accrued estimates for 2015–16.



Table 1.4: Cost recovery charges

Description	Revenue in 2014–15 (\$m)	Revenue in 2015–16 (\$m)
Annual carrier licence charge	38.65	36.74
Fee-for-service charges	3.26	3.42
Do Not Call Register charges	2.41	2.11
<b>Total charges</b>	<b>44.32</b>	<b>42.27</b>

Table 1.5: Industry levies

Description	Revenue in 2014–15 (\$m)	Revenue in 2015–16 (\$m)
Telecommunications Industry Levy (TIL)	221.00	215.49
<b>Total levies</b>	<b>221.00</b>	<b>215.49</b>

Table 1.6: Other administered revenue

Description	Revenue in 2014–15 (\$m)	Revenue in 2015–16 (\$m)
Fines and penalties	0.19	0.45
Other	1.76	1.64
<b>Total other administered revenue</b>	<b>1.95</b>	<b>2.09</b>

## Telecommunications services funding

In 2011, the government signed an agreement with Telstra for basic universal telecommunications service outcomes during and after the rollout of the NBN network. Public policy reforms to support the transition to the NBN network included establishing the Telecommunications Universal Service Management Agency (TUSMA) under the *Telecommunications Universal Service Management Agency Act 2012*. TUSMA commenced operations from 1 July 2012 to deliver the government's public policy objectives in the telecommunications sector, including giving all Australians reasonable access to a standard telephone service and payphones (the universal service obligation or USO) and managing emergency call-handling and the National Relay Service (NRS).

The funding of these telecommunications services and TUSMA's administrative costs was provided by government and through a telecommunications industry levy (TIL) on telecommunications carriers that earn above \$25 million.

On 1 July 2015, TUSMA was abolished and its functions transferred to DoCA. The abolition of TUSMA is in line with the Australian Government's agenda of cutting red tape to reduce the regulatory burden on industry, and increases industry certainty by having a single agency responsible for policy and implementation (contract management) of telecommunications universal service matters.

The process for assessing and collecting the TIL is dealt with under the *Telecommunications (Consumer Protection and Service Standards) Act 1999* (the TCPSS Act). A combination of funds raised under the TIL and dedicated government funding continue to be used to meet the costs of service contracts or grants to deliver universal service and other public policy telecommunications outcomes (with the contracts and grants administered by DoCA).

### Eligible revenue assessment

Any person holding a telecommunications carrier licence for any time during an eligible revenue period is required to submit an eligible revenue submission. Carriers that earn revenue below \$25 million during an eligible revenue period and submit an eligible statutory declaration to the ACMA by 31 October of the relevant period are not required to submit an eligible revenue return, and are exempt from the TIL and the annual carrier licence charge. For the 2014–15 period, participating persons were required to lodge submissions with the ACMA by 31 October 2015. The ACMA made a written assessment of participating persons' eligible revenue for the 2014–15 eligible revenue period on 16 May 2016.

The primary function of the eligible revenue process is to determine the contribution that each participating person makes to the cost of providing the USO and NRS, based on its proportion of total industry eligible revenue.

The ACMA's written assessment for the 2014–15 eligible revenue period will be used to determine the TIL and also the annual carrier licence charge for each participating person for the 2015–16 period.

### Annual carrier licence charges

Annual carrier licence charges (ACLCL) are imposed under the *Telecommunications (Carrier Licence Charges) Act 1997* on participating carriers under cost recovery arrangements in order to recover the costs incurred by the ACMA, ACCC and Australian Government in regulating the telecommunications industry. The total charge is allocated to participating carriers based on their eligible revenue for the previous eligible period as determined by the eligible revenue assessment.

In 2015–16, the total ACLCL was \$36.74 million.

### Do Not Call Register access fees

Annual subscription fees for telemarketers and fax marketers to check their call lists against the Do Not Call Register ranged from \$79 (to check or 'wash' up to 20,000 numbers against the register) to \$90,000 (to wash up to 100 million numbers). There is also a subscription type that allows telemarketers to wash up to 500 numbers each year at no cost.

### Numbering charges

On behalf of the government, the ACMA collects a set amount of revenue each year from carriage service providers (CSPs) that hold telephone numbers. The ACMA collects this revenue through the annual numbering charge (ANC), a budgetary measure, which remains at \$60 million per annum.

CSPs are liable for the charges based on the numbers they hold on the census date. The census date is in April, with the exact date determined by the ACMA each year. The census date for 2015–16 was 3 April 2016.

### Amount of charge

In 2015–16, the base number charge for a 10-digit number was \$0.6462399342. Using the opportunity-cost methodology applied in previous years, nine-digit numbers were charged at \$6.462399342, eight-digit numbers at \$64.62399342 and so on. No numbers incurred the maximum cost of \$100,000 allowable under the *Telecommunications (Numbering Charges) Act 1997*.

Numbers used for incoming-only international services, internal network services and testing services were subject to a reduced rate of charge. Geographic numbers (numbers starting with area codes such as 02, 03, 07) allocated to a CSP for the purposes of providing a standard telephone service to a customer are exempt from the charge.

At 30 June 2016, the ACMA had received \$58.79 million of the \$60 million revenue target, and is actively recovering the outstanding amounts.

### Number auctions

The smartnumbers online auction system was introduced in 2004 to allocate certain freephone and local rate numbers (FLRNs)—13, 1300 and 1800 numbers. On 9 July 2015, the ACMA completed the last smartnumbers auction. From 3 August 2015, smartnumbers have been available online through the Numbering System.

In 2015–16, the ACMA sold 5,051 smartnumbers and received \$1.75 million in revenue. The corresponding figures for 2014–15 was \$1.66 million in revenue raised from the sale of 4,330 smartnumbers. The ACMA met its KPIs for the sale of smartnumbers, which is to regularly conduct auctions.

### Apparatus licence taxes

The ACMA uses taxes on the issue of radiocommunications apparatus licences to support the efficient use of spectrum and recover the indirect costs of spectrum management. The tax is calculated by a formula that makes fees consistent, equitable and transparent. The formula encourages efficiency by making taxes higher in congested locations and spectrum bands, making taxes proportional to the bandwidth and giving discounts for low power.

In December 2015, the ACMA amended the Radiocommunications (Transmitter Licence Tax) Determination 2015 and Radiocommunications (Receiver Licence Tax) Determination 2015 to:

- > implement the opportunity cost (OC) initiatives of the ACMA for the 400 MHz band
- > increase annual apparatus licence taxes by 1.5 per cent to account for inflation
- > introduce licence tax arrangements associated with the new 400 MHz harmonised government spectrum area licences.

These changes to licence tax rates came into effect on 5 April 2016.

The consumer price index adjustment of 1.5 per cent reflects price changes from July 2014 to June 2015 and applies to all licence taxes except for fixed services operating below 960 MHz in remote-density areas.

Initiatives undertaken to implement prices that reflect OC included:

- > introduction of the second (15 per cent) increment in licence tax rates in the high-density areas of the 400 MHz band
- > reduction of the licence tax rates to \$0.00/kHz in remote-density areas of the 400 MHz band.

Stakeholders were consulted on these initiatives in June 2014. In response to submissions, the ACMA modified its monitoring framework, enabling sufficient time to observe and understand the likely forward-demand profile for licences in the band and to assess the risk of congestion when considering implementation of the second price increment. In making the changes associated with pricing in the 400 MHz band, the ACMA published a paper responding to the submissions in January 2016.

The ACMA commenced a review of pricing for satellite apparatus licences in the Ka-band and, based on the outcomes of stakeholder consultation, expects to consider making adjustments to these apparatus licence taxes later in 2016.

Table 1.7 shows total revenue from radiocommunications apparatus licences collected by the ACMA in 2015–16.

**Table 1.7: Revenue from radiocommunications apparatus licences, 2015–16**

Type of licence	Revenue 2015–16 (\$m)
<i>Assigned licences</i>	
Public telecommunications service	146.49
Fixed	70.24
Land mobile	23.03
Satellite*	7.53
Defence	12.89
Other	2.73
<b>Total assigned licences</b>	<b>262.91</b>
<i>Non-assigned licences</i>	<i>1.15</i>
<b>Total</b>	<b>264.06</b>

\*Includes Earth, space, Earth receive and space receive licences.

### Spectrum licence tax

The spectrum licence tax is imposed on all holders of spectrum licences at 11 October each year. It allows the ACMA to recover the indirect costs of spectrum management activities such as international coordination, domestic planning, interference investigation and policy development from spectrum licensees. The spectrum licence tax is calculated based on the bandwidth and the population covered in a licence. In 2015–16, the ACMA collected approximately \$0.70 million in spectrum licence tax.

### Broadcasting licence fees and datacasting charge

The ACMA collects broadcasting licence fees (BLF) from commercial radio and television broadcasting licence-holders under the *Television Licence Fees Act 1964* and *Radio Licence Fees Act 1964*. Supporting documentation is required under sections 205B and 205C of the *Broadcasting Services Act 1992* (BSA). Fees are calculated as a percentage of the gross earnings of the licence-holders for each BLF period, less any rebates that apply.

The government announced in the 2016–17 Budget that it intends to permanently reduce broadcasting licence fees by 25 per cent and introduce amendments to the Radio Licence Fees Act and the Television Licence Fees Act. In the meantime, the government implemented the amendment to the Television Licence Fees Regulations 1990 to make a 25 per cent rebate available in relation to the licence fees commercial television broadcasters are required to pay for the 2015–16 financial year. Table 1.8 shows the effect of the reduction on the 2015–16 financial year figures.

Table 1.8: Comparison of 2014–15 and 2015–16 BLF and datacasting charge

	Number of licences		Revenue (\$m)	
	2014–15	2015–16	2014–15*	2015–16^
Radio BLF	273	273	28.15	20.54
TV BLF obligation			153.90	107.89
Less digital TV conversion rebate			-1.11	-1.11
<b>Total TV BLF</b>	<b>69</b>	<b>69</b>	<b>155.01</b>	<b>106.78</b>
Datacasting	65	65	2.20	0.62
<b>Total</b>	<b>407</b>	<b>407</b>	<b>185.36</b>	<b>127.94</b>

\*Relates to 2014–15 return period plus accrued estimates for 2015–16.

^2014–15 actuals have been restated to include the 2013–14 return period plus accrued estimates for 2014–15.

Under the *Datacasting Charge (Imposition) Act 1998*, a datacasting charge is collected from commercial television broadcasting licensees who also hold a transmitter licence issued under the Radiocommunications Act and use the transmitter licence to provide a datacasting service(s) authorised by a licence under Schedule 6 of the BSA.

### **Regional Equalisation Plan**

The Australian Government introduced a Regional Equalisation Plan (REP) rebate scheme in 2000–01 to assist the rollout of digital television broadcasting services to regional and remote Australia. REP rebates against annual licence fees administered by the ACMA and, where necessary, supplementary grants administered by DoCA, are claimable by broadcasters based on their area's progress in rolling out digital television services. The scheme will end on 31 December 2017. Commercial television broadcasters claimed total REP rebates of \$1.11 million for the 2014–15 return period.

# Chapter 3

## Report on performance

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<b>Annual Performance Statement</b>	<b>39</b>
<b>3.1 Performance criterion 1: Communications regulation, planning and licensing</b>	<b>44</b>
<b>3.2 Performance criterion 2: Consumer safeguards, education and information</b>	<b>72</b>

Chapter 3 sets out the ACMA's performance using the Annual Performance Statement in regard to our purpose as described in the 2015–16 PBS.

Table 1.2 shows the interaction between the ACMA's PBS performance measures and those in our corporate plan.

## Annual Performance Statement

### Introductory statement

I, Richard Bean, as the accountable authority of the Australian Communications and Media Authority, present the 2015–16 Annual Performance Statement of the Australian Communications and Media Authority, as required under paragraph 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). In my opinion, this Annual Performance Statement accurately reflects the performance of the Australian Communications and Media Authority and complies with subsection 39(2) of the PGPA Act.

### Entity purpose

*Making communications and media work in Australia's public interest.*

### Results

#### Performance criteria

The ACMA is reporting its performance measured against two performance criteria in its 2015–16 Annual Performance Statement (APS).

*Performance criterion 1:*

*That the allocation and use of public resources maximises their value to the Australian community; and that national safety and security interests are appropriately supported in the planning and delivery of communication infrastructure and services.*

*Performance criterion 2:*

*Consumer, citizen and audience safeguards are effective, designed to keep pace with evolving market developments, reflect community standards and deliver on consumer and community experience; and that consumers, citizens and industry benefit from engagement in the developing information economy and the evolving networked society.*

These performance criteria are based on the ACMA's 2015–16 PBS, program 1.1 and 1.2 (as outlined at Table 1.2).

Activities delivered to meet these two performance criteria contribute to the outcome of a communications and media environment that balances the needs of the industry and the Australian community through regulation, education and advice and contribute to the way the ACMA fulfils its purpose of making communications and media work in Australia's public interest.

#### Criteria source

##### Performance criterion 1 source:

- > 2015–19 corporate plan KRA 1 (p. 9), 2 (p. 11) and 5 (p. 15)
- > 2015–16 PBS: Outcome 1 and program 1.1 (p. 84).

##### Performance criterion 2 source:

- > 2015–19 corporate plan KRA 3 (p. 12), 4 (p. 14) and 5 (p. 15)
- > 2015–16 PBS: Outcome 1 and program 1.2 (p. 86).

### **Results against performance criteria:**

- > Refer to section 3.1 (p. 44) for performance criterion 1.
- > Refer to section 3.2 (p. 72) for performance criterion 2.
- > Refer to the section *Corporate support capabilities* (p. 96) for both performance criteria 1 and 2.

### **Performance measurement methodology**

The ACMA's performance measures and items of evidence are drawn from existing internal reporting and data collection processes, including surveys, statistical information, and analysis and research. The ACMA has a broad remit, and a variety of quantitative measures and qualitative evidence are used together to provide a complete account of the ACMA's performance. The nature of the available evidence against each performance measure will vary according to sector, environmental factors, consumer behaviour, technological innovation and risk profile, as well as legislative and statutory requirements. A descriptive approach allows the ACMA to make the causal links between evidence and the outcomes achieved explicit to the APS audience.

### **Analysis of performance against purpose**

The ACMA makes communications and media work in Australia's public interest through a complex regulatory remit across some 26 Acts and involving the administration of over 400 regulatory instruments. The ACMA fulfilled its purpose in 2015–16 by delivering on programs and activities that seek to balance the needs of the industry and the Australian community through regulation, education and advice.

Outcomes delivered by the ACMA in 2015–16 focus on:

- > better regulation administration—by operating a continuous improvement program targeted at operational and transactional activities
- > better regulatory design—a broad regulatory reform program that addresses deeper reform and regulatory cost savings.

In 2015–16, the ACMA implemented a range of projects and activities aimed at supporting its purpose through regulation, education and advice.

The following provides a snapshot highlighting significant changes or improvement in the ACMA's performance in meeting its purpose against its two performance criteria—full details follow in sections 3.1 and 3.2.

### **Making public resources available for industry use**

Maximising the efficient allocation and use of public resources to the Australian community is a key objective for the ACMA.

In 2015–16, the ACMA:

- > delivered a successful auction of regional 1800 MHz band spectrum, where Optus, Telstra, TPG and Vodafone paid a total of \$543.5 million in revenue to secure spectrum that enables 4G services across regional Australia
- > released *Beyond 2020*, a mobile broadband strategy, and an update to the mobile broadband work program to address and support the growth in demand for mobile broadband capacity.



### More accessible and efficient service delivery for the communications and media industry

The ACMA has continued to pass on to industry cost reductions achieved from streamlining our activities. For example, the 2015–16 telecommunications ACLC incorporates a 10.6 per cent reduction in the cost of the ACMA's telecommunications regulatory activities, as a result of streamlining activities undertaken in the 2014–15 year.

The ACMA has also continued to invest in ICT business process improvements, including through the use of contracted services to deliver process and service improvements to industry users of ACMA programs and services.

During 2015–16, major initiatives included:

- > From August 2015, ZOAK Solutions started providing the ACMA's new automated numbering and administration system. This has seen the outsourcing of the majority of the ACMA's number allocation and number administration functions. Industry Number Management Services (INMS) continues to provide number portability services for some number types.
- > The ACMA entered into a new contract to operate the Do Not Call Register (DNCR) with service provider Salmat, which will deliver an enhanced user experience leading to more efficient use of the register.
- > The completion of Project HELM (Holistic Engineering and License Management) at 30 June 2016, which provides an online automated self-service to deliver radiocommunications licences.

### Improved efficiency in managing high transactional volumes

The ACMA has continued to manage high and, in some cases, a steadily increasing volume of transactions. The ACMA has instigated process improvements across key areas aimed at reducing transactional processing times for industry and citizens.

In 2015–16, the ACMA:

- > Processed 5.55 million DNCR calling list check transactions and received a total of 23,059 formal complaints. This compares to 2014–15, where 5.57 million DNCR calling list check transactions were processed and 18,180 complaints were received.
- > Enhanced the DNCR website to improve accessibility for Australians accessing the website and lodging complaints using mobile devices.
- > Implemented system and process improvements, resulting in the ACMA now contacting a business within a maximum of 30 days of a DNCR complaint being received, allowing quicker responses from businesses about potential compliance problems.
- > Introduced a single point of contact into the ACMA through the ACMA Customer Service Centre (CSC). The CSC responded to over 50,159 interactions in the 2015–16 financial year.
- > Targeted compliance testing activities, with a focus on radiocommunication transmitter licensing and light-emitting diode (LED) lighting through its priority compliance area (PCA) program. This enables the ACMA to effectively focus its resources on higher risk issues while continuing to monitor and appropriately respond to lower risk matters.
- > Improved the timeliness of broadcasting investigations through improved management, processes and systems, assisted by a legislative amendment allowing the ACMA discretion to investigate complaints where it considers it desirable. In 2015–16, the average time taken to investigate a broadcasting complaint reduced to 1.6 months, down from 2.6 months per investigation in the previous year.

### Streamlining regulation and engaging in regulatory review and advice

The ACMA continuously reviews the design, administration and implementation of its regulatory program to ensure that it is fair, consistent, measurable and relevant. The ACMA's regulation reform program and continuous improvement strategy helped it to identify opportunities to streamline work, reduce regulatory red tape and reduce the overall regulatory burden for industry and citizens.

In 2015–16, the ACMA:

- > contributed to the Spectrum Review in conjunction with DoCA and is working to implement recommendations of the Review, which will see significant changes in the ACMA's spectrum management frameworks over the next few years
- > implemented key projects aimed at reducing the amount of regulatory red tape for industry and individuals, as well as striving to ensure that regulation remains fit-for-purpose. Notable examples include:
  - > remade the Radiocommunications Licence Conditions (Broadcasting Licence) Determination
  - > registered an updated TCP Code, which streamlines consumer information provisions and removed overlap with other legislation such as the Privacy Act
  - > registered an amended Pre-selection Code, which removed redundant processes and makes use of the generic customer authorisation requirements
  - > amended the International Mobile Roaming Standard
- > facilitated the sunseting of 20 instruments, and revoked and replaced 32 instruments prior to their 'sunset' date
- > made submissions on regulatory reform and future regulatory frameworks as part of the ACMA Review
- > introduced the *Investigations concepts* series that seeks to explain to stakeholders how the ACMA applies broadcasting regulatory concepts to complaints and investigation activities.

### Improvements in accountability and enhancements in performance reporting

Supporting achievements of the ACMA's purpose through regulation, education and advice also requires the ACMA to take opportunities to improve accountability and enhance performance reporting.

In 2015–16, the ACMA made the following enhancements:

- > Implemented the Regulator Performance Framework (RPF) and revisions to PGPA Act reporting. As part of its response to these initiatives, the ACMA commenced development of a broader suite of integrated quantitative and qualitative performance metrics intended to achieve a more consistent and coherent approach across its performance reporting mechanisms. This revised reporting structure will allow for better alignment between the agency's PBS, corporate plan and the APS in future reporting periods.
- > Participated in the ACMA Review conducted by DoCA, with the final report due late 2016. A welcome opportunity for the ACMA to assess its performance, the ACMA anticipates any resultant changes to its regulatory arrangements will be implemented over the next few years.
- > Introduced a Continuous Improvement Program (CIP). Developed as part of the ACMA's broader response to the RPF, the CIP seeks to be more responsive to industry feedback about its performance, and operational and transactional activities. As part of this CIP commitment, the ACMA will undertake further benchmarking and refine performance targets to enable a more complete account of the ACMA's performance that can be tracked over time.
- > Introduced a forward work program, which articulates key priorities and activities.

### Better use of communications channels for education and advice

The ACMA continues to employ a range of targeted communications and social media channels to inform and educate the Australian community and key industry stakeholders about communications and regulatory matters.

During 2015–16, the ACMA:

- > posted 66 media releases on high-profile issues, hosted 2.5 million visits on its website, produced 11 tailored blog series and sent 215 targeted e-bulletins
- > convened *Citizen conversations* forums about matters of public interest such as the Captioning Review and held three ‘tune-ups’ with industry stakeholders about radiocommunications compliance matters
- > issued 15 separate scam alerts via the acmadotgov Facebook and Twitter accounts, warning Australian consumers about phishing, malware, SMS or telemarketing scams
- > released five blogs aimed at businesses engaging in telemarketing and e-marketing focusing on compliance issues that are the subject of complaints and investigations
- > released eight cybersecurity blogs aimed at helping consumers understand and protect themselves against malware, phishing and other cyber threats
- > released 18 telco blogs providing advice and support to promote consumer awareness of telecommunications issues
- > released six separate blogs and fact sheets for several local communities outlining steps to improve TV reception
- > released several successful consumer campaigns such as:
  - > *Streaming services: get the full story*—an online guide to subscription video on demand and subscription TV
  - > *Slow home internet: symptoms, causes and cures*—advice on why slow internet speeds occur at home and how to improve them
  - > *Free apps: do you know what you’re agreeing to*—information on the personal, behavioural and location information that is given when apps are downloaded
  - > *Public Wi-Fi hotspots: food for thought!*—in partnership with Stay Smart Online, practical information and advice on safely using public Wi-Fi hotspots
- > worked with Australian suppliers of LED lighting to educate them on their obligations to prevent issues of interference through a targeted LED campaign, which was deployed across multiple channels and included a video
- > continued the mobile repeaters campaign ‘The good, the bad and the ugly’ by producing a video distributed via multiple channels that targeted sellers who contribute to the growing problem of interference from unlicensed products
- > surpassed 100,000 total views on an ACMA YouTube video, *VHF Marine Radio—How to use it*, making it our most successful video to date.

## 3.1 Performance criterion 1: Communications regulation, planning and licensing

### APS results

Section 3.1 reflects the ACMA's performance against key deliverables for performance criterion 1.



### Spectrum management

Spectrum is a critical public resource managed by the ACMA, with increasing importance to the digital transformation of the economy.

As in many other countries, Australia must balance the growing demand for access to spectrum by new technologies and uses against the legitimate requirements of existing users for ongoing use of spectrum. It must also strike the balance between government use of the spectrum—for example, for defence, emergency and public safety services, scientific and other applications—and its availability for use by the broader community.

Our work is important to maximise the efficient use of spectrum. The scope of our role includes spectrum planning, licensing, auctions and trading, and satellite communications and space systems regulation.

During 2015–16, key highlights include:

- > Releasing our mobile broadband strategy and work plan in February 2016, outlining a set of strategies to address the growth in demand for mobile broadband capacity and a planned approach for the release of additional spectrum for mobile broadband.
- > Releasing the *Five-year spectrum outlook 2015–19* (FYSO) in September 2015. The FYSO sets out our strategic direction and priorities for the short- to medium-term in response to the environmental factors influencing spectrum demand, which provides greater insight and transparency for spectrum users.
- > Completing the regional 1800 MHz band spectrum auction in February 2016, which resulted in the allocation of previously unallocated 1800 MHz spectrum in regional areas and collected \$543.5 million in revenue on behalf of the Commonwealth for use of this valuable resource.
- > Finalising the review of the 803–960 MHz band and progressing the implementation of changes in the 400 MHz band.
- > Hosting the *RadComms* 2016 conference in March 2016, as well as seven spectrum tune-ups on topics including spectrum scarcity, 5G and future mobile broadband strategy.
- > Conducting 31 consultations on spectrum-related matters, including proposed changes, variations and amendments to regulatory arrangements and planned band reviews.



### The ACMA facilitates allocation of spectrum to highest value use through use of market mechanisms

#### 1800 MHz band

We identified the 1710–1785 MHz and 1805–1880 MHz frequency ranges (the 1800 MHz band) as the most suitable band to meet the increasing demand for mobile broadband spectrum in regional and remote areas of Australia.

During the year, we completed an auction of a total of 147 spectrum lots in 12 regional areas and Adelaide in the 1800 MHz band. Optus, Telstra, TPG and Vodafone all secured spectrum in the auction, resulting in total revenues of approximately \$543.5 million.

Due to the high level of international harmonisation of this band for mobile broadband services, all stakeholders will benefit from the flow-on economic and social effects of this allocation process.

In addition, we released the 1800 MHz band to support the deployment of mobile services (LTE) in remote areas, using administratively allocated priority assignments.

#### The 803–960 MHz review

The review of the 803–960 MHz band, which began in 2011, was the first major revision of arrangements in this important piece of spectrum since 1992. Following two rounds of public consultation, key decisions arising from the review were released in November 2015 and included:

- > 2 x 15 MHz of 4G-standardised spectrum will be made available for new mobile broadband services from 2024 onwards
- > up to 7 MHz will be made available from the 928–935 MHz segment, and optimised for new and innovative machine-to-machine applications and networks to support the Internet of Things (IoT).

The first steps in reforming the band have already taken place in consultation with stakeholders prior to the release of the final report, with the replacement of channelling arrangements in the 900 MHz Band Plan by two radiocommunications and licensing instructions: RALI MS 40 and RALI MS 41 for the 800 (803–890 MHz) and 900 (890–960 MHz) MHz bands.



### A high proportion of available spectrum is allocated to meet demand so the productive potential of the economy is enhanced

#### Mobile broadband strategy

Following consultation with industry, including the discussion paper *Beyond 2020—A spectrum management strategy to address the growth in mobile broadband capacity* in September 2015, we released our mobile broadband strategy in February 2016.

This strategy articulates our spectrum management approach to the ongoing growth in demand for mobile broadband capacity.

Our *Mobile broadband work program—February 2016 update* was released in parallel to our strategy to ensure that stakeholders are kept up-to-date on the suite of spectrum-planning projects being undertaken by the ACMA.

## 400 MHz band implementation

In 2015–16, the ACMA continued to facilitate transition in the 400 MHz band through a suite of planning, policy and pricing initiatives, including:

- > undertaking stakeholder engagement activities to raise awareness of upcoming changes, including holding industry tune-ups, meetings and discussions with individual licensees to help them understand their transition requirements and options
- > regularly updating web material and promoting an online tool for licensees to determine their particular transition requirements
- > offering a more streamlined and technically flexible licensing option for use of harmonised government spectrum in the band
- > offering exceptions to licensees having difficulty meeting transition time frames
- > monitoring transmissions in the 400 MHz band in Sydney, Melbourne and Perth to check that only licensed transmitters were operating.

Further information about the 400 MHz band can be found on pages 35, 44, 48, 50.

## Television licence area plans

Television licence area plans (TLAPs) are the planning instruments for television broadcasting services, specifying and allotting channels to particular providers of television services, and determining the characteristics, including technical specifications, of the broadcasting services that are to be available in particular parts of Australia with the use of those channels.

During the reporting period, we completed three TLAP variations. Further details can be found on the ACMA website at [www.acma.gov.au/theACMA/final-television-licence-area-plans-spectrum-for-broadcasters-acma](http://www.acma.gov.au/theACMA/final-television-licence-area-plans-spectrum-for-broadcasters-acma).

## Radio licence area plan variations

Radio licence area plans (LAPs) are the planning instrument for analog radio services in Australia.

Over the reporting period, we consulted on variations to nine radio LAPs. Previous variations can be found on the ACMA website at [www.acma.gov.au/theACMA/final-licence-area-plans-broadcast-planning-acma](http://www.acma.gov.au/theACMA/final-licence-area-plans-broadcast-planning-acma).

## AM to FM conversion in selected regional areas

The ACMA is coordinating the necessary planning and approvals to facilitate the conversion of the transmission of commercial radio services from the AM band to the FM band in certain smaller markets where there is a single commercial radio operator.

The AM to FM conversion in these regional areas has the potential to deliver a range of benefits including improved audio quality, reduced signal interference and lower costs for regional broadcasters.

## Digital radio

The ACMA has been working closely with the radio industry to facilitate the rollout of digital radio into regional areas of Australia.

Following on from the recommendations of the report of a statutory review into digital radio, we established a joint government–industry Digital Radio Planning Committee. The committee has met four times since September 2015.

A technical sub-committee has met eight times to undertake the necessary technical work associated with the expansion of digital radio into regional Australia.



### The ACMA is recognised as continually improving spectrum users' access to public resources

## Spectrum Review

On 23 May 2014, the then Minister for Communications announced a review of the spectrum policy and management framework. The report of the Spectrum Review was published in May 2015.

The Review found that although the current regulatory framework led the world in market reform of spectrum management over 20 years ago, a more flexible approach is necessary to meet the challenges of evolving technology and increasing demand for spectrum access.

The ACMA is working closely with DoCA on implementing the recommendations.

## Five-year spectrum outlook

The *Five-year spectrum outlook 2015–19* (FYSO) was released in September 2015. The FYSO underpins the ACMA's engagement with stakeholders in the prioritisation and status of spectrum management issues and projects, and fulfils our commitment to:

- > provide greater insight and transparency for industry stakeholders
- > facilitate discussion between the ACMA and stakeholders
- > provide a useful summary of important spectrum management policies and priorities.

## Ongoing review of spectrum planning and coordination frameworks

In addition to major spectrum projects, we are undertaking an ongoing review of spectrum planning, assignment and coordination frameworks. As part of this continuing process of improvement, we updated a number of coordination frameworks for apparatus licensing in 2015–16, including those supporting coordination arrangements with the European Space Agency New Norcia Earth station facility, procedures for 400 MHz low-powered point-to-multipoint services, and antenna arrangements for millimetre wave point-to-point (self-coordinated) stations.

## International spectrum activities

Maximising international harmonisation of radiofrequency use where possible is critical to the efficient use of spectrum domestically. Australian government and industry spectrum users participate in a range of international forums in order to influence harmonisation outcomes in the national interest.

Through the year, we managed 32 Australian delegations to international radiocommunications meetings, in which 29 Australian discussion papers were presented.

The ACMA led:

- > the Australian Government delegation of 34 government and industry radiocommunication experts at the International Telecommunication Union (ITU) World Radiocommunication Conference (WRC-15), held in Geneva, Switzerland, from 2–27 November 2015
- > an Australian delegation of five to the ITU 2015 Radiocommunication Assembly (RA-15) held in Geneva, Switzerland, from 26–30 October 2015

- > an Australian delegation of six to the first session of the ITU Conference Preparatory Meeting for the 2019 World Radiocommunication Conference (CPM19-1) held in Geneva, Switzerland, from 30 November to 1 December 2015
- > a delegation of 23 to the fifth and final regional Asia–Pacific Telecommunity Preparatory Group for WRC-15 (APG15-5) held in Seoul, Republic of Korea, from 27 July to 1 August 2015. The main objective of the meeting was to develop Preliminary APT Common Proposals (PACPs) for WRC-15.

### Satellite coordination

The ACMA is responsible for fulfilling Australia’s obligations as a Member State of the ITU for matters associated with the ITU Radiocommunication Sector (ITU-R).

In the reporting period, we:

- > assessed 586 publications for proposed foreign satellite networks initiating coordination processes (where necessary) with foreign administrations on their proposed satellite networks with Australian spectrum requirements and responding to their reciprocal requests of Australia
- > assisted Australian satellite operators with ongoing satellite coordination negotiations with other administrations, new notices related to progress of existing Australian satellite networks and filing of new Australian satellite networks.

These roles help to protect Australian interests and maximise the benefits of spectrum/orbital resources through working cooperatively with other ITU Member Administrations.



**Adequate spectrum is allocated to organisations providing public or community services while minimising any adverse economic impacts**

**Implement harmonised government spectrum in accordance with key milestones in the 400 MHz plan**

**Reduced congestion within the 400 MHz band**

### 400 MHz band

Implementation of new arrangements in the 400 MHz band commenced in 2011 and will be completed in 2019. Over that period, services in the 400 MHz band are progressively required to comply with the introduction of new planning and technical requirements in accordance with published milestones. There are three milestones, each of which is applied first in high-density and medium-density areas, and then subsequently in low- and remote-density areas.

In the high- and medium-density areas of Adelaide, Brisbane, Melbourne, Perth and Sydney, implementation of the third and final milestone began in January 2016. Once implementation is completed in those areas at the end of 2016, the harmonisation of spectrum for government services will be complete in major capital cities. January 2016 also saw implementation of the second milestone commence in regional Australia. That milestone starts the process of harmonising spectrum for government use and also facilitates the use of new and emerging technologies in the 450–470 MHz frequency range.



Harmonising spectrum use by governments in the 400 MHz band gives the states and territories the ability to establish or improve the interoperability of mission critical voice communications and narrowband data services used by police, fire, ambulance and other emergency services. This includes both intra-jurisdictional interoperability (between different emergency services in the same state or territory) and inter-jurisdictional interoperability (between the emergency services of different states and territories).

For the high-density areas of Sydney/Wollongong, Melbourne/Geelong and Brisbane/Gold Coast, the additional spectrum capacity made available by implementing new arrangements in the 400 MHz band is progressively being utilised in an orderly manner. Overall demand for spectrum is continuing to grow in terms of numbers of licences. Analysis undertaken by the ACMA suggests there is a material risk of congestion re-emerging over the next few years. We also found that overall demand for spectrum in remote-density areas in the 400 MHz band was low. In response to this analysis, the ACMA implemented its OC initiatives to increase tax rates (see page 35). We will continue to monitor congestion in high-density areas to consider whether to implement further OC initiatives to increase tax rates.

The ACMA understands that transitioning to the new arrangements can be challenging for some licensees. We continue to work closely with state and territory governments as well as industry participants and representative organisations to enable timely and cost-effective transition by all licensees in the 400 MHz band. Once the new arrangements are fully implemented, the need for further regulatory intervention in the 400 MHz band is expected to be low.<sup>1</sup>

Further information about the 400 MHz band can be found on pages 35, 44, 46, 48, 50.

### **Mobile phone jammer trials at correctional centres**

The ACMA and mobile carriers have been working with New South Wales Correctional Services to ensure that jammers can be deployed effectively without endangering nearby legitimate phone users. While jammers have the potential to be effective in preventing unauthorised phone use by prisoners, they can also prevent legitimate use by nearby residents and other users, potentially including emergency phone calls. The aim of all agencies involved is to ensure jamming of unauthorised calls is effective without compromising legitimate use.

#### **Lithgow Correctional Centre**

The ACMA supported the New South Wales Government's jamming trial at Lithgow through 2013–14, which helped establish the effectiveness of jamming technology, and in 2015 agreed to extend phone jamming in that facility until 1 November 2018.

#### **Goulburn Correctional Complex**

We are now considering a further trial of mobile phone jammers at the Goulburn Correctional Complex, New South Wales. A trial at Goulburn Correctional Complex will allow all stakeholders to assess the interference risk of a mobile phone jammer in a correctional facility in a medium-density area. The ACMA conducted public consultation on this proposal in May–June 2016.

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<sup>1</sup> [www.acma.gov.au/Industry/Spectrum/Spectrum-projects/400-MHz-band/progressing-opportunity-cost-pricing-in-the-400-mhz-band](http://www.acma.gov.au/Industry/Spectrum/Spectrum-projects/400-MHz-band/progressing-opportunity-cost-pricing-in-the-400-mhz-band)



## Spectrum interference complaints

The ACMA has an active monitoring and compliance program directed at minimising unacceptable interference to radiocommunications services. Our interference management regime takes a balanced approach that is proportionate to the types of risk being managed, and allows us flexibility and efficiency in how we respond to current and emerging risk. This is underpinned by an annual priority compliance area (PCA) program, which focuses on managing the risks of harmful interference, high risk to spectrum utility and risk to public safety or public interest. This ensures our compliance and enforcement activities minimise the cost to regulated entities and allows us to target our resources accordingly.

Key highlights for 2015–16 include:

- > establishing PCAs in relation to radiotransmitter licensing compliance and LED compliance
- > undertaking 463 radiocommunications compliance investigations and issuing 375 warning notices
- > actioning 277 television reception enquiries and issuing 251 directions to grant access to the Viewer Access Satellite Television (VAST) scheme for complainants
- > issuing 10 infringement notices for radiotransmitter licensing non-compliance totalling \$23,950
- > commencing three prosecutions of deliberate interference to radiocommunications, with two cases concluded so far resulting in convictions being recorded
- > meeting the internal target of completing 90 per cent of interference management activities within published time frames.



**Resolve interference complaints within target timeframes**

### Radiocommunications interference management

The ACMA assesses and actions complaints of interference in accordance with its target time frame for closing radiocommunications interference cases within 45 days on average. We prioritise the risk of interference and choose from a range of regulatory responses.

Ongoing priorities for interference management include:

- > mobile repeaters—substantial interference can be caused by the unlicensed use of mobile phone repeaters
- > prohibited devices—mobile phone jammers and GPS jammers are now prohibited from importation and can be seized by Border Force officers at Australian entry points
- > 400 MHz band plan compliance—interference in the 400 MHz band has been a priority, with compliance staff detecting a significant rate of unauthorised use of Differential Global Positioning Systems and incorrectly authorised third-party operators in segment Y of the 400 MHz harmonised government band.

## Radiocommunications interference prosecutions

Three prosecutions of deliberate interference to radiocommunications commenced in 2015–16 (see Table 1.9). While one case is yet to be finalised, two cases concluded with convictions being recorded. These cases involved:

- > unlicensed operation on the FM radio band
- > repeated complaints of harassing and offensive transmissions on the Citizen Band Radio Service in Adelaide.

**Table 1.9: Radiocommunications compliance—investigations and interference cases, 2013–16**

Action type	Number of actions		
	2013–14	2014–15	2015–16
<b>Investigations</b>	291	256	463
Advice notices issued	6	4	7
Warning notices issued	120	219	375
Infringement notices issued	11	17	18
Prosecutions commenced	5	3	3
<b>Responses to interference</b>	1,120	1,333	1,094
Warning notices issued	220	462	367
Advice notices issued	138	132	126
<b>Mobile repeaters detected</b>	123	138	140



**A graduated risk-based approach to compliance and enforcement activities is applied in managing all interference risks**

## Television reception

Given ongoing changes to the TV reception environment, including the retune of digital TV services and the introduction of new services in the more spectrum-efficient MPEG-4 standard, we have been focusing our strategy to manage reception problems by educating viewers about the importance of having an optimised antenna system for reliable TV reception. We have implemented the following measures to inform and help affected viewers and, when necessary, to support broadcasters and mobile carriers:

- > providing general and specific information on our TV reception hub, [www.acma.gov.au/tvreception](http://www.acma.gov.au/tvreception). In consultation with DoCA, the ACMA creates localised targeted alerts on the mySwitch website about the possible causes and potential solutions for reception difficulties, including a link to the ACMA hub
- > providing public information for awareness-raising, including participation in public meetings (on an exceptional basis)
- > facilitating prompt information-sharing between the ACMA, broadcasters and mobile carriers if a party becomes aware of an emerging problem

- > investigating and providing technical advice on the nature and scope of TV reception problems, including field investigations on an exceptional basis for community-wide reception problems
- > assisting broadcasters who are considering new transmission sites or infrastructure upgrades
- > responding to requests for information from local MPs' offices on a case-by-case basis, to inform and offer advice about issues in the affected areas.

**Table 1.10: TV reception issues and number of actions**

Action type	Number of actions 2014–15	Number of actions 2015–16
TV reception enquiries	588	277
Public	568	225
Ministerial	20	52

### **Complaints under the conditional access scheme for satellite access to digital television**

The government's VAST service is intended to provide an alternative reception option for individual households unable to receive adequate digital television services from existing terrestrial transmission sites.

In the reporting period, we:

- > received 230 complaints
- > finalised the investigation of 251 complaints
- > issued 251 directions to the scheme administrator to grant VAST access to the complainants.

At the end of the reporting period, six complaints were still under investigation.

### **Spectrum monitoring network**

The ACMA manages and maintains a network of fixed, transportable and mobile monitoring sites across Australia. This spectrum monitoring network is fundamental to the effectiveness of our interference resolution work. It is used primarily to support interference resolution and compliance management for radiocommunications services that operate in high-frequency (HF), very-high-frequency (VHF) and ultra-high-frequency (UHF) bands. It has also been used on an ad hoc basis to monitor TV reception quality over time in communities with reported TV reception difficulties.

The spectrum monitoring network supported the resolution of the radiocommunications cases listed in Table 1.9 and was also used to support priority compliance areas.

In response to TV reception problems in 2015–16, we used the spectrum monitoring network to:

- > assess TV coverage reliability in Yass in New South Wales, and Lakes Entrance and Orbost in Victoria
- > assess the impact of unreliable signal input feed and ducting interference
- > provide input to proposed planning solutions for improving reliability of TV coverage in Apollo Bay, Victoria.

## Special events

As part of their risk management processes, organisers of significant events contract the ACMA to provide radiocommunications frequency coordination and interference resolution services. As these events yield economic and commercial benefits to Australia, preventing and managing interference is a crucial component of their success. In 2015–16, we were contracted to provide services for:

- > Australian Motorcycle Grand Prix, Phillip Island, 16–18 October 2015
- > Australian Formula One Grand Prix, Melbourne, 12–15 March 2016.

## Radiocommunications compliance laboratory

The ACMA's radiocommunications compliance laboratory carries out compliance testing of radiocommunications devices. Its main purpose is to support industry compliance with regulatory arrangements such as the radiocommunications standards compliance and labelling arrangements.

The laboratory also assisted with investigations carried out by the ACMA, and federal and state police services. This included preparing nine evidentiary certificates, 60 spectrum impact assessments and 24 technical assessment reports of radiocommunications devices.

The laboratory is accredited by the National Association of Testing Authorities (NATA) for assessing compliance with compliance levels two and three for the full range of ACMA standards and equivalent international standards.



**A graduated risk-based approach to compliance and enforcement activities [relating to technical standards and labelling requirements] is applied**

**Stakeholders are informed of priority compliance areas**

## 2015–16 priority compliance areas

The ACMA manages compliance with the Radiocommunications Act and subordinate instruments relating to the operation of radiocommunications transmitters and the supply of radiocommunications devices. The regulatory arrangements minimise the interference to, and health and safety impacts of, radiocommunications services.

We prioritise complaints and the enforcement of these arrangements through PCAs. The PCA program applies a risk-based methodology to strategically address high-risk compliance issues in a coordinated manner.

We set PCAs for technical compliance after gathering intelligence about compliance issues and assessing the level of risk. This approach enables us to effectively focus our resources on higher risk issues, while continuing to monitor and appropriately respond to lower risk matters. During 2015–16, the PCA program took the next step in its evolution, with stakeholder engagement becoming a key focus.

The PCAs for 2015–16 were:

### **1. Radiocommunications transmitter licensing compliance**

While the majority of radiocommunications licensees operate their devices within the regulatory parameters, we identified some systemic issues that required a coordinated compliance response. This PCA focused on:

- > Australian suppliers importing or selling devices configured for overseas markets—suppliers selling devices that would normally be licensed under the Radiocommunications (Low Interference Potential Devices) Class Licence 2015 (the LIPD Class Licence), but operate on an overseas frequency allocation were identified as a key risk
- > land mobile apparatus licensees with an ‘area-wide’ special licence condition who do not properly authorise and administer third-party users under the terms of the ACMA-issued licence.

The ACMA drew upon regulatory and non-regulatory measures to improve compliance. Our key activities and outcomes included:

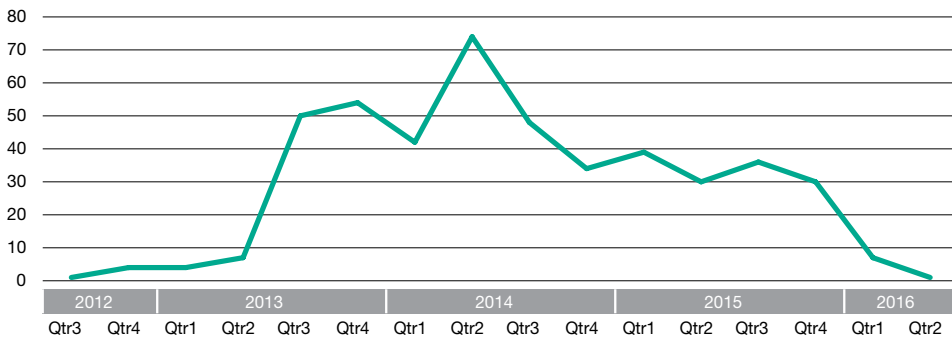
- > enhancing stakeholder engagement and communications, including conducting tune-ups/ technical evenings in partnership with industry, holding presentations in-house with two-way radio providers and publishing two infographics
- > conducting 12 standards audits of major radiofrequency identification (RFID) suppliers and auditing third-party records of the 40 most prolific land mobile apparatus licensees
- > visiting 45 sites across Australia
- > monitoring the 902–928 MHz frequency range for non-compliant devices
- > commencing 65 compliance investigations
- > issuing 57 warning notices
- > issuing 10 infringement notices totalling \$23,950.

Through these activities, we struck a balance between cooperative stakeholder approaches and black-letter regulation. The results from this PCA are still being realised; however, early indications are that our compliance approach is now better understood by stakeholders and being reinforced by escalated compliance action. We will continue to pursue this PCA and assess results.

### **2. LED lighting compliance**

We made LED lighting a PCA due to an increase in complaints of domestic system interference to digital television. We used information from industry engagement, compliance audits and investigations to identify risks against which preventive action was most likely to reduce interference. This strategy has seen a decrease in complaints where LEDs were confirmed as the interference source (see Figure 1.3).

Figure 1.3: LED downlights—confirmed interference cases



**Number of complaints about customer equipment and cabling reduces over time.**

## Telecommunications customer equipment and customer cabling

### Cabling regulation

The ACMA is responsible for regulating telecommunications customer cabling in Australia. Our approach to regulating customer cabling includes:

- > monitoring and enforcing compliance with cabling regulatory requirements
- > supporting greater cabling industry self-regulation.

The Telecommunications Act provides the ACMA with the power to make safety and network integrity standards for cabling installations in customer premises. Compliance with these standards is achieved through the Cabling Provider Rules, made under section 421 of the Act.

We also continued working with DoCA, NBN Co Limited and the cabling industry to address cabling issues associated with the migration of end-users to the NBN network.

The ACMA administers regulatory arrangements for:

- > the supply and connection of telecommunications customer equipment and customer cabling
- > the installation and maintenance of customer cabling.

The objective of the arrangements is to manage both consumer risks—including health and safety, interoperability of standard telephone services and access to the emergency call service—and industry risks such as protecting the integrity of telecommunications networks.

Customer cabling is an established compliance regime, which takes into consideration all factors including the industry's long-term record of engagement and cooperation. In 2015–16, we received 12 complaints about customer cabling compliance, which resulted in two warning notices and one advice notice for non-compliance being issued. This represents a decline in the reporting rate, in comparison with 40 complaints received in the 2014–15 year.

### **Supply of customer equipment and cabling**

Under section 376 of the Telecommunications Act, the ACMA may make a technical standard that applies to specified customer equipment or customer cabling. Under section 407 of the Telecommunications Act, the ACMA may make an instrument specifying labelling and record-keeping requirements on suppliers of customer equipment and customer cabling. An ACMA technical standard only has practical effect if it is referenced in the Telecommunications Labelling Notice. The ACMA technical standards reference industry standards developed by Standards Australia and Communications Alliance. Changes to the underlying industry standards are picked up automatically by the ACMA standards.

### **Cabling provider registration scheme**

The Cabling Provider Rules (CPRs) include an industry-managed national registration system. The ACMA has accredited five industry bodies to be registrars under the CPRs. These registrars issue registrations to cabling providers.

At 30 June 2016, there were 72,302 registered cabling providers. We continue to monitor the performance of registrars in meeting their contractual obligation to provide registration services to the cabling industry. We also work with registrars to improve reporting arrangements and monitor service delivery levels across the industry through quarterly meetings of the Registrars' Coordinating Committee.





## Allocation and renewal of licences and numbers

The ACMA's public resource management functions cover the allocation and issue of spectrum, broadcasting and telecommunications licences as well as telephone numbers. We have responsibility for allocating and renewing radiocommunications licences, including apparatus, spectrum and class licences; broadcasting licences including temporary community broadcasting, community radio broadcasting, and commercial and community television licences; telecommunications licences, including carrier licences and nominated carrier declarations; and number allocations. Management and allocation of the various licences is undertaken across several different licensing regimes specified under a range of different legislation.

Key highlights for 2015–16 include:

- > outsourcing numbering allocation and administration services to the new provider ZOAK was completed on 3 August 2015—the numbering provider is now meeting KPIs
- > completing the transition of apparatus licensing and broadcast licensing from the RADCOM system to the SPECTRA system in May 2016. The incorporation of broadcast licensing, planning, antennas and site management, and the transfer of all remaining apparatus licences into SPECTRA represented the final step in a transformation that began with the implementation of spectrum licensing in SPECTRA in 2013.



### **A sufficient supply of numbers is available for allocation**

**The ACMA allocates and renews licences within planned timeframes**

## Number allocation arrangements

### Number allocations register

The ACMA maintains a register of numbers allocated to CSPs and numbers that have been permanently transferred from one CSP to another. This register is used to administer the annual numbering charge (ANC). From August 2015, the register of numbers has been provided by ZOAK Solutions as part of its contract to provide number allocation and administrative services to the Commonwealth.

We review number supply on a regular basis. As at 30 June 2016, a sufficient supply of numbers is available for the medium to long term.

### Numbering transactions

During 2015–16, the ACMA allocated 4,346,704 numbers to CSPs (see Table 1.11).

Table 1.11: Quantity of numbers allocated by number type during 2015–16

Type of number	CSPs allocated numbers	Quantity of numbers allocated
Geographic	14	3,083,200
Digital mobile	6	1,240,000
Mobile network codes	4	4
International signalling point codes	2	2
Interconnection and routing code	1	1
Data network	1	1,000
Premium rate	6	140
Freephone and local rate	7	22,357
<b>Total numbers allocated</b>		<b>4,346,704</b>

During 2015–16, CSPs surrendered 246,499 numbers. Table 1.12 shows the numbers surrendered by number type. There were also 1,934,311 permanent transfers of numbers between CSPs. Table 1.13 shows the numbers transferred by number type. Some CSPs transferred or surrendered multiple number types.

Table 1.12: Quantity of numbers surrendered by number type during 2015–16

Type of number	CSPs surrendering numbers	Quantity of numbers surrendered
Premium rate	7	104
Digital mobile	4	220,000
Freephone and local	9	26,395
<b>Total numbers surrendered</b>		<b>246,499</b>

Table 1.13: Quantity of numbers transferred by number type during 2015–16

Type of number	CSPs transferring numbers	Quantity of numbers transferred
Geographic	3	1,825,000
Mobile	1	100,000
Premium rate	3	48
Freephone and local rate	9	9,262
Interconnection and routing	1	1
<b>Total numbers transferred</b>		<b>1,934,311</b>

## Broadcasting licensing

In 2015–16, the ACMA:

- > issued 29 transmitter licences for commercial radio and television services
- > issued 114 broadcasting retransmission licences
- > varied 33 radio and television apparatus licences
- > issued 153 special-event broadcasting licences for radio and television services.

In measuring the ACMA's performance against its KPIs for the allocation of apparatus licences, broadcasting apparatus licences are counted with other radiocommunications apparatus licences. The ACMA's performance against the KPI is discussed below under *Apparatus licensing*.

### **Temporary community broadcasting licences**

Temporary community broadcasting licences are allocated for a maximum 12-month licence period. During the reporting period, we allocated 91 temporary licences. As at 30 June 2016, there were 94 temporary licences.

### **Community radio broadcasting licences**

During the reporting period, we:

- > allocated three community radio broadcasting licences for Inverell (New South Wales), Port Hedland and Harvey (Western Australia)
- > decided not to allocate the community radio broadcasting licence for Murwillumbah (New South Wales)
- > renewed 38 community radio broadcasting licences, of which none were remote Indigenous broadcasting services.

There were 360 community radio broadcasting licences at 30 June 2016, of which 72 were remote Indigenous broadcasting services.

### **Commercial radio broadcasting licences**

During 2015–16, we renewed 77 commercial radio broadcasting licences for services using the broadcasting services bands (BSB). No new commercial radio broadcasting licences were allocated for services using the BSB during the reporting period.

As at 30 June 2016, there were 273 commercial radio broadcasting licences.

### **Commercial television broadcasting licences**

As at 30 June 2016, there were 64 commercial television broadcasting licences.

During 2015–16, we renewed 17 commercial television broadcasting licences.

### **Community television broadcasting licences**

There were 53 community television broadcasting licences at 30 June 2016, of which 51 were remote Indigenous broadcasting services. The other two services were in Brisbane and Melbourne. The licence for the Sydney community television service was surrendered during the reporting period.

### **Community television trial**

During 2015–16, we decided to extend community television trials in Adelaide and Perth for a further 12-month period from 1 January 2016 to 31 December 2016.

## **Radiocommunications licensing**

### **Apparatus licensing**

In 2015–16, the ACMA allocated 99 per cent of new apparatus licences within 90 days, which exceeded the target of 90 per cent within 90 days.

### ***New and renewed licences***

In 2015–16, 14,511 new apparatus licences were issued. This is a decrease from the previous financial year, when 15,613 were issued.

During the reporting period, 156,316 licences were renewed. The total number of apparatus licences is 153,112, a decrease from the previous two years (see Table 1.14).

**Table 1.14: Apparatus licences, 2014–16**

<b>Licence type</b>	<b>30 June 2014</b>	<b>30 June 2015</b>	<b>30 June 2016</b>
Aeronautical	2,247	2,294	1,698
Aircraft	12	11	12
Amateur	15,316	15,293	15,065
Broadcasting	8,682	8,440	7,726
Defence	76	78	78
Earth	732	696	594
Earth receive	711	673	565
Fixed	41,755	43,382	41,528
Fixed receive	1,007	1,011	900
Land mobile	68,847	71,169	68,567
Major coast receive	17	17	17
Maritime coast	3,452	3,432	3,273
Maritime ship	7,327	7,057	6,512
Outpost	3,585	3,413	2,989
PTS	714	574	624
Radiodetermination	2,999	3,165	2,240
Scientific	526	694	370
Space	107	83	95
Space receive	279	255	259
<b>Total</b>	<b>158,391</b>	<b>161,737</b>	<b>153,112</b>

On 31 May 2016, we switched on the final piece of our new integrated spectrum management tool—the SPECTRA Enterprise Suite. This brings to a close this multi-year, multi-dimensional initiative to upgrade the ACMA's spectrum management capabilities.

SPECTRA is designed to support, enable and enhance our spectrum management functions. It includes software for spectrum licensing, broadcast licence area planning and allocation, frequency assignment, device registration, spectrum auction planning and apparatus licence management. SPECTRA also produces the data that is published in the Register of Radiocommunications Licences. The ACMA has also developed a business-to-government portal called ALF-E (ACMA Lodgement Facility—Extended). ALF-E allows licensees (or their representatives) to directly submit licence applications and related information to the ACMA for processing by SPECTRA, as well as our customer information and financial systems.

Accredited persons register all devices that require authorisation to operate under a spectrum licence, supporting the self-regulatory approach to spectrum management introduced in 1997. This approach allows licensees to take responsibility for much of the administration of their spectrum licences. For more information about accredited persons, see *Accredited persons scheme*, p. 64.

### Price-based apparatus licence allocations—LPON licences

Low-power open narrowcasting (LPON) services provide niche broadcasting services such as tourist, religious or ethnic programming. These services are limited by power and therefore serve limited coverage areas.

In 2015–16, the ACMA recommenced inviting applications for LPON services throughout Australia. We held allocation exercises in November 2015 and May 2016, including auctions where there were competing applications.

During the reporting period, we allocated an additional 143 LPON licences and raised revenue of \$91,902.

## Spectrum licensing

### Expiring spectrum licences

The ACMA has completed the reissue process for spectrum licences in the 800 MHz and 1800 MHz bands, 2.3 GHz band and 3.4 GHz band.

Table 1.15 provides a summary of the spectrum-licensed frequency bands and bandwidths, the status (whether reissue has occurred or the impending expiry date) for licences in each band and the type of service for which the applicable technical framework is optimised.

**Table 1.15: Expiry of spectrum licences**

Band	Frequencies	Expiry	Main use
800 MHz	825–845 MHz 870–890 MHz (paired)	Reissued	Public mobile telephony (3G, LTE)
1800 MHz	1710–1755 MHz 1805–1850 MHz (paired)	Reissued*	Public mobile telephony (LTE, GSM, GSM-R) <sup>^</sup>
28 and 31 GHz	27.5–28.35 GHz (unpaired) 31.0–31.3 GHz (unpaired)	Reverted to apparatus licensing	Satellite services
1800 MHz	1755–1785 MHz 1850–1880 MHz (paired)	Reissued	Public mobile telephony (LTE, GSM, GSM-R)
2.3 GHz	2302–2400 MHz (unpaired)	Reissued*	Wireless access services (LTE)
3.4 GHz	3425–3442.5 MHz 3475–3492.5 MHz (paired) 3442.5–3475 MHz 3542.5–3575 MHz (paired)	Reissued*	Wireless access services (LTE)
27 GHz	26.5–27.5 GHz (unpaired)	Reverted to apparatus licensing	Satellite services
2 GHz	1900–1920 MHz (unpaired) 1920–1980 MHz 2110–2170 MHz (paired)	Expires October 2017	Public mobile telephony (3G, LTE)
20 and 30 GHz	20.2–21.2 GHz 30–31 GHz (paired)	Expires April 2021	Satellite services

\*Some licensees chose not to seek reissue.

<sup>^</sup>GSM-R is a system based on the GSM standard that provides communication and control for railway traffic and signals.

## Telecommunications licensing

### Carrier licensing

The ACMA granted 31 carrier licences in 2015–16, all within the statutory 20-day time frame. This is an increase from 2014–15, when 27 licences were issued.

In 2015–16, 10 carrier licences were surrendered. No carrier licences were cancelled as a consequence of the corporation holding the licences being deregistered by the Australian Securities and Investments Commission. As at 30 June 2016, there were 250 licensed carriers in Australia.

In 2015–16, the ACMA issued nine nominated carrier declarations and revoked four. As at 30 June 2016, there were 84 nominated carrier declarations in force.

We issued four trial certificates during 2015–16, compared with three in the previous reporting period.

### Carriers' rights and obligations

In 2015–16, the ACMA received 22 enquiries from local councils, carriers, solicitors, landowners and members of the public about matters covered by Schedule 3 to the Telecommunications Act and the Telecommunications Code of Practice 1997.

The Telecommunications (Low-impact Facilities) Determination 1997 was amended in 2015–16 and specifies the types of facilities ('low-impact' facilities) that carriers are entitled to install without seeking state, territory or local government planning approval. Complaints from land-owners and occupiers about compliance with Schedule 3 and the Telecommunications Code of Practice are generally dealt with by the Telecommunications Industry Ombudsman (TIO).

## Telecommunications infrastructure regulation

### Mobile phone base station deployment

The planning and installation of mobile phone network infrastructure is subject to industry code C564:2011 *Mobile Phone Base Station Deployment*. The industry code is registered by the ACMA.

In 2015–16, we responded to 10 enquiries and undertook preliminary assessments on 48 objections received about the industry code. As a result of the preliminary assessments, a number of industry code-related matters were raised with carriers and the Mobile Carriers Forum. Carriers conducted 6,077 consultations under the industry code during this period. We also responded to an additional five enquiries received about the deployment of fixed internet wireless facilities, resulting in the clarification of NBN Co Limited's approach to community consultation.

Under the industry code, carriers must consult with local councils and the community on the placement of certain mobile phone facilities, typically low-impact facilities. Anyone not satisfied that a carrier has complied with the code may object to the ACMA. In accordance with Part 26 of the Telecommunications Act, the ACMA may, on receipt of an objection:

- > decide to investigate the matter
- > make preliminary enquiries of the respondent and/or carrier to decide whether to investigate the matter
- > decide not to investigate the matter.

The ACMA has the power to issue formal warnings and directions to carriers to comply with the code. We do not have the power to make a carrier relocate its facility.

## Submarine cable protection zones

Submarine cables carry the bulk of Australia's international voice and data traffic and contribute significantly to the Australian economy. Schedule 3A to the Telecommunications Act enables the ACMA to declare protection zones over nationally significant cables and to prohibit or restrict activities that pose a risk of damaging cables in these zones.

One request for an additional submarine cable protection zone was under consideration at the end of the reporting period.

### *Submarine cable installation permits*

Carriers are required to apply to the ACMA for a permit to authorise installation of a submarine cable in Australian waters. In 2015–16, we granted one non-protection zone (NPZ) permit for the installation of a submarine cable between Port Hedland and Darwin.

During 2015–16, we also:

- > Granted two submarine cable protection zone (PZ) installation permits. The first permit authorised installation of the first new submarine cable to connect Australia and New Zealand since 1998. The second authorised installation of an international cable between the Solomon Islands and Australia.
- > Approved four separate requests to extend the duration of existing PZ and NPZ installation permits for an international cable between Perth (via the Perth Protection Zone) and Singapore. Long lead times for securing international regulatory approvals and project financing have necessitated these requests for extensions.
- > Approved three other PZ and NPZ installation permit extension requests in relation to separate proposals by another cable operator for installation of international cables on the east and west coasts of Australia.



**Administrative costs of applying for licences and numbers is reduced**

## Class licensing

### Low interference potential devices

The ACMA's class licensing arrangements provide a no-cost-to-the-user authorisation to operate equipment without the need to issue individual licences. This is a low-cost, efficient means of providing access to spectrum for users of devices that (for whatever reason) do not require individual authorisation.

The ACMA remade the Radiocommunications (Low Interference Potential Devices) Class Licence 2015 (the LIPD Class Licence) on 4 September 2015, including new arrangements supporting the use of short-range low-power devices using ultra-wide band technology.

The ACMA varied the remade LIPD Class Licence in April 2016 after public consultation to introduce updated arrangements to support low-power digital devices for use in the IoT, industrial radar sensors and building material analysis devices.

## Accredited persons scheme

The accredited persons (APs) scheme provides a market-based solution for frequency coordination and device registration. This provides an efficient method for end-users to meet their spectrum requirements while reducing costs associated with administrative application procedures and lengthy allocation time frames. Under the scheme, we accredit appropriately qualified persons to issue frequency assignment certificates for apparatus licences and interference impact certificates for spectrum licences. Since the scheme's introduction, radiocommunications licensees have seen the benefit of using the services of appropriately qualified APs. APs now undertake the majority of frequency assignment activity for the Australian radiocommunications sector.

In 2015–16, APs registered 167,084 devices operated under spectrum licences, and the total number of APs increased from 47 to 55 (see Table 1.16) with the accreditation of eight new persons. With the percentage of assignment activity performed by APs continuing to grow—increasing by eight per cent in 2015–16 (see Table 1.17)—the AP scheme is considered to be operating effectively.

**Table 1.16: Number of APs, June 2012 to 30 June 2016**

30 June 2012	30 June 2013	30 June 2014	30 June 2015	30 June 2016
53	39	41	47	55

**Table 1.17: Assignments registered, 2011–12 to 2015–16**

	2011–12	2012–13	2013–14	2014–15	2015–16
Frequency assignments registered by APs	20,544 77%	19,040 80%	20,230 83%	23,733 88%	19,478 96%
Frequency assignments performed by the ACMA	5,978 23%	4,627 20%	4,198 17%	3,275 12%	734 4%

## Marine radio certificates of proficiency and operator examinations

The Australian Maritime College (AMC) provides marine radio operator certification and examination services on behalf of the ACMA. Table 1.18 details activity levels for the AMC's last two last financial years (January–December).

**Table 1.18: Marine radio operator certification and examination services—activity levels, 2014 and 2015**

	2014	2015
<b>Total applications received</b>		
Marine Radio Operators Certificates of Proficiency	3,815	3,374
Marine Radio Operators VHF Certificate of Proficiency	2,044	1,777
Marine Satellite Communications Certificates	33	22
<b>Total handbook sales</b>		
Marine Radio Operators Handbooks	3,616	2,770
Marine Radio Operators VHF Handbooks	2,524	2,208

Source: Office of Maritime Communications Annual Performance Report 1 January to 31 December 2015.



In 2015, the ACMA facilitated the development of a new Australian waters-only marine radio qualification. This new qualification, known as the Australian Waters Qualification (AWQ), was included in the Maritime Training Package on 27 February 2015 and the Radiocommunications (Maritime Ship Station – 27 MHz and VHF) Class Licence was made in July 2015.

### Amateur radio operator examination services

The Wireless Institute of Australia (WIA) provides examination services to the amateur radio community on behalf of the ACMA. During 2015–16, the WIA conducted 1,271 amateur examinations. Table 1.19 details the number of amateur certificates of proficiency issued based on the results of these examinations.

The WIA also made 1,119 recommendations on call sign allocation. The ACMA allocated 877 call signs based on these recommendations and approved 58 call sign changes.

**Table 1.19: Amateur certificates of proficiency issued, 2014–15 and 2015–16**

Certificate level	Certificates issued	
	2014–15	2015–16
Foundation	395	397
Standard	108	125
Advanced	89	115
<b>Total</b>	<b>592</b>	<b>637</b>

Source: Wireless Institute of Australia Annual Performance Report, June 2016.



**Costs associated with the provision of the numbering function decrease as a result of improved administration and outsourcing**  
**Numbering scheme arrangements are responsive to industry developments and consumer demand**

### Numbering reform activities

The outsourcing of the numbering allocation and administration functions is the centrepiece of the ACMA's continuing reform of Australia's telecommunications numbering arrangements.

On 31 July 2015, the ACMA completed its contract with Industry Number Management Services (INMS) as the ACMA's provider of numbering allocation services to industry for freephone, local rate and six- and eight-digit premium rate numbers. However, INMS retains responsibility for the provision of number portability for these types of numbers.

On 3 August 2015, ZOAK Solutions switched on the ACMA's new Numbering System, automating numbering allocation and administration, and paving the way for a more efficient delivery of Australia's numbering services. The Numbering System provides number allocation services at a reduced cost compared to the previous arrangements. Number allocation services used to be provided by INMS or directly by the ACMA.

## **Numbering Advisory Committee**

The ACMA works closely with representatives of users of numbers in formulating and administering numbering policy. The consultative arrangements established for the ACMA's Numbering Advisory Committee (NAC) help to achieve this. See Appendix 1 for membership details of the NAC.

The NAC met once during 2015–16, with the main issue for discussion being the arrangements to support a transition to industry-managed numbering. Draft legislation introduced to parliament in December 2015 included provisions that enable the minister to specify a person as a numbering scheme manager. The Bill lapsed when parliament was prorogued before the federal election. Whether the Bill is introduced again is a matter for government.

## **Number portability**

Number portability allows a customer to retain an existing telephone number when changing CSP. Number portability is available for local, mobile, and freephone and local rate (FLRN) numbers.

### **Local Number Portability (LNP) and Mobile Number Portability (MNP) codes**

The LNP and MNP codes provide the general rules, operational procedures and timing for CSPs in relation to the delivery of number portability. These codes were amended to streamline and remove specific customer authorisation requirements and to make use of the generic industry customer authorisation requirements. The amended codes were registered on 19 February 2016.

### **Inbound Number Portability Code**

FLRN numbers (1800/13/1300) are commonly referred to as inbound numbers. The Inbound Number Portability (INP) Code was developed by Communications Alliance (CA) and registered by the ACMA on 21 March 2016. The INP Code filled a regulatory gap by codifying the operational requirements for porting inbound numbers.

### **Enquiries about compliance with number portability**

During 2015–16, we received 152 enquiries and complaints about local, mobile and FLRN portability from industry and consumers.

## **Pre-selection**

Pre-selection allows a customer with a fixed-line phone to choose one provider for local calls and another provider for long-distance, international and mobile calls. Pre-selection applies to existing networks and does not extend to some new networks (for example, the NBN).

### **Pre-selection Code**

The Pre-selection Code sets out the general rules, operational procedures and timing for CSPs in relation to the delivery of pre-selection. The Pre-selection Code was amended to remove redundant processes and specific customer authorisation requirements, and to make use of the generic customer authorisation requirements. The amended code was registered by the ACMA on 19 February 2016.



### Client satisfaction with the ACMA's allocation and renewal process is high

#### ACMA Customer Service Centre

In March 2014, we introduced a single-point-of-contact Customer Service Centre to streamline contact processes for stakeholders interacting with the ACMA. Since its establishment, we have progressively incorporated the customer service functions from other areas of the agency, with the transition completed in the second half of 2015. The CSC handles an average of 4,194 interactions each month, including licensing and allocation inquiries and applications. Of these, an average of 97 per cent are resolved within three working days.

During 2015–16, the CSC continued expanding its operations, and since November 2015 has been handling customer enquiries about network safeguards, consumer interests, broadcasting and spam.

In April 2016, we contracted Woolcott Research and Engagement to conduct customer satisfaction research to evaluate the performance of the CSC. The survey was drawn from customers who had contacted the CSC in the previous six months, and found that:

- > close to half of respondents contacted the CSC about licensing (44 per cent) and this was consistent across both private citizens (44 per cent) and organisations (42 per cent)
- > in terms of satisfaction:
  - > satisfaction levels by enquiry type shows licensing enquiries experienced high satisfaction levels of 81 per cent
  - > overall, 70 per cent of respondents were satisfied with the CSC and 20 per cent were dissatisfied
  - > those who contacted the CSC by phone had higher levels of satisfaction (80 per cent) compared with those contacting the CSC by other methods
- > the three most important factors for a customer service centre were thought to be staff understanding their enquiry, being knowledgeable and being easy to understand on the phone.

We are using the survey results to guide opportunities to improve the services provided by the CSC.

#### ACMA stakeholder survey

In 2015, we commissioned external research to survey senior-level stakeholders on their level of satisfaction with the ACMA's performance. Key findings regarding our approach to regulatory processes and our professionalism included:

- > 77 per cent felt response time frames were reasonable—compared to 73 per cent in 2014
- > 66 per cent were satisfied with the reasons for decisions and regulatory outcomes—compared to 58 per cent in 2014
- > 69 per cent were satisfied that we had provided appropriate channels and venues for engagement—compared to 79 per cent in 2014
- > 64 per cent felt that we understood the industry and sector issues—compared to 60 per cent in 2014.



## National interest issues

Agencies involved in law enforcement, national security and emergency services have special operational requirements delivered by the telecommunications industry. The ACMA administers the applicable obligations under the Telecommunications Act and liaises with representatives of agencies and the telecommunications industry.

Reliability of telecommunications customer information is critical to effective support for law enforcement and national security agencies. We continued to investigate and undertake compliance activities to ensure the accuracy of telephone location and identity information contained in the Integrated Public Number Database (IPND). We also worked with industry and emergency service agencies to improve the handling of emergency service calls and access to mobile location information.

Key highlights in 2015–16 include:

- > our active approach to ensuring compliance, which included two investigations—both of which were completed in the targeted time frame of six months, and both resulted in two enforceable undertakings and two directions to comply
- > holding one meeting of the Emergency Call Service Advisory Committee
- > leading a joint industry and government agency working group in the development of recommendations to improve the effectiveness and efficiency of the identity-checking requirements for prepaid mobile services
- > facilitating the national rollout of functionality to automatically receive better information about the location of a mobile caller to Triple Zero (000) by emergency service organisations (ESOs)—completed in May 2016
- > the launch of a new Windows version of the Emergency+ app to complement the Android and iOS versions already available.



**Data supplied to law enforcement, emergency services and national security agencies is highly reliable**

## Law enforcement and national security

### Supporting law enforcement and national security agencies

The telecommunications industry, including ISPs, is obliged to provide reasonably necessary assistance to law enforcement and national security agencies under section 313 of the Telecommunications Act. Since 13 October 2015, carriers and service providers have also been subject to data retention obligations under Part 5-1A of the *Telecommunications (Interception and Access) Act 1979*. The data retention obligations are enforceable by the ACMA under the Telecommunications Act.

During the reporting period, the Attorney-General's Department did not refer any carriers or CSPs to the ACMA for enforcement action for refusing to provide an agency with reasonably necessary assistance or for failing to meet their data retention obligations.

## Integrated Public Number Database

The IPND is an industry-wide database of all listed and unlisted public telephone numbers.

The information in the IPND is protected from disclosure or use under Part 13 of the Telecommunications Act. However, Division 3 of Part 13 provides exceptions to that protection and enables law enforcement agencies and emergency services to access customer data from the IPND. It is critical that the data is accurate for these purposes.

### CSP compliance with IPND requirements

The ACMA's compliance program seeks to improve compliance by CSPs with their IPND-related regulatory obligations to improve the quality, accuracy and completeness of IPND data.

In 2015–16, we raised compliance issues with 13 CSPs, including conducting two investigations under Part 26 of the Telecommunications Act. All 13 CSPs took steps to improve the quality of the customer data they provide to the IPND Manager. We also developed and distributed a practical checklist of key IPND obligations to CSPs.

#### *SpinTel Pty Ltd enforceable undertaking and direction to comply with IPND Code*

In October 2015, the ACMA found that SpinTel Pty Ltd (SpinTel) contravened both the IPND Code (C555:2008) and the Telecommunications Act when it incorrectly classified 426 silent numbers in the IPND. The ACMA:

- > directed SpinTel to comply with clause 5.12 of the IPND Code
- > accepted an enforceable undertaking from SpinTel to address non-compliance with IPND requirements under the Telecommunications Act.

#### *Macquarie Telecom Pty Limited enforceable undertaking and direction to comply with IPND Code*

In February 2016, the ACMA found that Macquarie Telecom Pty Limited (Macquarie Telecom) contravened both the IPND Code (C555:2008) and the Telecommunications Act when it failed to upload customer data to the IPND for some of its services. The ACMA:

- > directed Macquarie Telecom to comply with the IPND Code
- > accepted an enforceable undertaking offered by Macquarie Telecom to address the non-compliance with IPND requirements under the Telecommunications Act.

### IPND scheme

The IPND scheme allows for the ACMA to assess and authorise applications from public number directory publishers and people conducting research that is specified by the minister as being in the public interest.

During the reporting period, the ACMA varied the authorisations granted to The Local Phone Book Company and Geoffrey Mark Harris (formerly trading as Fleurieu Link).

### Identity-checking requirements for prepaid mobile phone services

In March 2016, the ACMA surveyed CSPs providing prepaid mobile services on their use of the different identity verification methods allowed under the Telecommunications (Service Provider – Identity Checks for Prepaid Mobile Carriage Services) Determination 2013 (the Determination).

The results indicated that the vast majority of identity verifications are being undertaken by CSPs themselves at the time the service is activated, rather than by third parties at the time of sale. CSPs are also making significant use of the government's Document Verification Service—a national online system that allows organisations to check a customer's identifying information with

a government record. We expect that these positive developments will result in an improvement in the quality of customer information collected by CSPs. This will benefit law enforcement and national security agencies and provide added efficiencies for industry in managing these services.

In November 2015, the ACMA commenced a review of the Determination, establishing a joint industry and government agency working group to contribute to the review. Recommendations from the final report will be considered in the next reporting period.

### Interception exemption for trial services

Section 193 of the Telecommunications (Interception and Access) Act gives carriers the opportunity to trial new services before committing expenditure on interception capability. The ACMA can grant an exemption from the obligation to provide interception capability if, after consulting with appropriate interception agencies, it is satisfied that this exemption is unlikely to create a risk to national security or law enforcement.

There was one exemption granted during 2015–16 relating to a program of trial services.



**Emergency service organisations and telecommunications stakeholders are supportive of approaches to improved handling of emergency calls, including better access to mobile location information**

**That ACMA determinations contribute to maintaining effective emergency call service access during transition to an increasingly broadband enabled environment**

### Emergency call service

The emergency call service is a national operator-assisted service that connects emergency callers free-of-charge to state and territory ESOs—police, fire and ambulance. The service is provided by the following emergency call persons:

- > Telstra, for the emergency service numbers 000 and 112
- > Australian Communication Exchange, for the emergency service number 106, used by people who are deaf or have a hearing or speech impairment.

On 9 May 2016, DoCA released its report on the Review of the national Triple Zero operator and the government’s response to the recommendations in the review regarding governance, coordination and funding arrangements for the Triple Zero service.

### Emergency Call Service Advisory Committee

The ACMA convenes the Emergency Call Service Advisory Committee (ECSAC) as a formally constituted advisory committee. ECSAC provides a forum for representatives of the telecommunications industry, emergency call persons and ESOs to provide advice to the ACMA and discuss priority issues affecting the operation of the service. ECSAC met once in 2015–16 and provided advice on a range of matters. Details of ECSAC members are provided at Appendix 1.

### **Improved mobile location for emergency service organisations**

By May 2016, all ESOs throughout Australia had implemented the functionality to automatically receive cell tower (or better) location information during a Triple Zero call.

Improved mobile caller location helps emergency services to better locate callers and provide emergency assistance as quickly as possible.

We have been keen to facilitate this public safety initiative and commend the investment of significant resources and expertise by the mobile carriers, Telstra as the Emergency Call Person (ECP) and ESOs.

### **Awareness-raising activities**

During the reporting period, the Triple Zero Awareness Work Group, an ECSAC working group, was active in improving awareness of Australia's emergency call service, particularly among children. The Triple Zero Kids Challenge provides a game for kindergarten and primary school-age children to learn how to cope in an emergency and the appropriate use of Triple Zero. In 2015–16, there were 75,714 games played and 23,753 downloads of the app version of the game.

### **Emergency+ app**

The Triple Zero Awareness Work Group also oversaw the launch of a new Windows version of the Emergency+ app to complement the Android and iOS versions. When activated, the Emergency+ app gives users their GPS reference, which they can provide verbally to an emergency call-taker to pinpoint their physical location. The app also contains contact numbers and a short explanation of when to call non-emergency numbers such as the Police Assistance Line and the national State Emergency Service number, rather than Triple Zero. In 2015–16 there were 224,064 downloads of the Emergency+ app.

### **Complaints and investigations about the Triple Zero service**

During the reporting period, the ACMA received two complaints and enquiries about the Triple Zero service. Both of these related to the handling of calls by an ESO (and not to Telstra as the ECP for 000 and 112), and were referred to the relevant organisation for a response. No formal investigations were undertaken.

## 3.2 Performance criterion 2: Consumer safeguards, education and information

### APS results

Section 3.2 reflects the ACMA's performance against key deliverables for performance criterion 2.



### Telecommunications safeguards

Consumer safeguards are an important element of a well-functioning telecommunications market. We undertake activities to ensure industry is complying with key telecommunications consumer protection requirements.

Highlights in 2015–16 included:

- > registering a new Telecommunications Consumer Protections (TCP) Code C628:2015
- > amending the International Mobile Roaming Standard in February 2016
- > completing 84 per cent of telecommunications investigations relating to the TCP code within the target time frame of six months. While the average time for completion of an investigation was 3.5 months, well below the target of six months, a small number of complex investigations took longer, impacting on the target time frame
- > appointing five new consumer representatives to the Consumer Consultative Forum (CCF) in May 2016. The CCF is a formal advisory committee established to help the ACMA perform its consumer functions and provides advice to the ACMA on communications issues that affect consumers. During the reporting period, two meetings were held, discussing issues such as ACMA enforcement of the TCP Code, the government's deregulation program, consumers' experience with NBN and third-party charges on telecommunications bills.



**Telecommunications safeguards, including those associated with Australia's new broadband network, protect the interests of citizens and small businesses who purchase or use telecommunications services**

### Telecommunications Consumer Protections Code

The ACMA proactively encourages and monitors compliance with the TCP Code. We publish information about code obligations that apply to telecommunications providers and liaise with providers to clarify or educate them about regulatory issues. Monitoring involves conducting regular surveys of industry compliance with specific parts of the TCP Code. We may also initiate checks of industry compliance where potential areas of concern are identified.

Where potential breaches of the code are identified, we often adopt an educative approach by giving providers an opportunity to promptly address our concerns. However, where appropriate, the ACMA will investigate possible non-compliance under Part 26 of the Telecommunications Act and take enforcement action.



Key TCP Code-related activities undertaken in 2015–16 are set out below.

### **New TCP Code registered**

In December, the ACMA registered a new TCP Code that allows industry greater flexibility around the provision of consumer information and removes unnecessary duplication with other laws, while maintaining key consumer protections. Registration of the new TCP Code followed an extensive review of customer information obligations by industry and other stakeholders in 2014.

### **Compliance attestations review**

The ACMA also approved a variation to Chapter 9 of the (new) TCP Code, effective from 3 March 2016. Chapter 9 contained provisions with regard to Communications Compliance Ltd (CommCom)—a self-regulatory industry body that aims to improve industry members' compliance with the TCP Code. The code variation was intended to improve the operational effectiveness of CommCom and increase the flexibility in reporting arrangements for smaller providers.

Under the varied arrangements, smaller providers (those with fewer than 3,000 services in operation) were required to lodge their attestation documents in CommCom's first lodgement window in 2016, which ended on 29 April 2016, or submit a deferral notice in that first window, allowing them to lodge in a second lodgement window ending on 1 September 2016. Larger providers must also lodge their attestations by the second lodgement window date.

### **Enquiries and investigations about compliance with the TCP Code**

During the reporting period, the ACMA initiated 105 enquiries into the compliance of suppliers with the TCP Code. Over the same period, we concluded 19 investigations (at times involving multiple TCP issues). Details of the type and outcome of investigations about compliance with the TCP Code made during 2015–16 are provided at Appendix 5.

### **TCP Code compliance attestations**

Under Chapter 9 of the TCP Code, providers must give CommCom annual attestations that confirm their compliance with the requirements of the Code. During the reporting period, we issued six directions and 25 formal warnings to providers who failed to lodge compliance attestations by the previous year's deadline.

### **Critical information summaries review**

The ACMA undertook its annual review of critical information summaries (CISs) in March and April 2016, assessing 92 offers from 47 providers. This year's CIS review found the majority of providers had compliant CISs and compliance levels were higher than in 2015 and comparable with those in 2014. Where compliance concerns were identified, nearly all providers contacted by the ACMA rectified the problems identified, with only two providers having matters outstanding at the end of the reporting period.

The ACMA issued a formal warning to a provider for breaching CIS and other advertising provisions. This was an outcome of the preceding (2015) CIS review.

Comparative results for 2015 and 2016 are summarised in Table 1.20.

**Table 1.20: Critical information summary annual review comparisons, 2015 and 2016**

Activity	2015	2016
Number of providers assessed	35	47
Number of offers assessed	68	92
CIS immediately compliant	69%	75%
CIS with some content or formatting issues	27%	23%
No CIS	4%	2%

Outside the ambit of its annual CIS review, the ACMA initiated:

- > 14 preliminary enquiries into CIS for land-based NBN services<sup>2</sup>
- > four preliminary enquiries about CIS for NBN satellite plans using the new ‘Skymuster’ satellite
- > 15 preliminary enquiries about CIS for low-cost landline services.

An investigation into a firm providing low-cost landline services was commenced. However, the concerns we had raised were resolved early in the investigation process and the investigation was terminated.

### Complaints-handling investigations and review

The ACMA initiated 11 preliminary enquiries into complaints-handling practices in 2015–16, resulting in the commencement of three investigations. One of these investigations has concluded with the ACMA finding a breach of provisions in relation to complaint record-keeping and keeping customers informed about delays in resolving their complaints. The ACMA directed the provider to comply with the code.

### Financial hardship review

In 2015–16, the ACMA conducted an audit of providers’ compliance with financial hardship provisions in the TCP Code. No investigations or enforcement action were considered necessary as a result of the audit.

### Customer transfer investigations

The ACMA conducted three investigations into provider compliance with the customer transfer provisions in the TCP Code in 2015–16. In all three cases, providers were found to have breached customer transfer provisions in the code. One of these providers has been issued with a formal warning.

### Communications Alliance registration

All providers bound by the TCP Code were required to undertake a ‘once-only’ registration with CA by 3 May 2016. In June 2016, we wrote to 23 providers who had not registered with CA by the due date to request that they register now. We will monitor compliance with this requirement.

### Mobile premium services

The Mobile Premium Services (MPS) Code provides consumers using mobile premium services with protections around informed purchasing, billing information and avenues for redress if problems arise.

<sup>2</sup> These related to providers retailing NBN services, not to NBN Co Limited itself.

The mobile premium services regulated by the MPS Code are those that provide information and entertainment services. These can include ring tones, chat services, voting in competitions and other similar services. Consumers access premium services by texting the third-party MPS provider on a 19-phone number or by giving their mobile number online.

The ACMA initiated two preliminary enquiries into MPS-related matters during the reporting period, neither of which progressed to a formal investigation.

In 2015–16, we noted a rise in consumer complaints including to the TIO about unauthorised third-party charges on their mobile phone bills. These complaints coincided with the more prevalent use of a form of third-party charging called direct carrier billing. Direct carrier billing lets consumers make online content purchases with their mobile phone that are charged directly to their phone bill. Although these services can be very similar to traditional mobile premium services, they are not covered by the MPS Code, due to the different way they are requested.

### **International Mobile Roaming Standard**

The International Mobile Roaming (IMR) Standard requires providers to give consumers information about the cost of roaming when overseas and enable them to opt out of roaming services to help minimise bill shock. It also requires CSPs to offer their customers spend management tools to help them manage expenditure while travelling. In 2015–16, we opened one preliminary enquiry into a provider's compliance with the IMR Standard, which is still in progress.

In response to a direction from the Minister of Communications in February 2016, the ACMA varied the IMR Standard. The amendments, which took effect in May 2016, mean that roaming service providers:

- > can send a mandatory on-arrival message in a single SMS message
- > have more flexibility in the ways that they offer customers the ability to decline mobile roaming from overseas
- > can offer customers the choice to opt out of receiving roaming usage alerts (with the provision to easily opt back in).

The amendments also delay requirements on mobile virtual network providers to give charging and spend management information to overseas roaming customers from May 2016 until January 2019.

These amendments were made in response to changes in the IMR market, including the introduction of travel packs for overseas data use from major Australian providers and a reduction in the cost of roaming services. There has been a significant decline in the number of roaming complaints to the TIO since the IMR Standard commenced.

### **Telecommunications Industry Ombudsman scheme**

Carriers and eligible CSPs have an obligation under the *Telecommunications (Consumer Protection and Service Standards) Act 1999* (TCPSS Act) to join the TIO scheme. The scheme provides an alternative dispute resolution service for small business and residential customers with unresolved complaints about their telephone or internet services. The ACMA helps to protect consumers by supporting the TIO. We can direct eligible CSPs to join and comply with the TIO scheme.

#### **TIO scheme membership**

From 1 July 2015 to 30 June 2016, the TIO referred eight companies that had not joined the TIO scheme to the ACMA, resulting in the ACMA initiating four investigations. In addition, one referral from the TIO sent in 2014–15 resulted in the ACMA initiating a further investigation. At 30 June 2016, six of the above referrals led to providers joining the TIO scheme.

Investigations into TIO scheme membership led to one provider being issued with a direction to comply with section 128 of the TCPSS Act, which requires a carrier or CSP to be a member of the TIO scheme. Further detail is provided at Appendix 5. Another provider was issued with an infringement notice for failing to comply with an earlier direction to join the scheme.

### **TIO scheme compliance**

The ACMA received no referrals from the TIO for non-compliance with the TIO scheme in the current reporting period.

### **Exemptions from the TIO scheme**

Section 129 of the TCPSS Act allows the ACMA to declare a carrier or eligible CSP exempt from the TIO scheme. In 2015–16, we received three applications from suppliers to be granted an exemption from the obligation to join the TIO scheme. Two applications were considered but were not granted, including one case where a reconsideration of the ACMA's initial decision was requested. The third application remained under consideration at 30 June 2016.

A register of providers granted exemptions in previous years is available on the ACMA website.

### **Copyright Notice Scheme Code**

In response to a request from the Minister of Communications and the Attorney-General on 11 December 2014, CA worked with rights-holders to develop a draft Copyright Notice Scheme (CNS) Code.

In our engagement with industry stakeholders as they developed the draft CNS Code, we provided advice about practical aspects of the CNS scheme proposed and preconditions to ACMA registration.

In April 2015, CA submitted a draft CNS Code to the ACMA to be considered for registration under Part 6 of the Telecommunications Act. However, funding and other practical aspects of the scheme were unresolved, which prevented the ACMA from considering the CNS Code for registration.

In April 2016, telecommunications industry and rights-holder representatives informed the ACMA that commercial agreement on the outstanding unresolved matters had not been reached. In May 2016, following a request from the industry and rights-holder representatives, we agreed to hold further consideration of registration of the draft CNS Code in abeyance for 12 months.

### **Universal service obligation**

The universal service obligation (USO) is specified in Part 2 of the TCPSS Act. The USO requires the Primary Universal Service Provider (currently Telstra) to ensure standard telephone services, payphones and prescribed carriage services are reasonably accessible to all people in Australia on an equitable basis, wherever they reside or carry on business.

While we are unable to directly monitor USO delivery, we do monitor related aspects of compliance with the USO regime through the Customer Service Guarantee and Payphone Performance Benchmarks, and report on these matters in our annual communications report (see also *Payphone performance* and *Customer Service Guarantee* below).

### **Payphone performance**

In October 2015, the ACMA completed its assessment of Telstra's compliance against the Telecommunications Universal Service Obligation (Payphone Performance Benchmarks) Instrument (No. 1) 2011 for the period 1 July 2014 to 30 June 2015. We determined that Telstra met the required benchmarks.

## Customer Service Guarantee

In October 2015, the ACMA completed its assessment of the compliance of qualifying CSPs against the Telecommunications (Customer Service Guarantee – Retail Performance Benchmarks) Instrument (No. 1) 2011 and the Telecommunications (Customer Service Guarantee) Record-Keeping Rules 2011. The benchmarks and record-keeping rules applied to Telstra, Optus, iiNet and Dodo for the 2014–15 period. All these providers met all relevant benchmarks in that reporting period.

We also receive notification of exemptions declared by CSPs for mass service disruptions. The number of mass service disruption notices (not including extensions) received from carriers/ CSPs decreased from 339 in 2014–15 to 285 in 2015–16 (see Table 1.21). The impact of each exemption is dependent on the particular circumstances and, as such, varies in duration and the number of services affected.

**Table 1.21: Mass service disruption notices, by carrier/CSP**

Carrier	No. of notices 2014–15	No. of notices 2015–16
Telstra	80	60
iiNet	80	58
Optus	79	60
M2 Group*	78	50
Foxtel	22	57
<b>Total</b>	<b>339</b>	<b>285</b>

\*M2 Group exemption notifications include Primus, Eftel and Dodo exemptions due to recent acquisitions by the M2 Group.

## Network Reliability Framework

Under the Network Reliability Framework (NRF), Telstra must provide the ACMA with network performance reports at three levels:

- > Level 1—geographical area level, based on Telstra’s field service areas
- > Level 2—disaggregated parts of the network known as cable runs
- > Level 3—the individual service level.

Level 1 shows the percentage of Customer Service Guarantee (CSG) services without a fault or service difficulty, the percentage of time CSG services are available and the average time (hours) to restore fault-affected CSG services.

Each month, the ACMA is required to approve the initial selection of Level 2 cable runs in line with a prescribed formula and receive reports on the remediations of these cable runs. We are able to grant extensions to remediation time frames in certain circumstances. We approved all Level 2 cable run lists provided in 2015–16 and granted six extensions of time for remediation of cable runs in the reporting period.

Under Level 3, Telstra must remediate individual services that have experienced more than three faults or service difficulties in a 60-day rolling period, or more than four faults or service difficulties in a 365-day rolling calendar period. The ACMA is required to approve a proposed remediation plan for the services. In 2015–16, Telstra reported 2,506 Level 3 contraventions, for which the ACMA approved all submitted remediation plans.

Service performance under the NRF is reported in our annual communications report.

## Priority assistance

Priority assistance is an enhanced telephone connection and repair service for people with a diagnosed life-threatening medical condition who are at risk of suffering a rapid deterioration in their condition. Telstra is required under its carrier licence conditions to provide priority assistance services. Other service providers may offer priority assistance in accordance with industry code ACIF C609:2007 *Priority Assistance for Life Threatening Medical Conditions*.

We received seven complaints about priority assistance in 2015–16, all of which were resolved through communication with the complainants and Telstra.



### ACMA provides support for industry and consumer information initiatives

## Consumer information

The ACMA uses a range of information initiatives to actively promote industry compliance with telecommunications regulations and improve consumer awareness about telecommunications safeguards, including:

- > education—we visit and liaise with providers to discuss the requirements of the regulations, along with concerns they may have, particularly when requirements or the provider are new
- > media—we distribute messages through our online and media channels to publicise the outcome of compliance monitoring and investigations, alert industry of the commencement of new regulations and offer general industry guidance to promote compliance.

We use our online and social media channels to support greater consumer awareness and engagement about telecommunications matters. General information is made available about consumer safeguards in place, as well as about companies that have been subject to enforcement action for TCP Code or other regulatory breaches. The ACMA website offers a wide range of consumer information and advice about telecommunications issues. We also published 18 telco blogs this reporting period on topics including what to consider when downloading free apps, understanding streaming services and how to safely use public Wi-Fi hotspots in Australia.

## Consumer Consultative Forum

The Consumer Consultative Forum (CCF) is a formal advisory committee established to help the ACMA perform its consumer functions. It provides advice to the ACMA on communications issues that affect consumers.

During the reporting period, consumer representatives joined regulators and industry bodies at two meetings in November 2015 and June 2016 to discuss topics including:

- > ACMA activities such as the enforcement of the TCP Code and operation of the Do Not Call Register
- > the government's deregulation program
- > consumers' experience with NBN
- > third-party charges on telecommunications bills
- > telecommunications providers who shift customers to a new company to try to avoid regulatory oversight.

We announced the addition of five new consumer representative members to the CCF on 1 April 2016. Membership of the CCF is listed in Appendix 1.



## Unsolicited communications compliance

The ACMA's unsolicited communications compliance program fosters business compliance with the *Do Not Call Register Act 2006* (DNCR Act), Telemarketing and Research Industry Standard 2007, Fax Marketing Industry Standard 2011 and *Spam Act 2003*.

The issues associated with unsolicited communications continue to evolve at a rapid pace. However, our focus remains on:

- > delivering effective unsolicited communications safeguards for citizens, consumers and businesses
- > fostering industry compliance with standards and legislative obligations.

The ACMA adopts a multi-layered strategy, where a graduated approach to compliance and enforcement is complemented by education and awareness activities, engagement with stakeholders, targeted campaigns, market intelligence and international cooperation.

Key highlights for 2015–16 include:

- > the successful transition of the DNCR to a new service provider (Salmat Digital Pty Ltd) in September 2015
- > completing 99 per cent of spam and 96 per cent of DNCR formal complaints within 15 days, exceeding the ACMA's target of 90 per cent
- > our informal approach to compliance was effective in the majority of instances—the ACMA received no further complaints about 72 per cent of businesses after a single contact
- > our active approach to ensuring compliance also included undertaking 14 formal investigations, which resulted in a range of outcomes including three formal warnings and three infringement notices. The ACMA was also successful in taking Federal Court action against Getaway Escapes Pty Ltd, which was ordered to pay penalties of \$150,000 for breaching the DNCR Act and \$150,000 for breaching the Telemarketing and Research Industry Standard
- > the average spam investigation completion time was seven months, with 80 per cent of spam investigations completed within eight months. For DNCR, the average investigation time was nine months
- > using our graduated approach to compliance to ensure enforcement actions were targeted at areas of serious non-compliance
- > leading the development of two Memorandums of Understanding (MoUs) between international regulatory authorities, facilitating the exchange of information to assist signatories in the performance of responsibilities related to unsolicited telecommunications.



## Maintain effective operation of the Do Not Call Register for citizens and businesses

### The Do Not Call Register

In September 2015, the DNCR successfully transitioned to a new service provider, Salmat Digital Pty Ltd. This involved a short period when its services were unavailable, but was otherwise seamless for marketers and citizens.

The transition included the migration of all data from the previous provider (Service Stream Ltd) and the implementation of a new website for the register. Data migrated included all registered numbers (over 10 million), the registration history of those numbers, all historical transactions of marketers, and enquiries and complaints data.

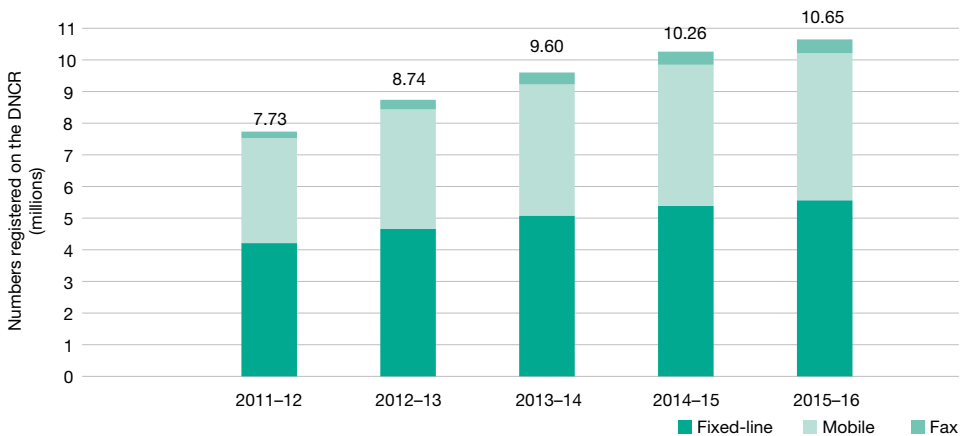
The register operated by Salmat allows more self-service options for marketers, better access to information about marketer accounts and a simplified washing service, which should result in fewer marketer enquiries and a more efficient use of the register.

At 30 June 2016, there were 10.65 million numbers on the register. This comprised 5.56 million fixed-line numbers, 4.65 million mobile numbers and 430,000 fax numbers (see Figure 1.4).

In 2015–16, 387,000 fixed-line, mobile and fax numbers were added to the register. Of this increase in registrations, 50.2 per cent were mobile numbers, which may be related to an increase in the proportion of complaints about telemarketing calls to mobiles.

In 2015–16, over one billion numbers were checked or ‘washed’ against the register by 1,022 marketers.

**Figure 1.4: Fixed-line, mobile and fax numbers listed on the Do Not Call Register, 2011–12 to 2015–16**







### That citizens and businesses have effective and accessible avenues of complaint and advice regarding unsolicited communications

#### Unsolicited communications complaints

Under Part 26 of the Telecommunications Act, citizens can make complaints to the ACMA about calls, faxes, emails and SMS they receive that might be in contravention of the legislation.

We provide multiple channels for Australians to make complaints and seek information about protections available, as well as for businesses to find out and engage with us about their compliance responsibilities and obligations related to the unsolicited communications legislation.

These channels include the DNCR contact centre where citizens are able to make complaints or seek advice by phone about unwanted telemarketing and fax marketing. Complaints or enquiries about telemarketing or fax marketing calls can also be made online, by letter or by email. In 2015–16, the ACMA enhanced the DNCR website to improve accessibility and make it easier for Australians to visit the website and lodge complaints using mobile devices. This is an important enhancement given 43 per cent of numbers on the register are mobile numbers.

In 2015–16, Australians made 23,059 complaints to the ACMA about unsolicited telemarketing and fax marketing. Of these complaints, 96 per cent were completed within 15 days, exceeding our performance target.

Similarly, we provide multiple channels for Australians to make complaints or reports and seek advice about unsolicited e-marketing and spam. These include accessing information and lodging complaints online, a dedicated email address to allow simple forwarding of email spam to the ACMA, a mobile telephone number to allow SMS spam to be similarly forwarded to the ACMA, and a dedicated email address and enquiries phone number for enquiries by marketers.

In 2015–16, Australians made 533,947 contacts to the ACMA about spam received, including 1,737 formal complaints. Of the formal complaints, 99 per cent were completed within 15 business days, exceeding the performance target. Table 1.22 sets out the total number of complaints and reports made by Australians using the channels we provide.

**Table 1.22: Complaints and reports about unsolicited communications**

Activity	Number 2014–15	Number 2015–16
Email complaints and reports	343,948	515,879
SMS complaints and reports	7,077	18,068
<b>Total Spam Act</b>	<b>351,025</b>	<b>533,947</b>
Telemarketing complaints	18,081	23,014
Fax marketing complaints	99	45
<b>Total DNCR Act and related industry standards</b>	<b>18,180</b>	<b>23,059</b>



**That the number of complaints and reports about unsolicited communications received from businesses after they have been sent informal warnings is low**

## Unsolicited communications education and compliance

We adopt a graduated approach to unsolicited communications compliance and most identified cases of non-compliance are addressed without the need for formal investigation or enforcement actions.

Following the external audit of ‘Unsolicited Communications’ undertaken by the Australian National Audit Office in 2014–15, the ACMA implemented the recommendations provided, including the preparation of investigations plans and assessment of risks, and the enhancement of performance measures and reporting.

In 2015–16, the ACMA received no further complaints about 72 per cent of businesses after a single contact. These informal warnings outline the potential breaches identified via the complaints, and educate and remind businesses of their obligations and responsibilities under the rules.

In 2015–16, we also enhanced our unsolicited compliance IT systems to facilitate quicker, more automated and efficient processes around issuing compliance warnings related to the DNCR Act. As a result, we are now able to contact a business within a maximum of 30 days of a complaint being received, allowing a quicker response from businesses about potential compliance problems.

**Table 1.23: Graduated compliance activities and enforcement outcomes**

Activity	Number 2014–15	Number 2015–16
<b>Spam Act</b>		
Informal compliance warnings	6,918	2,412
Investigations	4	5
Formal warnings	2	1
Enforceable undertakings	1	0
Infringement notices	1	1
Federal Court proceedings	0	0
<b>DNCR Act and related industry standards</b>		
Informal compliance warnings*	962	1,691
Investigations	5	8
Formal warnings	1	2
Enforceable undertakings	0	0
Infringement notices	0	2
Federal Court proceedings	0	1

\*In 2015–16, DNCR advisory and warning letters were replaced with informal compliance warnings. In 2014–15, the ACMA issued 880 advisory and 82 warning letters, aggregated above as 962.

During 2015–16, the ACMA finalised eight DNCR Act- and five Spam Act-related investigations under Part 26 of the Telecommunications Act.

In March 2016, the ACMA also commenced Federal Court proceedings against Getaway Escapes Pty Ltd and its director, Ms Joanne Day. In June 2016, the Court ordered Getaway Escapes to pay penalties of \$150,000 for breaching the DNCR Act and \$150,000 for breaching the Telemarketing and Research Industry Standard. Ms Day was ordered to pay penalties totalling \$25,000 for being knowingly concerned in, or a party to, the company's breaches.

It is the first time the ACMA has taken Federal Court action for alleged contraventions of the Industry Standard.

### **Education activities and stakeholder engagement**

In 2015–16, we engaged in targeted educational and stakeholder activities to assist businesses to meet their unsolicited communications obligations and help the public deal with unsolicited marketing.

To target business and industry compliance, in 2015–16 we:

- > completed an education campaign aimed at businesses using telemarketing to sell solar products, following a rise in complaints from the public
- > undertook direct engagement with charity telemarketers and call centres about Telemarketing and Research Industry Standard obligations following increased complaints about charity calls
- > expanded our use of social media to engage with consumers on telemarketing and spam-related issues, and to quickly issue alerts and warnings about apparent phone, email and SMS scams in circulation
- > published five blogs aimed at businesses that engage in telemarketing and e-marketing. These blogs target compliance issues that are the subject of complaints and investigations, and promote and encourage businesses to comply with the rules.

### **International cooperation**

Recognising that it is a global issue, the ACMA strives to be an international leader and influential in combating unsolicited communications. International cooperation reduces the impact on Australians of unsolicited communications originating elsewhere.

In 2015–16, we actively participated in the London Action Plan (LAP), a prominent international forum that fosters cooperation between its members regarding spam and unsolicited telemarketing enforcement. In 2015, we led negotiations for an MoU between regulatory authorities of the LAP. The MoU aims to facilitate the exchange of information to assist signatories in the performance of enforcement responsibilities for unsolicited telecommunications and spam. Between December 2015 and June 2016, 11 agencies from eight countries signed the MoU.

In November 2015, the ACMA also signed a separate MoU with the New Zealand Department of Internal Affairs. Under this MoU, both agencies have committed to share information and assist each other with spam compliance and enforcement activities, and to share intelligence about phishing activity, malware and botnets.



## Broadcasting safeguards

The year was marked by further streamlining of broadcasting safeguards activities to enhance the effectiveness and efficiency of the ACMA in this area.

Key highlights for 2015–16 include:

- > Significant reductions to investigation time frames. The average time taken to complete broadcasting investigations fell to 1.6 months, down from 2.6 months in 2014–15. Of the 156 investigations completed, only 2.5 per cent (or four) fell outside the target completion time frame of six months, compared with 7.5 per cent of investigations the year before.
- > Leveraging off the ACMA's *Contemporary community safeguards inquiry*, Free TV completed a review of the Commercial Television Code of Practice and submitted it to the ACMA. The new code was registered by the ACMA in November 2015 and came into effect on 1 December 2015. It contains a package of safeguards appropriate for the contemporary communications environment, and is simplified and more user-friendly.



**That broadcasting rules are informed by an appropriate evidence base and produce diversity in broadcasting services**

### Ownership and control

We have a role in monitoring and investigating compliance with the media diversity and control rules. In the reporting period, the government proposed to repeal two media diversity and control rules as part of the Broadcasting Legislation Amendment (Media Reform) Bill 2016. These were the '75 per cent audience reach rule', which prevents a person from controlling television services that reach in excess of 75 per cent of the Australian population; and the 'two out of three control rule', which prevents a person from controlling more than two of the three regulated forms of media (commercial radio, commercial television and associated newspapers). These changes were considered by the Senate Standing Committee on Environment and Communications, which reported in May 2016. The Bill subsequently lapsed.

The ACMA considered proposed arrangements between Foxtel Management Pty Ltd (Foxtel) and Ten Network Holdings Ltd (Ten) and in October 2015 was satisfied that the arrangements would not contravene the media diversity and control rules in the BSA, based on the information available to it.

### Notifications of changes in control

We received notifications about eight events that affected the control of media operations. This was fewer than in previous years. These notifications of change of control affected:

- > 27 commercial television broadcasting licences
- > 86 commercial radio broadcasting licences
- > 16 associated newspapers.

***Enforcement for failure to comply with notification provisions***

All notifications lodged with the ACMA in the reporting period for change-of-control events were lodged within the statutory period of 10 business days from becoming aware of the control event, and were processed within the statutory periods.

During the reporting period, no infringement notices or formal warnings were given for late notifications of changes in control.

**Applications for prior approval**

During the reporting period, we approved one application for prior approval of a temporary breach under section 67 of the BSA.

We also approved applications for an extension of the period granted in relation to four prior approvals under section 67, and one prior approval granted under section 61AJ in relation to a transaction that will result in an unacceptable media diversity situation (UMDS).

We approved an extension of six months—to 30 September 2016—to remedy the breaches of sections 54 and 56 in the Sydney RA1 licence area, and an extension of one month—to 31 October 2015—to remedy the UMDS in Mt Isa RA1 licence area.

All applications were finalised within the allowed statutory period of 45 days.

We also consented to variations of the enforceable undertakings given by MRN and Fairfax under section 205W and section 61AS of the BSA to remedy the temporary breaches and the UMDS by selling Radio 2CH Pty Ltd or the 2CH commercial radio broadcasting licence in the Sydney licence area and 4LM in the Mt Isa licence area.

**Broadcasting compliance****Code reviews**

Free TV commenced a review of the Commercial Television Industry Code of Practice 2010 during the last reporting period. A revised code of practice was registered by the ACMA on 10 November 2015 and commenced on 1 December 2015.

A review of the Commercial Radio Codes of Practice and Guidelines began in 2015–16. Commercial Radio Australia released a revised code for public consultation on 15 April 2016. The public consultation period ran for six weeks, closing on 28 May 2016. We will consider the registration of this code in the next reporting period.

***Legislative amendments***

On 20 March 2015, legislative amendments introduced by the Broadcasting and Other Legislation Amendment (Deregulation) Bill 2015 became effective. Key changes included:

- > requiring the ACMA to review, and vary as appropriate, the Broadcasting Services (Television Captioning) Standard 2013 (see below)
- > exempting new subscription television services in Australia from the annual captioning targets for at least the first 12 months of operation
- > allowing aggregation of captioning targets across subscription television sports channels supplied by the same channel provider, subject to minimum levels being met on each individual channel of the channel provider
- > amending record-keeping requirements to differentiate between written records and audiovisual records.

## Captioning reviews

### Review of the Captioning Quality Standard

We were required to review, and vary as appropriate, the Broadcasting Services (Television Captioning) Standard 2013 (the Captioning Quality Standard) to consider the differences between live, ‘part-live’ and pre-recorded programs, and how these affect the quality of television captions. We completed a review of the Captioning Quality Standard on 3 March 2016.

We consulted broadly before opting to remain with a non-metric approach, which would assess the quality of captions by considering the accuracy, comprehensibility and readability of the captions, and how meaningful the captioning service is to deaf and hearing-impaired viewers. The ACMA made a minor variation to the Captioning Quality Standard to reflect this decision.

### Statutory review of captioning rules

The ACMA is required, before 31 December 2016, to conduct a review of the captioning rules in the BSA. To this end, we released a consultation paper on 8 June 2016, seeking stakeholder submissions about the operation of the rules. The ACMA must provide a report to the minister before 30 June 2017.



**That citizens have effective and accessible avenues of complaint for broadcast content that breaches community standards**

## Broadcasting compliance

### Broadcasting investigations in 2015–16

The numbers of complaints and investigations concerning broadcasters’ compliance with codes of practice, licence conditions and standards related to the BSA are provided in Table 1.24. Details of breach and non-breach findings by category of broadcasting service are in Appendix 4.

**Table 1.24: Broadcasting complaints and investigations for commercial, national, subscription and community broadcasters and datacasters, 2015–16**

<b>Written complaints and enquiries received</b>	<b>1,232</b>
<b>Written complaints and enquiries actioned within time frame of seven days</b>	<b>99.7%</b>
<b>Investigations completed*</b>	<b>156</b>
<b>Investigations resulting in breach findings<sup>^</sup></b>	<b>35</b>
Investigations of compliance with codes of practice	18
Investigations of compliance with BSA, licence conditions or standards	17
<b>Investigations resulting in non-breach findings</b>	<b>109</b>
Investigations of compliance with codes of practice	99
Investigations of compliance with BSA, licence conditions or standards	10
<b>Investigations completed within time frame of three months</b>	<b>141</b>
<b>Investigations completed within time frame of six months</b>	<b>152</b>
<b>Average time for completion of investigations</b>	<b>1.6 months</b>

\*Includes five investigations that resulted in no findings and seven investigations that were concluded (withdrawn prior to decision).

<sup>^</sup>Investigations involving compliance with codes of practice may also involve licence conditions or standards. For the purposes of the annual report, these investigations have only been counted once. Further details can be found in Appendix 4 or on the ACMA website.

### **Discretion to investigate**

The ACMA has the discretion to investigate complaints about broadcasting matters. This discretion was given to the ACMA on 17 October 2014. Prior to that, all complaints had to be investigated, even if the matter was trivial.

When deciding whether to investigate a particular matter, our primary consideration is the public interest. A range of factors are considered, including the nature and seriousness of the matter raised or steps taken by the broadcaster involved to prevent future incidences of the issue.

In the current reporting period, we exercised our discretion to investigate 149 complaints and declined to investigate 65 complaints. In the previous period, until the discretion was introduced on 17 October 2014, we investigated 49 complaints. From 17 October 2014 to 30 June 2015, we exercised our discretion to investigate 61 complaints and declined to investigate 35 complaints (multiple valid complaints may concern a single broadcast or matter).

Alongside the introduction of our discretion, we have streamlined our investigation processes and leveraged new IT systems to improve the quality and timeliness of outcomes, produce internal efficiencies and reduce the administrative burden on industry.

### **Enforcement activities**

In October 2015, the ACMA issued Hawkesbury Radio Communications Cooperative Society Ltd, the licensee of community radio station 2VTR, remedial directions to comply with the licence condition requiring it to encourage community participation. The remedial directions were issued after 2VTR failed to voluntarily address the issues identified by the ACMA in a 2014 investigation.



### **That broadcasting providers comply with regulatory requirements to meet community standards**

## **Local content**

### **Investigations—local content licence condition (regional television)**

During the reporting period, there were no complaints or investigations involving compliance with the regional commercial television local content licence condition to broadcast minimum amounts of material of local significance.

### **Investigations—local content licence condition (regional radio)**

During the reporting period, there were no complaints or investigations involving compliance with the regional commercial radio local content licence condition to broadcast prescribed amounts of material of local significance between 5 am and 8 pm on business days.

### **Local content and presence obligations due to a trigger event**

The BSA sets out circumstances where a trigger event<sup>3</sup> causes additional obligations to apply to a regional commercial radio licence. During the reporting period, there were four trigger events affecting 93 regional commercial radio licences (of those 93, 12 consisted of six licences that were subject to two separate trigger events). During the reporting period, 35 licences of those 93 were affected by a trigger event for the first time. All required draft local content plans and local presence reports were provided in the 90-day time frame.

### **Compliance with local content plans**

Annual reporting for the 2014–15 financial year from trigger event-affected licensees showed a high level of compliance with their local content plans. Of the 110 trigger event-affected licensees reporting to the ACMA, all reported compliance with their approved plans.

We conducted two investigations into the requirement for a licensee to take all reasonable steps to ensure compliance with a local content plan. The investigations related to two licences held by the same licensee. No findings were made as, in each case, the matters were found to have arisen due to administrative (and reporting) errors made by the licensee. The licensee has since taken steps to improve its administrative process.

### **Investigations—local news and information and local presence**

There were no complaints about the way licensees fulfilled their local presence obligations and the requirement to broadcast local news and information on trigger event-affected regional commercial radio licensees.

### **Anti-siphoning provisions**

We conducted no investigations into the anti-siphoning provisions in the reporting period.

We dealt with seven complaints or enquiries about the availability of sports programs on free-to-air television.

<sup>3</sup> Subject to certain exceptions, a 'trigger event' is defined as: (a) a change in control of a regional commercial radio licence, (b) the formation of a new registrable media group where a regional commercial radio broadcasting licence is in the group or (c) a change in controller of a registrable media group where a regional commercial radio broadcasting licence is in the group.



## Australian content

All metropolitan commercial television broadcasting licensees reported meeting primary channel (55 per cent) and non-primary channels (1,460 hours) transmission quotas for Australian content in 2015.

The transmission quotas are specified by the BSA and apply to programs televised by free-to-air commercial television broadcasters between 6 am and midnight each calendar year. Australian content provided by commercial television licensees on their primary channels was high, with the Seven Network providing an average of 70 per cent local programming, the Nine Network an average of 72 per cent and Network Ten an average of 63 per cent.

In 2015, all three networks met the 1,460 hours non-primary channel transmission quota:

- > Seven Network averaged 2,959 hours
- > Nine Network averaged 1,604 hours
- > Network Ten averaged 4,077 hours.

All metropolitan and regional licensees reported compliance with the annual sub-quota requirements for first-release Australian drama, documentary and children's programs in 2015.

### ***Broadcasting Services (Australian Content) Standard 2005***

During 2015–16, the ACMA investigated 19 regional licensees' compliance with the Broadcasting (Australian Content) Standard 2005.

We found the 19 regional licensees failed to provide the minimum level of first-release Australian C drama during the 2012–14 triennium. No further action was taken, as the ACMA was satisfied that the licensees had already broadcast repeat episodes of the C programs and had not included them in reporting on compliance with the quota in 2014.

### **Children's Television Standards 2009**

In 2015, the amount of first-release Australian children's drama broadcast reported by the metropolitan networks averaged more than the 25-hour quota:

- > Seven Network licensees averaged 26.5 hours (26.5 hours in 2014)
- > Nine Network licensees averaged 32 hours (32 hours in 2014)
- > Network Ten licensees averaged 26.5 hours (26.5 hours in 2014).

All metropolitan and regional licensees reported meeting the annual minimum quota requirements for children's programming in 2015.

### ***Children's and preschool programs***

During 2015–16, we assessed 28 applications for classification of children's and preschool programs, including the renewal of classification for two preschool programs (see Table 1.25). One children's program was refused classification as it did not satisfy one of the CTS criterion for the purpose of being classified a C-drama program.

Twenty-six program assessments were completed within 60 days of the ACMA receiving a completed application.

A list of applications for children and preschool program classification approved and refused is in Appendix 3.

Table 1.25: Children's and preschool program classification, 2014–15 and 2015–16

	2014–15		2015–16	
	Applications granted classification	Applications refused classification*	Applications granted classification	Applications refused classification*
Children's programs	7	1	7	0
Children's programs—drama	10	1	6	1
Provisional—children's	6	0	5	0
Provisional—preschool	0	0	1	0
Preschool programs	3	0	8**	0
<b>Total</b>	<b>26</b>	<b>2</b>	<b>27</b>	<b>1</b>

\*These programs failed to satisfy the criteria in the CTS.

\*\*Includes two renewals of classification.

### Subscription television drama expenditure

Due to the particular reporting time frame under the new eligible drama expenditure (NEDE) scheme, only 2014–15 information is available for this annual report.

For the 2014–15 compliance period, six licensees, five channel providers and two pass-through providers supplied 29 eligible drama channels.

All participants met their expenditure obligations for this period, reporting an expenditure on new eligible Australian drama of \$36.4 million (aggregated). Of that amount, \$18.06 million was nominated to acquit the expenditure shortfall for 2013–14.

Industry compliance results for the current and previous periods are shown in Table 1.26.

Table 1.26: NEDE scheme compliance, 2010–11 to 2014–15

	2010–11	2011–12	2012–13	2013–14	2014–15
	\$m				
NEDE obligation	30.87	28.82	33.41	28.57	31.28
Expenditure on new eligible drama	34.63	24.38	13.70	36.81	36.43
Expenditure nominated to make up previous year's NEDE shortfall	12.11	6.81	6.41	25.76	18.06
Expenditure nominated towards current year's NEDE obligation	24.05	22.53	6.42	10.14	12.47
Remaining obligation to be acquitted in 2015–16	6.81	6.41	25.76	18.06	15.44

## Captioning

The annual compliance reports indicated a high level of compliance with the captioning target requirements during 2014–15:

- > 92 out of 95 free-to-air commercial and national television broadcasting services each achieved between 99.75 per cent and 99.99 per cent captioning on their primary channels in 2014–15 (6 am to midnight), compared to the 100 per cent captioning target for this period.
- > The captioning shortfalls of 21 free-to-air services—approximately two hours per service—were disregarded as they were solely caused by significant unforeseen technical or engineering difficulties. However, the shortfalls of the other 71 free-to-air services—approximately five hours per service per year—could not be disregarded as they were not solely caused by significant unforeseen technical or engineering difficulties. Consequently, 71 free-to-air services breached the captioning target for 2014–15.
- > The remaining three free-to-air services exceeded their reduced captioning target of 90 per cent each for 2014–15. These three services had target reduction orders in place for the year on the grounds of unjustifiable hardship.
- > Approximately 99.5 per cent of subscription television services (660 out of 663) met their annual captioning target requirements in 2014–15. During the year, captioning services were provided on 458 subscription television services (or 93 distinct subscription television channels)—as the same channels provided by different licensees are treated as different services under the captioning legislation.
- > Three subscription television services (involving two distinct channels) did not meet their captioning target for 2014–15 because of significant technical difficulties or procedural issues. Consequently, these services breached their captioning target for 2014–15.

We did not take any formal enforcement action for these matters. This is consistent with our compliance and enforcement strategy—a graduated and strategic risk-based approach that generally uses the minimum power or intervention necessary to achieve the desired result.

### ***Captioning exemption orders and target reduction orders***

The ACMA has the power to make an exemption order or a target reduction order for a specified commercial, national or subscription television service on the grounds of unjustifiable hardship.

In 2015–16, we approved 34 applications for exemption orders (for 34 separate subscription television services) and three applications for target reduction orders (for three separate commercial television services). During the year, we refused 15 applications for exemption orders and one application for a target reduction order.

We met the statutory requirement to make a decision on each application for exemption order and target reduction order within 90 days of receiving the application.

**Table 1.27: Exemption orders and target reduction orders, 2015–16**

Application type	Approved	Refused	Financial year in which applications were received by the ACMA
Exemption order	34	15	2015–16
Target reduction order	3	1	One application received in 2015–16 and the other three in 2014–15



## Cybersecurity

The ACMA's online security partnership programs include sharing information with private, public and not-for-profit sector partners to address risks and threats affecting citizens and business. Our cyber activities are underpinned by the evolving character of the information economy and networked society, and seek to understand how citizens engage, or struggle to engage, with the online environment. Through programs including the Australian Internet Security Initiative (AISI), and the Phishing Alert Service, we aim to identify new and existing obstacles, and provide enhanced tools for Australians to address and deal with these barriers.



**Provision of information to internet providers, critical infrastructure providers and other stakeholders about malware infections on their networks and related cybersecurity threats to enable them to assist citizen and small businesses to interact safely and securely with the digital networked environment**

### Australian Internet Security Initiative

The ACMA operates the AISI—a voluntary industry and government program—to help address the problem of compromised computing devices and vulnerable internet-accessible services.

Under the AISI program, daily reports are provided to AISI partners (principally ISPs) of malware infections and vulnerable services occurring on their networks. Partners are expected to use this data to inform their affected customers of the compromise or vulnerability.

During 2015–16:

- > for the first time, significant numbers of reports were made of malware targeting mobile devices running Android or iOS operating systems
- > the number of AISI partners increased to 146 at 30 June 2016, compared with 140 at 30 June 2015—over 95 per cent of Australian residential internet services are estimated to be covered by these participants
- > an average of 198,000 vulnerable or open services were reported to AISI members per day, compared to approximately 106,000 in 2014–15
- > an average of 10,279 malware infections were reported per day
- > all malware infection reports were issued to partners within 24 hours of receipt of the underlying data by the ACMA.

We expanded the range and extent of cybersecurity threat information shared with partners during 2015–16. Eleven new service vulnerability types were introduced and reported through the AISI during the year. While the quantity of long-standing vulnerabilities—notably POODLE and FREAK—reduced over the year, the introduction of new types led to an increase of approximately 74,000 reports per day.

The ACMA continually reviews the AISI program to help ensure it remains relevant to its partners and their customers. In support of this activity, in October 2015 we released a research paper, *The Australian Internet Security Initiative: Interviews with industry participants*. This paper, based on interviews with 24 AISI partners, examined internet provider usage of the daily AISI malware

infection reports and the associated AISI portal (the portal provides historical data on malware infections and service vulnerabilities occurring on partner networks—data in the portal is updated every 15 minutes). The paper also examined how AISI partners interact with their customers when advising them of malware infections on their computing devices. The report found strong industry support for the AISI program.

### **Spam intelligence—the Phishing Alert Service**

The ACMA receives reports of email and SMS spam from a number of different sources into its Spam Intelligence Database (SID). This data is used to identify ‘phishing’ activities—the use of electronic messages to acquire personal or financial information from users through impersonation of often well-known organisations such as the Australian Taxation Office, the Australian Federal Police and Australia Post, financial institutions and major brands.

In 2015–16, a monthly average of 3,689 phishing notifications was sent, compared with 3,627 in the previous year.

A trend observed during the reporting period was the increasing use of SMS communications to facilitate phishing campaigns, often supported by fake replications of mobile banking websites and other sophisticated online forms. During the year, we issued four cybersecurity e-bulletins warning internet users about these campaigns.

As with AISI data, we share spam information with a number of other government agencies to help identify current and emerging threats delivered via spam.



## Online content complaints

The ACMA's 2015–16 PBS sets out the strategic outcomes and performance indicators for the ACMA under program 1.1, and both the ACMA and the Office of the Children's eSafety Commissioner under program 1.2. As a result, the ACMA is required to report on those performance criteria related to the Office for 2015–16 in its APS. This is a transitional arrangement due to the introduction of the APS reporting requirements. From 2016–17, the functions of the Office have been moved to a separate program within the ACMA's PBS and the ACMA will reflect this new structure in its APS from next year.

Information on the Office's performance under KPIs aligned with this PBS criterion is available in its annual report in Part 2 of this document and on its website, [www.esafety.gov.au](http://www.esafety.gov.au).

The ACMA's responsibility under this performance criterion relates to interactive gambling.



**That citizens have effective and accessible avenues of complaint for online/interactive gambling content**

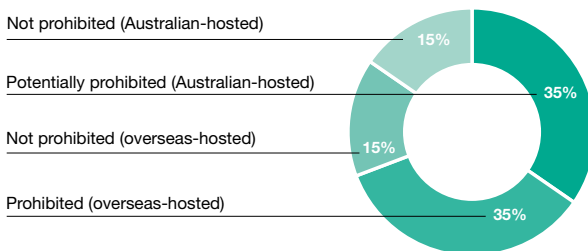
### Interactive gambling complaints

Interactive gambling, as one aspect of online content, operates in a global communications market. The ACMA's responsibilities in relation to online content are prescribed under the *Interactive Gambling Act 2001* (IGA).

In 2015–16, we received 198 complaints and enquiries about the IGA and conducted:

- > 13 investigations into overseas-hosted URLs, of which nine resulted in breach findings and were notified to accredited family-friendly filter providers and the Australian Federal Police (AFP)<sup>4</sup>
- > 13 preliminary assessments of Australian-hosted URLs, of which eight were referred to the AFP.<sup>5</sup>

**Figure 1.5: Comparison of interactive gambling assessment outcomes in 2015–16 by host location—IGA**



<sup>4</sup> In accordance with the code of practice registered under the IGA.

<sup>5</sup> Under section 20(3)(a) of the IGA, the ACMA must not investigate a complaint about Australian-hosted content. However, it may, if it considers it warranted, refer the complaint to the AFP.



**That citizens have effective and accessible avenues of complaint for online content that breaches community standards**

**That families and schools have access to resources that enable them to manage cyberbullying and other online safety issues for children and young people**

Details of the Office's performance against these KPIs for 2015–16 are provided in Part 2 of this report.



## Corporate support capabilities

Performance KPIs outlined in this section are drawn from the ACMA's corporate plan KRA 5 and align with both performance criteria 1 and 2, as they reflect broader enabling activities that support the fulfilment of our purpose. This relationship is shown in Table 1.2.

Ensuring regulation remains efficient and effective, and can adapt to change requires a range of strategic approaches that consider the design, implementation and transactional levels of our regulatory remit. We deliver outcomes for our stakeholders in terms of better regulation administration and design, using a flexible and adaptable regulatory toolkit informed by research and evidence. This enables us to stay informed of, and respond to, emerging issues, as well as identify potential risks and areas of harm. Understanding the breadth of the communications and media market and the variety of market structures for which the ACMA has regulatory responsibilities requires a sophisticated information-gathering and research program to ensure that efficient operation is encouraged and costs for regulated entities are minimised.

In 2015–16, our significant outcomes included continuing:

- > to contribute to the communications portfolio deregulation program while ensuring key consumer protections remain in place
- > with a further two rounds of sunseting legislative instruments at six-monthly intervals
- > our series of short, fit-for-purpose research snapshots and the release of seven individual research reports as part of the research **acma** program. This included the *Communications report 2014–15*.

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### Organisational capability requirements determined

**Resource needs are defined, prioritised and managed appropriately to support the achievement of ACMA outcomes**

## Organisational capability

We recognise that learning and development is a key enabler to building individual capability and performance. Our Learning and Development Strategy 2015–18 supports our commitment to providing all employees with effective and accessible learning and development. The ACMA's net expenditure in 2015–16 for employee learning and development was \$341,510. This figure includes staff attendance at general training, conferences and seminars, and studies assistance. Staff attended a range of learning and development activities, from public service writing courses to industry-related conferences. In addition, we offered skill-building online resources to support staff in learning on-the-job to achieve business outcomes. In this last financial year, we have offered in-house learning solutions targeted at risk management and capability-building, and have identified future learning needs in line with Australian Public Service work level standards. In addition, due to recent adjustments in staff resources, we offered internal resilience and self-care workshops as part of our change management strategy.

To assist decision-makers, during 2015–16 we enhanced our resource management approach by adopting a four-year budget and resource management plan. This new approach included the development and delivery of a budget model that allowed the organisation to accurately project all resourcing needs in line with changing priorities and funding pressures.



The ACMA *Corporate plan 2015–19* was released in August 2015 and covers a four-year period. It identifies the ACMA's objectives and priorities, as well as the necessary strategies to achieve them. It is also reflected at an individual level in performance management plans agreed between staff members and supervisors. The 2015–19 plan is available on the ACMA website.

The ACMA's fraud control arrangements form part of its Risk Management Framework and are an important component of maintaining a risk management culture. The ACMA has appropriate fraud prevention, detection, investigation, reporting, and data collection procedures and processes in place.

During 2015–16, the fraud initiatives undertaken were a review of our fraud control policy, and restructure and evaluation of fraud-related risks. Fraud risks are documented in our Fraud Control Plan. There were no incidents of fraud during the reporting period. In the next reporting period, we plan to update our Fraud Control Plan.

See also *Part 3—Management and accountability*.



### Timely delivery of ACMA engagement activities

Stakeholders are engaged with the ACMA on issues relevant to them

## Client Service Charter

The Client Service Charter outlines our goals for customer service and the broad range of services we provide. The charter provides advice on how clients can contact us, our service standards and the complaints procedures. It also reflects our commitment to providing efficient, effective and relevant services delivered in an environment of mutual respect. See Table 1.28 for a summary of client service complaints and compliments during the reporting period.

**Table 1.28: Summary of client service complaints and compliments, 2015–16**

Description	Total no. of complaints*	Total no. of compliments
Courtesy and respect	1	0
Service delivery of individual staff members	11	119
Response time to complaint	0	0
Accessible information	4	1

\*Indicates total number of complaints received (not assessed against service commitments or standards in the Client Service Charter).

The Client Service Charter was reviewed during the reporting period and republished on our website.

## External stakeholder engagement

The ACMA's approach to media and communications continues to evolve as the agency embraces more creative approaches to stakeholder management and the opportunities afforded by changing technologies.

During the reporting period, major communications channels and activities included:

- > **The ACMA website**—significant usability and accessibility work was carried out to improve the user experience, along with a new online consultation system to facilitate gathering feedback on relevant issues for comment. The website received over 2.5 million visits during 2015–16. Blog content has also kept our stakeholders informed, with 50 blogs published across 11 tailored products.
- > **Rich media content including infographics and videos**—rich media continued to be an effective way to expand the reach of our research and consumer information. Of particular success were PCA infographics, which focused on educating specific industry segments and encouraging two-way dialogue, and videos highlighting research and consumer topics.
- > **Social media**—plays a crucial role in engaging industry and consumer stakeholders. Our Facebook and Twitter communities continued to drive traffic to the ACMA website and our Instagram following increased over 30 per cent as we developed regular content for research, interference and a focus on changes in technology. Scam alerts informed the public of phone, email and malware scams, with popular posts reaching over 175,000 Facebook users. Spam and DNCR penalties and a new series of 'behind-the-scenes' updates on the work of our Compliance and Field Operations staff were also a highlight on our social media channels.
- > **Targeted e-bulletins and alerts**—our email outreach portfolio continues to grow, with total subscribers exceeding 19,000. In the 2015–16 financial year, 215 targeted e-bulletins were sent to stakeholders.
- > **Media engagement**—mainstream media continued to be an essential information dissemination channel, with 66 media releases on high-profile issues and regular journalist briefings held.
- > **Events and tune-ups**—direct engagement with industry was a regular initiative. As well as our flagship spectrum event, *RadComms*, we hosted the *Live captioning: let's talk* 'Citizen conversation' and several industry tune-ups on areas including Project HELM, the 400 MHz project and spectrum interference PCAs.

## International engagement

Our international engagement activities support our purpose to make communications and media work in the public interest. The role of international engagement in both protecting and promoting Australia's communications and media interests is reflected in the legislation the ACMA administers—particularly for spectrum management, telecommunications and radiocommunications standards-setting, unsolicited communications and cybersecurity, and online content.

We also hosted a number of visitors from overseas communications and regulatory agencies to facilitate collaboration and information exchange on international communications policy and regulation issues. This included delegations from the People's Republic of China, Japan, the Republic of Korea and Thailand.



**ACMA makes best use of existing provisions and enhances regulatory settings**

**ACMA implements business process improvements**

**Cost to industry of complying with regulations reduces over time**

## Business improvements and reform

We continue to identify opportunities for regulatory reform and improvements to our regulatory practice, including:

- > continuing to contribute to the communications portfolio deregulation program while ensuring key consumer protections remain in place
- > implementing the Regulator Performance Framework to support a focus on continuous improvement of regulatory practice.

## Regulation reform

The ACMA has a legislative mandate and an ongoing commitment to better regulation and reducing unnecessary and unjustifiable regulatory imposts on industry. This has been given extra impetus as part of the whole-of-government regulation reform agenda and implementation of the Regulator Performance Framework (RPF).

Through a targeted consultation, we established an RPF self-assessment methodology that is supported by stakeholders and provides a structured focus on better regulation administration and design through continuous improvement.

To support better-targeted regulation, we also provided advice on legislative reforms, removed redundant regulation, reformed outdated regulation and reporting requirements, and worked with industry to revise a range of industry codes. These initiatives have delivered substantial savings in regulatory costs while maintaining key consumer safeguards. These included:

- > streamlining Telecommunications Labelling Notice requirements
- > simplifying the allocation and administration arrangements for numbers in the remade Telecommunications Numbering Plan 2015
- > revoking a further nine technical regulatory instruments and consolidating a number of technical instruments
- > revising and registering the Commercial Television Industry Code of Practice 2015
- > revising and registering the Telecommunications Consumer Protections Code.

These initiatives were implemented following extensive consultation with industry to develop the new arrangements. In implementing these deregulatory measures, the ACMA's decision-making was undertaken in the context of its statutory obligations, and on the basis of a comprehensive risk assessment examining the impact of any proposed changes.

## Sunsetting

We continued the extensive and detailed work that flows from the new ‘sunsetting’ regime that commenced under the *Legislation Act 2003* (LA) during the year. Under the sunsetting provisions of the LA, most of the legislative instruments made by Commonwealth agencies such as the ACMA ‘sunset’ (that is, are automatically repealed) 10 years after they are first registered as law.

In the reporting period, the ACMA:

- > facilitated the sunsetting of 20 instruments
- > revoked and replaced 32 instruments prior to the instrument’s sunset date
- > revoked five instruments
- > ceased two instruments, due to the commencement of other legislation.



**Capital investment program leverages off technologies currently in place**

**Current suite of commercial off-the-shelf systems re-used, reconfigured and use extended**

**Increase use of shared services**

## Business system improvements

Refer to *Part 2—Office of the Children’s eSafety Commissioner annual report for details of the Office’s information management activities.*

The reporting period saw the continued rollout of major transformation projects. These included:

- > **Project HELM**—the implementation of a new spectrum management and licensing system was completed in 2015–16. The major component, apparatus licensing and engineering tools, was implemented on 2 September 2015. This included further enhancements to the business-to-government interface and the introduction of online forms. The final phase of the project, broadcast licensing, was implemented on 31 May 2016. Project HELM represents a significant investment for the ACMA in replacing its RADCOM system, with a new suite of tools for spectrum management.
- > **Review of cloud computing for non-unique ICT services**—building on analysis undertaken in previous years, and with the removal of historical impediments related to security and bandwidth, we are now in a strong position to leverage the opportunities presented by cloud computing. We have prepared a formal roadmap to start the transition of core ICT services to the cloud, with the expectation that an initial phase of migration will be delivered in the 2016–17 reporting period.
- > **Legacy system replacement**—a new complaints and investigations system has been developed for the Field Operations team, to replace the existing Compliance Activities Management System (CAMS). This was a long-held goal for the ACMA, as reflected by its inclusion in the 2015–18 ICT Strategic Plan, with a view to equipping the team with modern, up-to-date tools to support their work and remove the dependency on outdated technology.
- > **Enhancements to the infrastructure of the Customer Service Centre (CSC)**—a project has been undertaken to improve the existing CRM module for the CSC and integrate this with new tools (principally a telephony and monitoring solution) to improve customer service levels and support the CSC’s expansion to take on a wider service remit.

- > **High frequency direction finding (HFDF) network**—we have been working in conjunction with the Department of Defence and the Capability Acquisition and Sustainment Group on a project to allow the ACMA access to the Defence High Frequency Communications System.
- > **ICT service delivery review**—achievements included the ongoing development of infrastructure and architecture to improve the cost, reliability and agility of systems. These include:
  - > a new, more comprehensive IT monitoring and alerting system for fault identification and resolution, including interoperability with the building management system’s monitoring environment
  - > incorporating the ACMA’s many remote monitoring sites into our core network, including taking advantage of NBN network connections where available
  - > implementation of the ‘ACMA Print Cloud’ secure printing platform, which enables us to provide more secure and innovative printing, reduce costs and support the environment
  - > refreshed server and storage solutions, which provide improved redundancy, performance and reduced risk
  - > decommissioning legacy systems, resulting in reduced agency costs including the number of support contracts, licensing and the amount of maintenance.



### Conduct research into emerging regulatory issues and challenges for the regulatory environment

#### research**acma**

The research**acma** program assists the ACMA in providing evidence to inform regulatory decision-making and to understand the implications of changes in the market, changing communications and content use, and changes in consumer and community attitudes that have implications for the effectiveness of regulation. The research**acma** program has five broad areas of interest:

- > market developments
- > media content and culture
- > digital society
- > citizen and consumer safeguards
- > regulatory best practice and development.

We continued our release of a series of short, fit-for-purpose research snapshots, as well as seven individual research reports as part of the research**acma** program.

#### Market developments

In the reporting period, we undertook a range of research on developments in communications and media markets, which included the flagship communications report.

##### *Subscription video on demand in Australia 2015 (November 2015)*

This snapshot looks at subscription video on demand (SVOD) services in Australia, including the take-up, use and satisfaction with these services.

### ***Communications report 2014–15 (December 2015)***

Tabled in parliament on 2 December 2015, the *Communications report 2014–15* fulfils the ACMA's statutory reporting requirements under section 105 of the Telecommunications Act to report to the minister on significant matters relating to the performance of carriers and CSPs, including consumer satisfaction, consumer benefits and quality of service.

### ***Aussie teens and kids online (February 2016)***

This snapshot was released in conjunction with the Office of the Children's eSafety Commissioner and provides an update to *Aussie teens online*, released by the ACMA in July 2014. It highlights how young people are now engaging online, the devices they use, and the services and activities that draw them online.

### ***Regional Australians online (April 2016)***

This snapshot provides an update to *Regional Australia in the digital economy*, released in August 2014. It focuses on how Australians across the country have changed their patterns of online engagement in the four years to June 2015, to understand how where you live influences your online activities and access to digital content.

## **Media content and culture**

In the reporting period, we undertook research to help inform our obligations to reflect community standards in the delivery of media and communications services. This research comprised an analysis of children's free-to-air TV viewing behaviour in response to the broadcast of sporting events. This information was used to assist the ACMA in its Review of the Free TV Code of Practice.

## **Social and economic participation**

We also undertook research to identify regulatory settings and interventions that help Australians participate in the offline and online environment.

### ***NBN Consumer Migration Experience Research***

This research examines consumer attitudes towards, and experience of, the NBN network over three distinct migration phases: prior to migration, on the day of migration and post migration. The research is scheduled for completion in late 2016.

## **Citizen and consumer safeguards**

This research focus area continues our evidence-informed approach to understanding safeguards relevant to business, citizens and consumers in an information economy and networked society.

### ***Spend management tools and alerts – Tracking consumer outcomes of the Reconnecting the Customer inquiry (September 2015)***

Research commissioned by the ACMA examined spend management tools and alerts for post-paid mobile phone consumers, and their relationship with unexpectedly high bills. The research shows that spend management-related changes to the 2012 TCP Code have had a positive impact for many consumers.

***Reconnecting the Customer—Estimation of benefits (November 2015)***

In November 2015, we released a report estimating the benefits to telecommunications consumers of the improvements to customer service and customer outcomes. The *Reconnecting the Customer—Estimation of benefits* report indicated that Australians have benefited by nearly \$550 million a year as a result of rules introduced for telecommunications service providers in September 2012. These benefits have been estimated based on the cost impacts on consumers and industry operators of reduced complaints, consumers choosing plans more appropriate for their consumption behaviour and reductions in unexpectedly high bills.

These enhanced consumer outcomes in recent years are a result of:

- > the ACMA's *Reconnecting the Customer* (RTC) public inquiry in 2010–11
- > the development, registration and implementation of a substantially revised Telecommunications Consumer Protections (TCP) Code
- > subsequent changes to industry behaviour.

***The Australian Internet Security Initiative: Interviews with industry participants (October 2015)***

The AISI is a program operated by the ACMA to help internet and communications providers address the problem of computing devices that are 'compromised' by malware or malicious software. Based on interviews with participants in the AISI, this report reveals how this program is valued and the important role it plays in how ISPs manage malware.

**Regulatory best practice and development**

In this research area, we continued our analysis of the effectiveness and costs and benefits of current regulation, and identified emerging issues and problems that may require regulatory or non-regulatory solutions.

***The Internet of Things and the ACMA's area of focus—Emerging issues in media and communications occasional paper (November 2015)***

In this occasional paper, we looked at Australia's state of readiness for the IoT and how the ACMA could facilitate IoT developments. Arising from this work, the ACMA joined the Internet of Things Alliance as an Executive Council member to further support industry IoT initiatives.

***5G and mobile network developments—Emerging issues occasional paper (February 2016)***

This paper looked at 5G mobile developments and the opportunities that this evolution in mobile technology offers to the Australian community through increased use of mobile broadband and machine-to-machine communications.







Office of the Children's  
**eSafety Commissioner**

## **Part 2**

# **Office of the Children's eSafety Commissioner**

annual report 2015–16

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**This report is available on the Office of the  
Children's eSafety Commissioner website at**  
[www.esafety.gov.au/about-the-office/corporate-reporting](http://www.esafety.gov.au/about-the-office/corporate-reporting)

Enquiries about this report can be emailed to the Business Manager,  
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Office of the Children's  
**eSafety Commissioner**

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2 September 2016

Senator the Hon Mitch Fifield  
Minister for Communications  
Parliament House  
CANBERRA ACT 2600

Dear Minister

In accordance with section 66 of the *Enhancing Online Safety for Children Act 2015*, I am pleased to present the annual report of the activities I and my office have undertaken in the 2015–16 reporting year.

Yours sincerely,

**Andree Wright**  
Acting Children's eSafety Commissioner

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# Chapter 4

## The year in review

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Chapter 4 includes the review by the Commissioner, which details significant issues and developments, as well as a snapshot of our year.



## Commissioner's foreword

The Office of the Children's eSafety Commissioner (the Office) was established on 1 July 2015 following a commitment from the Australian Government to address online safety issues of major concern for Australian parents and schools.

Created by virtue of the *Enhancing Online Safety for Children Act 2015*, the Office was given powers to enhance online safety for Australian children. The Office conducts extensive online safety education for Australians, provides a complaints service for targets of serious cyberbullying and administers the Online Content Scheme under schedules 5 and 7 of the *Broadcasting Services Act 1992*.

One year in, the Office provides a national point of focus for key government, not-for-profit and industry stakeholders to join forces to deliver online education programs and initiatives that are scalable and sustainable. The Office has been transparent in its approach, publishing quarterly reports on its progress, and being readily accessible to the media. The effect of this has been to successfully build public confidence in the new Office and the new regime.

The Office was fortunate to have Alastair MacGibbon as the inaugural Commissioner until 29 May this year, when he took up the position of Special Advisor to the Prime Minister on Cyber Security. Mr MacGibbon demonstrated vision, energy and the ability to quickly steer new initiatives to successful outcomes. Below are some of Mr MacGibbon's reflections on his time as Commissioner:

It has been my pleasure to serve as the Children's eSafety Commissioner and to meet the challenge of establishing the first such Office in the world and the first to oversee a cyberbullying complaints scheme to assist children and young people.

I was also privileged to be able to do so with the full support of an experienced, motivated and creative team of people; and to create strong partnerships with valuable stakeholders who have shared expertise and actively worked with us to help young people have safe, positive experiences online by encouraging behavioural change.

The Office has worked closely and at the most senior levels with key portfolios including Communications and the Arts, Education, Social Services and the Attorney-General's Department. Our partnerships with state and federal police continue to evolve as we work to ensure the most effective communications and reporting mechanisms are in place to deal with serious instances of cyberbullying and child sexual abuse material.

In all its work, the Office aims to be approachable, collaborative and responsive, with a dynamic online presence and resources that are audience-centric and help children and their families have positive online experiences. The Office is continually looking for channels to

bring online safety awareness to families and the broader community, and has made good inroads into engaging some of Australia's biggest employers to host online safety training and information for their staff.

As the Office moves into its second year, I believe it is well positioned to continue to provide leadership, guidance, resources and information to its many audiences, both directly, and through the support of its partners. I look forward to watching the ongoing development and valuable contribution of the Office—empowering Australians to explore the online world, safely.

The Office has actively taken up its Australian leadership role, both in the provision of quality resources and safety net complaints-handling services for cyberbullying and online content abuse when things have gone wrong.

In a world-first, the Office has worked closely with social media partners to have serious cyberbullying material rapidly removed, arrange counselling, and provide helpful advice and resources to families and schools. The Office dealt with 186 serious cyberbullying complaints, most commonly relating to girls (71 per cent) and predominantly involving nasty comments, serious name-calling and offensive or upsetting images or video. Those coming to us for help were children and teenagers—some as young as nine years of age. These cases are heartbreaking for the parents, schools and communities involved, and extremely distressing for the children concerned. However, over the course of the year, the Office has heard how relieved these Australians are to finally have a national point of focus to handle children's cyberbullying concerns among the range of online safety matters.

In the global war against child sexual abuse, the Office conducted over 11,000 investigations into illegal and offensive content in the past year, and 7,400 investigations into online child sexual abuse content resulted. Disturbingly, 92 per cent showed children who were primary-school-age or younger, and 95 per cent were girls. The Office worked closely with law enforcement and international hotline partners within the International Association of Internet Hotlines (INHOPE) network to have the child sexual abuse content taken down and the crime scene nature of the images investigated.

The Office also focused on building digital resilience across Australia. Its Virtual Classrooms were attended by over 59,000 students and teachers, and face-to-face presentations were delivered to 71,000 Australians across a range of communities, including sporting groups, legal professionals, corporate staff and, as a first, parliamentarians in Canberra.

In October 2015, the Office launched a voluntary certification scheme for providers of online safety programs in Australian schools. It has certified 22 providers involving 108 presenters and several online programs. The programs take a variety of forms from online modules, in-house training—for students, parents or teachers—to theatrical presentations encouraging young people to be safe online.

Another new initiative is the [eSafetyWomen](#) website, which was launched on 28 April 2016. It provides online safety information to women who, often with their children, are at risk in domestic violence situations. It provides important information about the role technology can play in abusive situations and how it can be used to help ensure women's ongoing safety. This initiative is accompanied by training for frontline professionals working with women and children who are experiencing the impacts of technology-facilitated abuse.

In May, the Office created a resource hub to provide parents with advice on a range of online and digital content issues. This includes the appropriateness of television programs, films, computer games, websites and social media services, balancing time online and parental control tools that can assist parents to protect their children.



Young Australians are best helped with their online safety concerns through active community support. The adage ‘it takes a village to raise a child’ rings true. Educating children alone is not enough—we also need to educate the trusted adults in their lives: parents, carers, extended family, educators, sporting coaches and other professionals who interact with children and young people on a daily basis.

The Office is proud of what it has accomplished in its first year but it is now time to focus on how we will continue to make the internet a safer place for all Australians.

A handwritten signature in black ink that reads "Andree Wright". The signature is written in a cursive style and is centered within a light gray rectangular box.

**Andree Wright**  
**Children’s eSafety Commissioner (Acting)**

## Our year at a glance

### During its first year, the Office:



**Finalised**

**186**  
COMPLAINTS  
ABOUT SERIOUS CYBERBULLYING  
THAT TARGETED AUSTRALIAN CHILDREN

### Worked with



**9**

MAJOR SOCIAL MEDIA SERVICE PARTNERS UNDER  
THE TIER SCHEME TO COUNTER CYBERBULLYING



**YAHOO!**  
ANSWERS & GROUPS

### Certified



**22**

ONLINE SAFETY  
PROGRAM  
PROVIDERS  
SINCE  
OCTOBER 8 2015

with

**108** PRESENTERS

NOW DELIVERING  
PROGRAMS IN  
AUSTRALIAN SCHOOLS



### Finalised

**11,121**

INVESTIGATIONS  
INTO ONLINE CONTENT



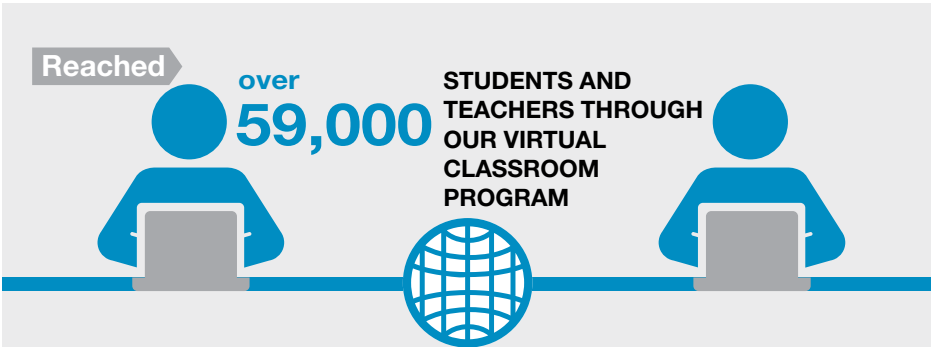
including

**7,465**

INVESTIGATIONS  
INTO ONLINE CHILD  
SEXUAL ABUSE CONTENT



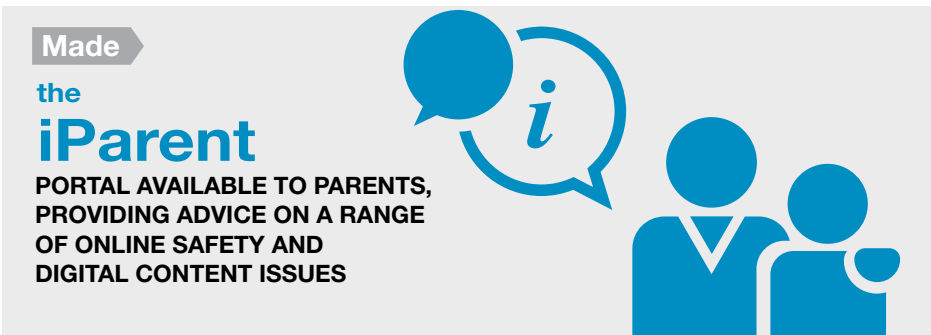
**Reached** over **59,000** STUDENTS AND TEACHERS THROUGH OUR VIRTUAL CLASSROOM PROGRAM

An illustration showing two stylized human figures sitting at desks with laptops. A globe is positioned between them, connected by a horizontal line, symbolizing a global virtual classroom program.

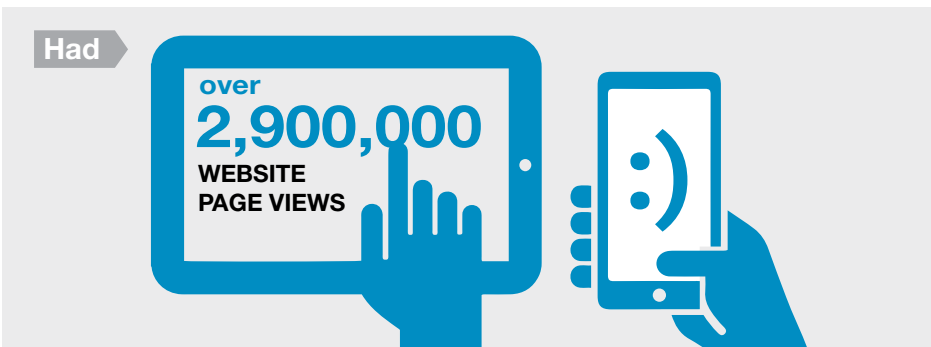
**Launched** our **eSafetyWomen** RESOURCES, ADVICE AND TRAINING FOR FRONTLINE PROFESSIONALS

An illustration featuring a large female symbol (a circle with a vertical line and a horizontal crossbar) and a power button icon. Below these are smaller icons representing a calendar, a video camera, a hand writing on a document, and a laptop.

**Made** the **iParent** PORTAL AVAILABLE TO PARENTS, PROVIDING ADVICE ON A RANGE OF ONLINE SAFETY AND DIGITAL CONTENT ISSUES

An illustration showing a speech bubble with an information 'i' icon and a stylized icon of two people, one larger and one smaller, representing a parent and a child.

**Had** over **2,900,000** WEBSITE PAGE VIEWS

An illustration showing a hand pointing at a tablet screen that displays the text 'over 2,900,000 WEBSITE PAGE VIEWS'. Next to it is a hand holding a smartphone displaying a smiley face icon.

# Chapter 5

## Overview

---

**Functions and responsibilities** 117

**Structure** 118

Chapter 5 details the role and functions and the organisational structure that enable the Office to perform its role and deliver its services.

## Functions and responsibilities

The functions and responsibilities of the Office are set out in section 15 of the *Enhancing Online Safety for Children Act 2015* (EOSC Act) and accompanying legislative rules.

The Office is the Australian Government's national lead on online safety, and is responsible for the promotion and support of measures that will improve online safety for children and their families. The Office works with industry, government and not-for-profit cybersafety organisations to provide innovative, scalable and sustainable online safety resources for children, parents, teachers and the wider community.

In accordance with the legislation, the Office's specific responsibilities include:

- > administering a cyberbullying complaints scheme for serious cyberbullying material that targets an Australian child
- > administering the Online Content Scheme for the removal of illegal or prohibited internet content, in accordance with schedules 5 and 7 to the *Broadcasting Services Act 1992* (BSA)
- > coordinating activities of Commonwealth departments, authorities and agencies relating to online safety for children
- > supporting, encouraging, conducting, accrediting and evaluating educational, promotional and community awareness programs that are relevant to online safety for children
- > supporting, encouraging, conducting and evaluating research about online safety for children
- > advising the Minister for Communications and the Arts about online safety for children.

On 18 December 2015, the *Enhancing Online Safety (Family and Domestic Violence) Legislative Rules 2015* conferred the following additional functions on the Office:

- > promoting online safety for persons at risk of family or domestic violence including the risks of using technology
- > supporting, encouraging and conducting educational, promotional, training and community awareness programs that are relevant to online safety for persons at risk of family or domestic violence
- > making, on behalf of the Commonwealth, grants of financial assistance in relation to online safety for persons at risk of family or domestic violence.

## Structure

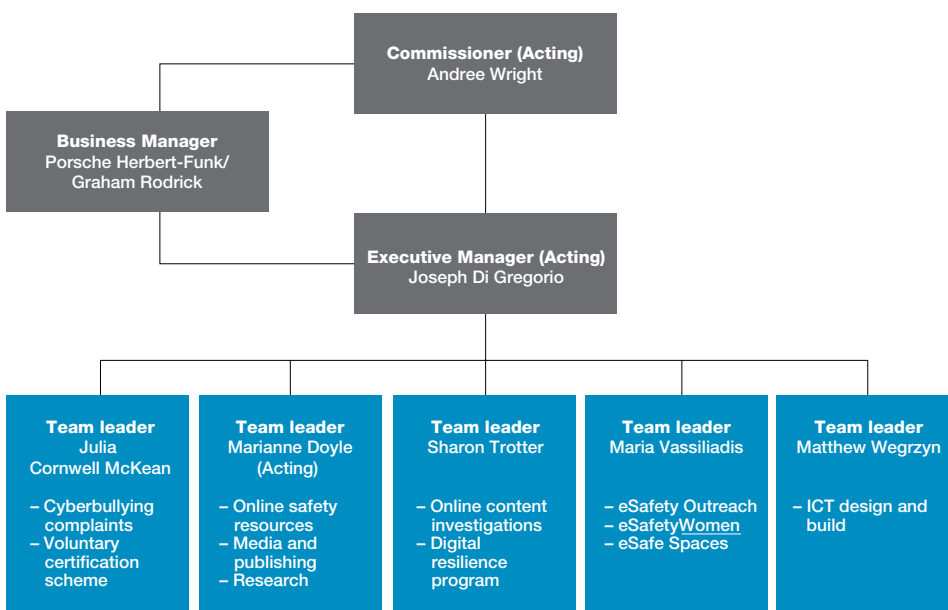
### Corporate structure

The EOSC Act established the Children's eSafety Commissioner as an independent statutory office-holder. The Office of the Children's eSafety Commissioner commenced operation on 1 July 2015. The Office operates as functionally separate to the ACMA.

The ACMA provides staff to fulfil the functions of the Commissioner under section 67 of the EOSC Act. ACMA staff that are fulfilling the functions of the Commissioner are not under the direction of the ACMA. The ACMA also provides corporate support services to the Office, purchased under an agreed cost structure.

In 2015–16, the Office was staffed by a combination of ACMA and contract staff to provide the specialist skills and maximum flexibility needed to deliver the new functions under the EOSC Act. At 30 June 2016, there was an average staffing level (ASL) of 37, with staff located in the ACMA's Melbourne and Sydney offices.

Figure 2.1: Office of the Children's eSafety Commissioner corporate structure, 30 June 2016



## The Commissioner



Andree Wright was appointed Acting Children's eSafety Commissioner by the Minister for Communications and the Arts, Senator the Hon. Mitch Fifield on 30 May 2016. Prior to assuming the Acting Commissioner role, Ms Wright was the inaugural Executive Manager of the Office. Ms Wright has a wealth of experience in children's online safety issues prior to the commencement of the Office, having been involved in the development and delivery of all online safety programs under both the EOOSC Act and the BSA since this became an issue for government policy nearly two decades ago. Under her direction, the ACMA Cybersmart program developed its international reputation and its online safety resources have received 14 major national and international awards since 2012.



Alastair MacGibbon, the inaugural Children's eSafety Commissioner, stepped down from the role on 29 May 2016 to take up the role as Special Adviser to the Prime Minister on Cyber Security, an acknowledgement of his many public and private sector online leadership achievements.

Prior to his appointment as Commissioner, Mr MacGibbon worked in both the public and private sector in online leadership roles, including General Manager Security at Dimension Data, a Director of the Centre for Internet Safety at the University of Canberra, CEO of CREST Australia and Head of Trust & Safety at eBay ANZ and Asia-Pacific. He also has 15 years of experience as a Federal Agent for the Australian Federal Police and was the founding Director of the Australian High Tech Crime Centre.

# Chapter 6

## Report on performance

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### **6.1 Consumer safeguards, education and information** 121

Chapter 6 sets out the Office's performance in regard to Outcome 1: *A communications and media environment that balances the needs of the industry and the Australian community through regulation, education and advice.*



## 6.1 Consumer safeguards, education and information

Section 6.1 reflects the Office's performance against key deliverables in Program 1.2:

*Consumer, citizen and audience safeguards are effective, designed to keep pace with evolving market developments, reflect community standards and deliver on consumer and community experience; and that consumers, citizens and industry benefit from engagement in the developing information economy and the evolving networked society.*



## CyberReport activities



### **That citizens have effective and accessible avenues of complaint for online content that breaches community standards**

CyberReport is the complaints-handling arm of the Office and constitutes both the cyberbullying complaints scheme and the online content removal scheme. These schemes provide children, parents and concerned citizens with effective and accessible avenues for removal of serious cyberbullying and prohibited content that breaches the community standards as per schedules 5 and 7 of the BSA.

CyberReport is also the Office's online call to action, directing people who want to report content under either scheme to the appropriate reporting avenue, information and support resources.

### **Cyberbullying complaints scheme**

The Office's cyberbullying program works to protect young Australians from the impact of cyberbullying. It encompasses:

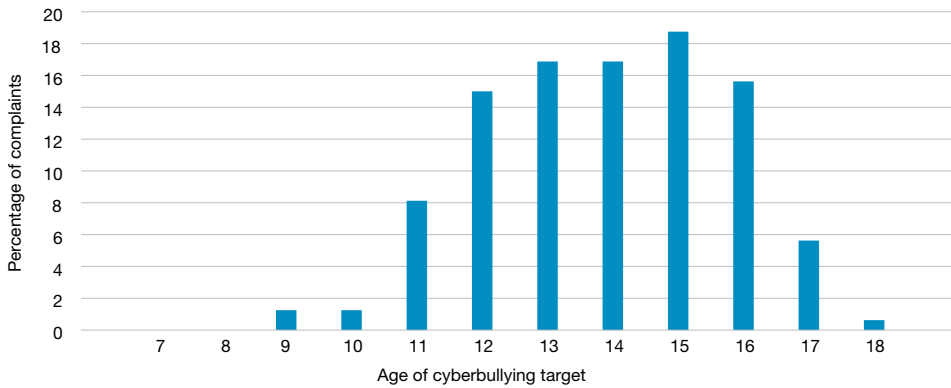
- > a complaints scheme to allow the reporting of cyberbullying activity that targets a young Australian and is likely to seriously threaten, humiliate, harass or intimidate
- > formal cooperation with key social media services as part of the Office's social media service tier scheme
- > referrals to key support services, including Kids Helpline
- > Memoranda of Understanding (MoUs) with state education departments, and the independent and Catholic schools sectors.

### **Cyberbullying complaints scheme data**

The Office received 186 complaints about serious cyberbullying between 1 July 2015 and 30 June 2016. On average, the Office has been able to respond to a complaint with its first substantive action in under seven hours of receipt, which has reduced progressively over the course of the year.

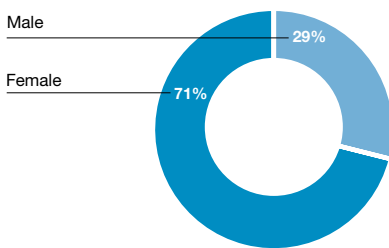
Young Australians aged between 12 and 16 are the primary targets of reported cyberbullying material, with approximately 10 per cent of the complaints received relating to children aged 11 and under (see Figure 2.2).

Figure 2.2: Target of cyberbullying material by age, 2015–16



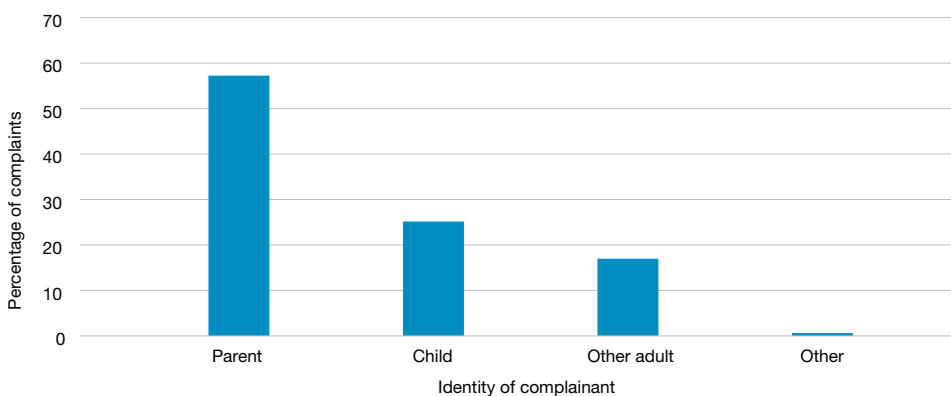
Of the complaints received, more than two-thirds—71 per cent—relate to cyberbullying material targeting females (see Figure 2.3).

Figure 2.3: Target of cyberbullying material by gender, 2015–16



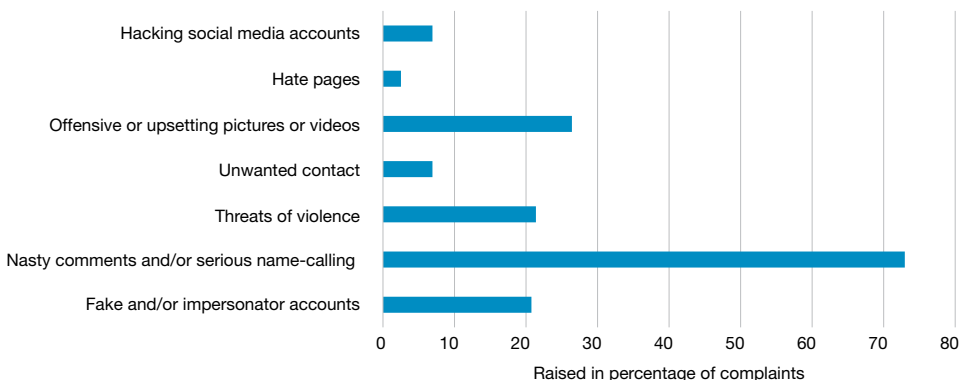
The majority of complaints to the Office are made by adults, including the parents of the child targeted by cyberbullying or another adult making the complaint on the child's behalf (see Figure 2.4).

Figure 2.4: Identity of complainant, 2015–16



Cyberbullying material referred to in these complaints can be broken into seven general categories. A complaint may relate to one or many of these categories. Figure 2.5 details the percentage of complaints that relate to each of the general categories.

**Figure 2.5: Percentage of complaints identifying general categories of cyberbullying, 2015–16**



*Note that a complaint may have multiple categories, so figures may not equal 100 per cent.*

## Tier scheme social media partners

The Office works closely with social media services and relevant electronic service providers to quickly remove cyberbullying material to minimise its potentially harmful effects. Table 2.1 lists those social media services that have been declared as participants in the tier scheme for removal of serious cyberbullying material. The Office recognises Tier 1 and Tier 2 social media services for the safety measures that they have in place, including:

- > terms of use that prohibit cyberbullying material
- > a complaints mechanism that facilitates the removal of cyberbullying material
- > a nominated person to work with the Office in dealing with complaints about cyberbullying.

During 2015–16, the Office worked collaboratively with social media services to see cyberbullying material removed from social media platforms, in less than a day in many cases.

**Table 2.1: Tier 1 and Tier 2 social media services declared during 2015–16**

Tier 1	Tier 2
Ask.fm	Facebook
Flickr	Google+
Twitter	Instagram
Yahoo!7 Answers	YouTube
Yahoo!7 Groups	

The Office undertakes to resolve cyberbullying complaints in a holistic and empowering manner. The majority of complainants are directed to support services, such as Kids Helpline, Parents Helpline and eHeadspace, and a variety of practical resources are provided on the Office's website, including clear instructions on how to block, delete and report unwanted material on a wide variety of popular social media services.

Over the 12 months from 1 July 2015 to 30 June 2016, the Office referred thousands of young Australians to Kids Helpline.

Where appropriate, the Office may also involve the relevant school in the resolution of a complaint, working with the school to ensure cyberbullying policies are followed, and providing resources in the form of advice and training. Between 1 July 2015 and 30 June 2016, 14 referrals were made to schools.

### **MoUs with education sectors**

With the establishment of the Office on 1 July 2015, and the implementation of the scheme for complaints about serious cyberbullying targeting an Australian child, the Office has worked cooperatively with schools and social media services to facilitate the removal of cyberbullying material, address negative online behaviour and make sure any children involved are offered the support they need.

To ensure that the approach to addressing cyberbullying incorporates best-practice principles and allows for ongoing cooperation, the Office has proposed establishing MoUs between the Office and state and territory education departments, the independent schools sector and the Catholic education sector.

The draft MoUs were released for comment late in 2015, and are currently being negotiated.

### **Online content complaints**

From 1 July 2015, the Office has operated the reporting mechanism for Australian residents to make complaints about offensive and illegal online content. The Office investigates reports and takes action on material that it finds to be 'prohibited or potential prohibited'. These categories are defined with respect to the classification guidelines that also apply to offline content such as film and video, and include child sexual abuse content, content advocating terrorism or instruction, incitement or promotion of crime or violence, and sexually explicit content.

Responsibilities under the Online Content Scheme include:

- > investigating complaints made under schedules 5 and 7 to the BSA into potentially offensive or illegal online content
- > directing take-down of prohibited content if it is hosted in Australia
- > notifying all potentially illegal Australian-hosted content to law enforcement
- > notifying all overseas-hosted child sexual abuse material to the Australian Federal Police (AFP) or INHOPE, for rapid police action and take-down in the host country
- > notifying prohibited URLs to optional end-user (PC-based) filters.

### **Online content complaints data**

The Office focuses on reports of online child sexual abuse material. It is a longstanding member of the INHOPE network, whose member hotlines work together with the goal of identifying and removing online child sexual abuse content worldwide.

The Office received 5,341 complaints in the period 1 July 2015 to 30 June 2016, an 11.25 per cent increase on 2014–15.

A single complaint may lead to multiple investigations, depending on the nature of the complaint and the content involved. The Office finalised investigations into 11,121 individual items of content. Of the investigations completed, 9,219 items of prohibited and potential prohibited content were identified (see Table 2.2), of which 81 per cent met the definition of child sexual abuse content.

Over 99 per cent of investigations into child sexual abuse material items were completed within two business days and notified to the AFP and/or the INHOPE network for law enforcement investigation and rapid take-down in the host country. Over 99 per cent of all investigations about online content were completed within 20 business days.

A total of 9,203 overseas-hosted prohibited or potential prohibited items of internet content investigated were referred to the makers of optional end-user internet software filters under Schedule 5 to the BSA and the registered internet codes of practice for dealing with such material.

During 2015–16, 12 final take-down notices were issued to Australian content hosts. All content that was the subject of a take-down notice was removed by the content host within the specified time frame for removal (the end of the next business day). This maintains the record of industry compliance—100 per cent of all notices have been complied with since the introduction of the Online Content Scheme in the year 2000.

Under the BSA, prohibited content is defined with reference to the classification categories set out in the National Classification Scheme. Table 2.2 shows the breakdown by content type of online content items actioned as a result of completed investigations in which prohibited or potential prohibited content was located.

**Table 2.2: Prohibited/potential prohibited internet content 2015–16, items actioned**

Actual or likely classification and description of online content	Online content hosted in or provided from Australia (take-down, service-cessation or link-deletion notice issued, or removed after referral to police)	Internet content items hosted overseas (referred to makers of filters)
MA 15+ (Strong-impact content)	0	0
R 18+ (High-impact content)	3	286
X 18+ (Explicit sexual content)	8	1,048
RC 1(a) (Refused Classification content for a range of matters, including offending against standards of morality and decency and revolting and abhorrent phenomena)	0	396
RC 1(b) (Refused Classification content for offensive depictions/descriptions of children)	4	7,461
RC 1(c) (Refused Classification content for instruction, incitement or promotion of crime or violence)	1	9
RC 1(d) (Computer games that are unsuitable for a minor to see or play)	0	0
RC9A (Refused Classification for publications, films, and computer games that advocate terrorist acts)	0	3
Restricted Cat 1 – Publication (Explicit nudity and high-end content)	0	0
Restricted Cat 2 – Publication (Explicit sex, fetishes and high-end content)	0	0
<b>Total</b>	<b>16</b>	<b>9,203</b>

## **The INHOPE network**

Membership of the INHOPE network is key to ensuring illegal child sexual abuse content is actioned quickly and effectively. Comprising 51 hotlines from 45 countries worldwide, the INHOPE network has a unique role in global efforts to eradicate online child sexual abuse material. Content referred to an INHOPE hotline is passed on to local police or service providers for follow-up action. In over 90 per cent of cases, content is removed in fewer than three days.

The Office is an active member of the INHOPE network. In 2015–16, as well as contributing 7,350 reports through the network, team members chaired a task group looking into the optimal fee structure for continued global expansion, attended INHOPE's two major European-based workshops and contributed intelligence reports.

## **Relationships with law enforcement**

Close relationships with state and federal police are important in ensuring reports of illegal content are actioned quickly, and intelligence that may contribute to enforcement action is passed to police. The Office has MoUs in place for referral of serious content to state and federal police, and works closely with law enforcement.

As part of its transition from the ACMA into the Office of the Children's eSafety Commissioner, the Office undertook a review of its MoUs, adding procedures for referral of cyberbullying content (reflecting the broader mandate of the Office). At the end of 2015–16, new MoUs have been signed with Tasmania, South Australia and West Australia, and other states are soon to follow.

## **National Child Protection Week**

In 2015, the Office participated in National Child Protection Week (6–12 September 2015). During this week, the Office dedicates its efforts to raising awareness of its role in combating online child sexual abuse material, with a concerted focus on investigating this content and actioning it for removal. In this week, the Office conducted 580 investigations, of which 552 were child sexual abuse material. All of the content was found to be hosted overseas and notified to the AFP or an INHOPE member hotline for appropriate action in the host country.



## Promoting online safety

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**That families and schools have access to resources that enable them to manage cyberbullying and other online safety issues for children and young people**

The mandate of the Office is to be the national lead and 'one-stop-shop' for online safety information for children and people at risk of technology-facilitated abuse. It delivers a national online safety education program including a wide range of nationally and internationally respected cybersafety education resources previously offered under the Cybersmart brand. During the year, the suite of resources has been significantly expanded.

Its website—[www.esafety.gov.au](http://www.esafety.gov.au)—was launched on 1 July 2015 and provides a single destination for children, parents, teachers and industry stakeholders on a broad range of online safety matters.

In addition to being both the portal for online content complaints and the complaints system for children who experience serious cyberbullying, the website provides access to:

- > providers of online safety programs to schools that have been certified by the Office under the voluntary certification scheme, and related information
- > the eSafetyWomen portal, which provides information on how to use technology safely to women and families at risk of technology-facilitated abuse
- > eSafety Outreach activities, including community presentations, pre-service teacher training and Virtual Classrooms
- > new resources including the iParent portal, which provides advice to parents on a range of online safety and digital content issues
- > a full suite of educational content, including all resources formerly associated with the Cybersmart brand.

The new website incorporates the Office's new branding, which centres on the tagline **\*explore safely**.

During 2015–16, the website received 788,761 visitors, with 2,959,567 pages of content viewed.

### **Voluntary certification scheme for online safety program providers**

The Office's voluntary certification scheme for online safety program providers aims to give schools and other relevant groups certainty when engaging providers to present online safety programs. At 30 June 2016, there were 22 online safety program providers certified by the Office since 8 October 2015:

- > Alannah and Madeline Foundation Limited
- > Brainstorm Productions Pty Ltd
- > Bravehearts Foundation Limited (Bravehearts)
- > Bully Zero Australia Foundation
- > Centre for Internet Safety Pty Ltd
- > Classroom Connections



- > INESS Pty Ltd (Internet Education Safety Services)
- > Internet Safe Training Pty Ltd
- > Jeremy Kalbstein (Cybr Safe)
- > Julie Clifton
- > Life Education Australia
- > Optus Administration Pty Limited (Optus Digital Thumbprint Program)
- > PROJECT ROCKIT Pty Ltd
- > Quality Workplace Practices Pty Ltd
- > Roar Film Pty Ltd (Roar Film and Roar Educate)
- > Safe on Social Pty Ltd
- > SAL Consultants & Investigation Services (Vic.) P/L (Cyber Safety Solutions)
- > Silvana Scibilia Consulting
- > South Eastern Centre Against Sexual Assault (SECASA)
- > Student EDGE Pty Ltd
- > The Cyber Safety Lady
- > Wellbeing Plus Technology (wellbeing+technology).

On 1 June 2016, the Office launched the ‘Find a certified online safety program provider’ form, which allows schools, community groups, sporting groups and others to contact a list of participating program providers with a single enquiry. This initiative helps the enquirer to quickly and easily find options to help them receive the online safety program that best fits their needs.

As at 30 June 2016, Queensland, New South Wales, the Northern Territory, South Australia, Tasmania and Western Australia had entered into the ‘Project Agreement for Online Safety Programmes in Schools’ with the Commonwealth. This agreement makes certified online safety program providers accessible to schools through a \$7.5 million financial assistance program, administered by each state and territory education department, and independent and Catholic counterparts.

### **eSafetyWomen**

The Office’s legislative functions were expanded in December 2015 by the Enhancing Online Safety (Family and Domestic Violence) Legislative Rules 2015, to include:

- > promoting online safety for people at risk of family or domestic violence, including on the risks of using technology
- > supporting, encouraging and conducting educational, promotional, training and community awareness programs that are relevant to online safety for people at risk of family or domestic violence.

To date, two initiatives have been launched, with funding (\$2.1 million over three years) received under the Australian Government’s *Women’s Safety Package to Stop the Violence*, announced on 24 September 2015.

### **eSafetyWomen website**

The Office launched its website, eSafetyWomen—[www.esafety.gov.au/women](http://www.esafety.gov.au/women)—on 28 April 2016 to help women manage technology risks and abuse, and empower them to take control of their online experiences.

The site includes helpful 'how-to' and case study videos, a personal technology check-up, and virtual tours of technologies commonly found in homes, cars and mobile devices.

The Office is continuing to update and add resources to eSafetyWomen and in future the site will include targeted resources for Indigenous women, women from culturally and linguistically diverse communities, and women with disabilities.

### **Awareness-raising presentation**

In June 2016, the Office and the Women's Services Network (WESNET) commenced jointly delivering training to raise awareness of technology-facilitated abuse and what can be done about it.

The training presentation was created by the Office and WESNET, with support from the Department of Social Services.

Training comprises a two-hour workshop for frontline and specialist staff, mainstream professionals and those volunteering in the domestic violence field, and gives participants:

- > a detailed understanding of how technology-facilitated abuse can occur
- > the knowledge and confidence to support women and families experiencing or recovering from this type of abuse.

A total of 331 participants attended 26 workshops held in centres across five states (Queensland, New South Wales, South Australia, Victoria and Western Australia). Workshops will continue to be held across Australia next year.

### **eSafety Outreach program**

eSafety Outreach supports an extensive education program for school students, pre-service teachers and, more recently, community organisations that work closely with children. The responsibilities and activities of the Office, including the implementation of the voluntary certification scheme for online safety program providers, provided a catalyst to realign what was previously the Cybersmart Outreach program to focus on meeting the broader community needs in the provision of online safety education through various delivery platforms and resources. This has enabled the Office to promote, coordinate and lead online safety education for Australian children nationally. New audiences over this reporting period included sporting groups, police, welfare agencies and psychologists.

### **Virtual Classrooms**

The eSafety Outreach program provides opportunities for scalability and reach through the increased use of Virtual Classrooms and webinars. Key topics included cyberbullying, being a good bystander, and the internet and the law. The presentations are both live and on-demand, with strong interactive elements including live chats.

Table 2.3 provides an overview of key performance metrics for 2015–16. Since 1 July 2015, the Office has provided online safety education to nearly 127,000 students, parents, teachers and community workers.

Table 2.3: Total activity since July 2015

Type of Outreach program	Quantity
<b>Pre-service teachers presentations (face-to-face and webinars)</b>	
Attendees	2,832
Events	41
<b>Virtual Classrooms</b>	
Attendees	59,376
Events	125
<b>Community face-to-face presentations</b>	
Attendees	2,271
Events	85
<b>Community webinar presentations</b>	
Attendees	331
Events	19
<b>eSafetyWomen workshops</b>	
Attendees	331
Events	26
<b>Other presentations*</b>	
Attendees	2,568
Events	13
<b>Internet Safety Awareness presentations^</b>	
Attendees	57,880
Events	595
<b>Connect.ed Online PD Program^</b>	
Completed	1,211
<b>Total—Attendees</b>	<b>126,800</b>
<b>Total—Events</b>	<b>904</b>

\*Other presentations include conferences and workshops for certified providers.

^Figures for 1 July 2015 – 31 December 2015; initiatives retired December 2015.

## eSafe Spaces

In November 2015, the Office launched eSafe Spaces, a joint initiative with the Australian Libraries and Information Association (ALIA) and Libraries ACT.

Libraries are important community hubs for young people and families, and have long been considered safe and trusted places. This program aims to create a space where children can be safe, not just online but also offline; spaces where advice can be easily found, and expert help and support is readily available.

Thirty-five library staff from the Australian Capital Territory were trained in the new cyberbullying complaints scheme, with the aim of providing them with the knowledge and confidence to help a child who is being cyberbullied, including helping them lodge a complaint via the online form.

Libraries in the ACT helped promote the pilot by running a number of online safety information sessions targeting parents and carers of children and young people, as well as featuring the pilot via their own social media channels.

Evaluation of the pilot is now underway.

### **Parliament House eSafety training**

In March 2016, the Office ran a series of five online safety training sessions at Parliament House. The objective of these sessions was to provide Members of Parliament and their staff with the knowledge, understanding and tools to support their constituents with online safety issues they may confront. Forty-five parliamentarians and their staff registered for these sessions.

### **New online safety resources**

A key responsibility of the Office is to provide advice to parents about the appropriateness of television programs, films, computer games and websites, including social media websites, across a range of categories.

On 20 May 2016, the Office made available its iParent portal, a parental advice platform that forms an integral part of the Office's resource suite, delivering:

- > parental online safety resources
- > additional parental advisory content and links relating to the appropriateness of television programs, films, computer games and websites, including social media websites.

Information is also presented to parents in a range of formats, including instructional videos.

Response to the online resources hub for parents has been very favourable, with thousands of people accessing the resources and hundreds retweeting its information during June 2016. Further refinement and development will occur following feedback from parents and stakeholders, and analysis of data from a survey commissioned by the Office into parental information needs relating to keeping children and young people safe online.

During 2015–16, the Office expanded its online safety resources to include:

- > a redesigned and updated Cybersmart Detectives education resource—an interactive multimedia class activity that asks the students to step into the shoes of a Cybersmart Detective
- > a series of parental advice video resources covering eSafety basics and expert advice for parents on topics such as cyberbullying and inappropriate content
- > video resources on how to report cyberbullying and offensive and illegal content.

### **Research**

Under the EOSC Act, there are key roles for the Office relating to research about online safety for children, including to:

- > collect, analyse, interpret and disseminate information
- > support, encourage, conduct and evaluate research
- > publish reports and papers relating to online safety for children.

The Office's research program looks to take a leadership role in promoting, coordinating and undertaking research into children's and young people's digital participation and online safety issues. In doing so, it has proactively engaged with a number of leading research agencies and other channels to enhance access to online research programs and expertise, including the Commissioner's Online Safety Consultative Working Group on the development of its research and reporting framework.

In a joint release with the ACMA, the first in a series of research snapshots, *Aussie teens and kids online*, was released on Safer Internet Day, which was held on 9 February 2016. *Aussie teens and kids online* showed that young Australians are well placed to actively participate in digital life, with 81 per cent of teens aged 14–17 going online during June 2015 (compared to 69 per cent in 2011).

In 2015–16, the Office commissioned two national surveys, including a survey of:

- > parents' information needs relating to keeping children and young people safe online
- > young people's digital participation, including attitudes and experiences relating to online safety.

Results from these surveys will be released in a range of digital formats over the second half of 2016. This research will be critical to informing the development of online safety resources and targeted communications.

## Stakeholder communication and engagement

### Key partnerships

The Office looks to work productively with other organisations, both in Australia and overseas, to increase education and awareness about online safety. Partners include government agencies, not-for-profit organisations, corporations and community-based groups; with work ranging from distributing educational material, supporting events and community awareness-raising weeks to co-developing content.

The Office has an MoU with The Alannah and Madeline Foundation (a national charity that protects Australian children from violence), and will look to formalise its productive working relationships with NetSafe (New Zealand's online safety advisory body) and Childnet International (a global children's charity based in the UK) shortly. Key partners include agencies involved in the Commissioner's Online Safety Consultative Working Group, as well as state and federal police forces and education departments.

The Office initiated a series of online safety information sessions with several of the country's largest employers, including ANZ Bank and AusPost, to bring online safety training and information to their staff. This provides the Office with another channel to meet the needs of families and the broader community.

In April 2016, the Office granted the Australian Institute of Aboriginal and Torres Strait Islander Studies (AIATSIS) a licence to use excerpts from its award-winning *Be Deadly Online* resource in a foundational e-learning program for the Australian public service on understanding Aboriginal and Torres Strait Islander people and cultures.

Each year, the Office considers and grants a large number of requests to link to and use Cybersmart resources. Over 2015–16, the Office joined with organisations in raising awareness of cyberbullying and online safety issues during:

- > National Child Protection Week, 6–12 September 2015
- > National eSmart Week, 7–11 September 2015
- > Day for Daniel, 30 October 2015
- > Safer Internet Day, 9 February 2016
- > National Day of Action Against Bullying and Violence, 18 March 2016
- > Privacy Awareness Week, 9–15 May 2016.

The Office supported these events through a range of activities including holding Virtual Classrooms, releasing resources for schools, and parent and social media content.

### **Online Safety Consultative Working Group**

The Online Safety Consultative Working Group (OSCWG) is the Commissioner's advice forum attended by key representatives from industry, government and non-government organisations. The group meets twice-yearly, providing opportunity for the Commissioner to consult on issues that contribute to improving the safety of Australian children online.

In December 2015, the OSCWG met to discuss the availability of pornography online and children's access to it. Special guests included Associate Professor Julie Green, the Director of the Raising Children Network and Associate Professor Amanda Third from the Young and Well Cooperative Research Centre, who spoke on their research relating to the harmful effects of pornography on young people in Australia.

In April 2016, the OSCWG met to discuss a national approach for the protection of Australian children against online sexual exploitation. Special guests included Detective Chief Superintendent Cheryl Scanlon and Detective Inspector Jon Rouse of Taskforce Argos, Queensland Police, as well as Commander Glen McEwen, Australian Federal Police. See Appendix 1 for membership details of the OSCWG.

### **Senate inquiries**

On 2 December 2015, a Senate inquiry was commissioned on the *Harm being done to Australian children through access to pornography on the Internet*. The Office provided a written submission to the inquiry based on its expertise, and reported that a range of solutions are required to address this complex problem. The Commonwealth inquiry was due to report in December 2016. With the dissolution of parliament, the Commonwealth inquiry has lapsed and it will be a matter for the incoming government to determine if the inquiry will be reinstated.

On 12 November 2015, the Senate inquiry into the phenomenon colloquially referred to as 'revenge porn', which involves sharing private sexual images and recordings of a person without their consent, was commissioned. The Office provided a written submission to the inquiry, based on its expertise in online safety advice provision and success in removing, via its complaints system, harmful online material that facilitates violence and abuse. On 18 February 2016, the Office was asked to provide oral submissions to the Committee. The Committee released its report on 25 February 2016. Key recommendations included empowering an agency to provide advice and assistance to Australians to facilitate removal of intimate images distributed online without consent, further education and resourcing to improve community understanding of the issue, and engagement with the internet industry and social media providers on this matter. The Office will continue to provide advice and information to the public via its [eSafetyWomen](#) portal.

In April 2016, the Office contributed to the Commonwealth submission on the consultation paper of the Royal Commission into institutional responses to child sexual abuse in out-of-home care. The submission outlined the broad scope of work occurring at the national level to prevent child sexual abuse in out-of-home care, including the work being done to address technology-facilitated child sexual abuse material and its nexus to the sexual abuse of children in out-of-home care.

### Interagency committees and working groups

Since October 2015, the Office has been a member of a taskforce of relevant agencies from across all Australian governments responsible for developing a range of initiatives to further enhance our efforts to counter violent extremism.

On 15 October 2015, the Prime Minister convened a meeting of senior officials, including the Children's eSafety Commissioner, from Commonwealth, state and territory governments to discuss Australia's approach to countering violent extremism.

At the Council of Australian Governments (COAG) meeting in December 2015, COAG (the Prime Minister, state premiers and territory chief ministers) agreed to take forward a range of initiatives recommended by the taskforce to counter violent extremism. These will support families, schools, youth and communities impacted by violent extremism and help young people avoid the risk of online engagement with violent extremists. As a member of the taskforce, the Office co-chairs and participates in online and school-based working groups.

The Office is a member of the Government's Interagency Committee for Reducing Violence against Women and their Children. The Committee provides input, advice and support into the COAG Advisory Panels reports, progress reports on relevant initiatives under the Women's Safety Package, and the *National Plan to Reduce Violence against Women and their Children 2010–2022*.

### International engagement

Since its inception, there has been considerable global interest in the role of the Office and its cyberbullying complaints-handling scheme, as both are world firsts. International speaking engagements included:

- > the inaugural Conference of South Africa's Film and Publication Board on 'Cyber-Safety, Child Protection, and Classification: an African Perspective', October 2015
- > the European Union's Safer Internet Forum in Luxembourg, October 2015
- > the Resource Distribution and Training Centres program, in Guangzhou, People's Republic of China, coordinated by UNESCO Bangkok, to strengthen the capacities of teacher education institutions in the Asia-Pacific region, November 2015.

The Office also:

- > met with the National Children's Bureau, Northern Ireland in October 2015, and NetSafe, New Zealand in March 2016 on matters of mutual interest
- > attended the VOX-Pol workshops and conference in Dublin in June 2016, in order to inform its forthcoming Digital IQ program
- > met with a range of key stakeholders in London in May 2016, including the Department of Culture, Media & Sport, the Parent Zone, the Diana Award, the Revenge Porn Helpline, OFCOM, InternetMatters and various representatives from the UK Council for Child Internet Safety.

## Media and communications

In order to build public confidence and the public profile of online safety issues, the Commissioner actively engaged with the media and audiences through TV, radio, print and social media. This included the release of quarterly reports on the Office's activities and major product launches.

The Office continues to actively embrace and develop its media channels as mechanisms to engage with existing stakeholders and grow audience numbers, including:

- > **TV and radio presence**—the Commissioner and senior Office staff have been regularly invited to discuss the work of the Office on a broad range of programs, including *Sunrise*, *Today*, *The Project*, ABC's *7.30*, as well as talkback news radio programs on ABC Radio National's *AM*, 774 Melbourne, 702 Sydney, 2UE, 2GB and 3AW.
- > **The Office website**—provides a single point for users to access information and resources on a wide range of online safety issues, including cyberbullying and online content complaints systems. As a step towards improving the integration of our digital channels, social media feeds were recently integrated into the Office's website. This provides visitors to the website with a snapshot of our activity on social media, encouraging them to follow via key platforms.
- > **Social media**—is a critical two-way communications platform between the Office and its target audience. The Office currently uses a range of social media channels including Facebook, Twitter, YouTube, Vimeo and LinkedIn, and posts a mixture of content, including specific announcements like the launch of new resources and initiatives, or advice and guidance on specific online safety issues. Social media offers a unique form of advertising, allowing the Office to boost its reach to a much larger audience and optimising advertisements by targeting specific users. As an example, [eSafetyWomen](#) Facebook posts have reached 834,690 Facebook users in just two months. Social media is also used to raise awareness of Virtual Classrooms, reporting illegal content and the cyberbullying complaints scheme.
- > **e-bulletins**—*Cyberzine* is the Office's monthly e-newsletter featuring up-to-date resources, information and current advice about online safety. *Cyberzine* reaches approximately 6,724 subscribers, with this number growing by approximately 175 each month.
- > **Diverse digital content formats**—the presentation of online safety advice and resources in infographic, video, blog and interactive formats provides a dynamic user experience in the delivery of key online safety messages. Popular examples include the range of infographics for parents which have been promoted nationally and internationally, and the [eSafetyWomen](#) video and interactive web resources.





# Chapter 7

## Accountability arrangements

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The EOSC Act came into effect on 1 July 2015 and created the Children's eSafety Commissioner as an independent statutory office-holder. Functions of the Commissioner are conferred by the Act.

Under section 67 of the Act, the ACMA is required to assist the Commissioner to perform its functions and to exercise its powers to such extent as the Commissioner reasonably requires, making available resources, facilities and members of staff of the ACMA. The Office utilises ACMA resources for a range of functions, such as human resources, governance and financial operations, purchased under an agreed cost structure. As a result of this legislative arrangement, administrative and financial controls are consistently applied across the ACMA and the Office. For the purposes of the preparation of financial statements, the ACMA and the Office report as a single financial entity.

As an independent statutory office-holder, the Commissioner is not subject to the PGPA Act. However, there are a number of administrative arrangements currently in place that provide assurance to the ACMA that the activities of the Office are conducted in an efficient, effective and ethical manner, and all transactions are captured and reported within the appropriate ACMA financial and HR management information systems.

## Financial arrangements

Funds for the Office form part of the ACMA appropriation. Specified departmental and administered funds are annually credited to the Children's Online Safety Special Account.

The Special Account is administered by the ACMA; however, any amount debited from the Account requires written approval of the Children's eSafety Commissioner. Refer to Appendix 13 for details of the Office's financial reporting, as per the requirements under subsection 57(aa) of the ACMA Act.

## Business planning

The Office is not required to produce a corporate plan under the PGPA Act; however, the Office undertakes annual internal business planning, supported by monthly strategic planning and review meetings.

## Staffing the Office

Other than the Commissioner, all employees working for the Office remain employed by the ACMA under the Public Service Act. They continue to be subject to the same laws, regulations, instructions, policies and guidelines as ACMA staff working under the direction of the ACMA. The Commissioner has delegated his powers to staff to spend money appropriated to the Office and, as such, these staff are required to act in accordance with the PGPA Act and all other applicable government processes, rules and regulations.

These staff are also subject to the ACMA's certificate of compliance process, providing the Chairman and Audit Committee with visibility of PGPA Act compliance.

**Refer to Part 3—Management and accountability.**

## Audit and risk management

The Office is not required to have a separate Audit Committee. There is minimal risk, however, as the Commissioner can commission independent audits and the Office falls under the mantle of the ACMA's internal controls, processes and systems. As ACMA employees, the staff of the Office are subject to the ACMA's risk and fraud management framework. In addition, the Office's management team maintains a register of risks pertaining to the work of the Office and conducts quarterly risk reviews.

The Commissioner makes formal representation to the ACMA Chairman confirming the accuracy of the financial information for the year. This includes:

- > acknowledging responsibility for the operation of the systems and internal controls as they apply to the Office
- > a statement that there are no known or suspected frauds
- > that all transactions have been properly recorded
- > that the Special Account has been used appropriately
- > that grant payments to states and territories are made in accordance with the Intergovernmental Agreement on Federal Financial Relations
- > that non-financial performance has been appropriately measured and reported
- > that related party transactions have been reported.

**Refer to Part 3—Management and accountability for details on the ACMA's financial audit activities, as they subsume those of the Office.**

## Information management

The reporting period saw the Office establish and launch its digital presence online. This has included the following key deliverables:

- > **The eSafety website**—the website [www.esafety.gov.au](http://www.esafety.gov.au) is focused on the core pillars of online safety, security and education, and is the launching platform for CyberReport initiatives around cyberbullying and online content complaints. The site facilitates easy access to key information and online services and is supported through a continuous improvement process. Key usage data is analysed, along with primary and secondary research to direct and focus ongoing improvements to the site's usability.
- > **Certified provider contact form**—this online form allows schools, sporting clubs and community groups to submit the details of their online safety training needs in order to contact all participating certified providers with a single enquiry. This initiative helps the enquirer to quickly and easily find and assess options, so that they receive the online safety program that best fits their requirements.
- > **eSafetyWomen**—as part of the government's \$100 million commitment to the *Women's Safety Package to Stop the Violence*, the Office delivered a dedicated website designed specifically to empower women to take control online. By leveraging existing technology elements, the Office rapidly delivered the online presence in a cost-efficient manner.
- > **Cyberbullying complaints system enhancements**—data recorded from the initial use of the complaints system was analysed and combined with market research to restructure the cyberbullying complaints form to improve usability. This work was combined with improvements to the back-office CRM-based investigation platform, to facilitate a more efficient and effective operation of serious cyberbullying investigations.

## Freedom of information

Agencies subject to the *Freedom of Information Act 1982* (FOI Act) are required to publish information as part of the Information Publication Scheme (IPS), under Part II of the FOI Act. The Commissioner is an agency for the purpose of the FOI Act. Information on the Office's IPS, including the agency plan, can be found at <https://esafety.gov.au/about-the-office/privacy-and-legal>.

The Office's agency plan provides a description of, and links to, the categories of information that we are required to publish, as well as information on other material that we voluntarily publish. Further information can be obtained using the contact details provided in the agency plan.

## Performance payments and performance management

For all ACMA staff, refer to Part 3—Management and accountability.

### Financial reporting

Appendix 13 contains financial information on the operation of the Office for the financial year ending 30 June 2016, presented in accordance with paragraph 57(aa) of the ACMA Act. Due to the establishment of the Office on 1 July 2015, there is no comparative financial information for the year ended 30 June 2015.



## **Part 3**

# **Management and accountability**

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Part 3 details staffing arrangements, governance, information management, and financial and property management.

All references to the ACMA in Part 3 also apply to the Office of the Children's eSafety Commissioner, unless specified. Please refer to Chapter 7 in the Office's annual report for specific governance and administrative information. All staff employed to undertake the functions of the Office (with the exception of the Commissioner and directly recruited contract staff) are staff of the ACMA and are covered by all ACMA entitlements, protections and obligations.

## Governance

The ACMA operates under the PGPA Act. Responsibility for governance and management of the ACMA resides with the Chairman as the accountable authority. The Chairman is also the head of the ACMA for the purposes of the Public Service Act and has the rights, duties and powers of an employer for Australian Public Service employees.

Throughout 2015–16, the ACMA's Executive Group assisted the Chairman in his role as the accountable authority by advising on issues of high-level corporate or strategic significance. The Executive Group comprises the Chairman, Deputy Chairman, Full-time Member and the four Senior Executive Service (SES) Band 2 General Managers. The ACMA also has a number of other high-level committees overseeing finance and resource management, compliance and enforcement, and information technology.

In accordance with paragraph 17AG(2)(d) of the PGPA Rule 2014, no significant issues relating to non-compliance with the finance law were reported to the Minister for Communications and the Minister for Finance in the reporting period.

## Corporate planning

**Refer to Chapter 7 in Part 2—Office of the Children's eSafety Commissioner annual report for details of the Office's business planning activities.**

The *ACMA Corporate plan 2015–19* covers a four-year period and outlines the strategic approach to achieving our long-term objectives and priorities. It is also reflected at an individual level in performance management plans agreed between staff members and supervisors. The 2015–19 plan is available on the ACMA website.

In 2015–16, we continued to build on an integrated planning and reporting framework to meet the requirements for corporate planning and performance reporting under the PGPA Act. A key element of this framework is the outcomes-focused corporate plan, which seeks to:

- > drive effectiveness by focusing on and measuring the outcomes that are important to the ACMA and its stakeholders
- > communicate the value the ACMA delivers to the community by defining KPIs for each outcome and reporting these to the public
- > drive internal alignment, performance and accountability by reflecting outcomes and KPIs defined in the corporate plan, internal business plans and staff performance agreements.

Implementation of this integrated framework will continue in 2016–17.

## Risk management and fraud control

The ACMA strives to have a robust risk management culture, and is committed to approaching all risk activities in a consistent, controlled and informed manner, with decisions consulted on and documented. In 2015–16, we undertook an extensive review of business continuity risks and continued to refine our business interruption response arrangements. These arrangements include the regular testing of our Business Continuity Plan, Disaster Recovery Plan and Pandemic Action Plan.

The Executive Group regularly reviews the ACMA's strategic risk profile, and continues to monitor and manage key business risks. The Audit Committee has an oversight role in our risk management activities.

To continue to foster a risk management culture, during 2015–16 we provided tailored training for staff with risk management responsibilities.

The ACMA's fraud control arrangements form part of our Risk Management Framework and are an important component of maintaining a risk management culture, ensuring appropriate fraud prevention, detection, investigation, reporting, and data collection procedures and processes are in place.

During 2015–16, we undertook fraud initiatives, including a review of the ACMA's fraud control policy and a redesign and evaluation of all fraud-related risks. Fraud risks are documented in our Fraud Control Plan. There were no incidents of fraud during the reporting period. In the next reporting period, we plan to update our Fraud Control Plan.

## Audit

The ACMA Audit Committee provides independent advice to the Chairman on the ACMA's risk, control and compliance framework, as well as its external accountability responsibilities.

During 2015–16, the Audit Committee met four times and continued to look at key corporate and regulatory processes. The Committee reviewed all internal and relevant external audit activity and reported on its performance against its charter.

Our internal audit services are provided by Protiviti and overseen by the Audit Committee. There were eight internal audits completed during 2015–16. The implementation of all audit recommendations is tracked and closely monitored by the Audit Committee.

## Security

We continued to strengthen our protective security functions in line with the requirements of the Protective Security Policy Framework and Information Security Manual.

We updated our internal risk management framework based on AS/NZS ISO 31000:2009 *Risk Management: Principles and Guidelines*, including the protective security risk documentation.

All statutory reporting requirements were met in 2015–16, including participation in the Protective Security Policy Framework compliance reporting conducted by the Attorney-General's Department.

## Freedom of information

**Refer to Chapter 7 in Part 2—Office of the Children's eSafety Commissioner annual report for FOI details.**

Agencies subject to the *Freedom of Information Act 1982* (FOI Act) are required to publish information as part of the Information Publication Scheme (IPS), under Part II of the FOI Act. The ACMA is an agency subject to the FOI Act. Information on the ACMA's IPS, including the ACMA's agency plan, can be found at [www.acma.gov.au/theACMA/About/Corporate/Accountability/acma-freedom-of-information-act-publication-plan](http://www.acma.gov.au/theACMA/About/Corporate/Accountability/acma-freedom-of-information-act-publication-plan).

The agency plan provides a description of, and links to, the categories of information that we are required to publish, as well as information on other material that we voluntarily publish. Further information can be obtained using the contact details provided in the agency plan.

## External scrutiny

### Judicial and administrative decisions

During 2015–16, there were no judicial decisions or decisions of administrative tribunals or of the Australian Information Commissioner that have had or may have a significant impact on the operations of the ACMA.

There were no reports on the operations of the ACMA by the Commonwealth Ombudsman during the reporting period.

### Our people

The ACMA employed 446 staff at 30 June 2016, compared with 470 at 30 June 2015, of which 36 were deployed to fulfil the functions of the Office. Comparative staffing details are given in Appendix 2.

Employment arrangements and conditions of work for all non-SES employees of the ACMA are determined by the *ACMA Enterprise Agreement 2011–2014* (the ACMA Agreement). Salary ranges available under the ACMA Agreement are in Appendix 2 of this document.

Terms and conditions for the ACMA's 14 substantive SES employees are contained in common law contracts.

At 30 June 2016, the salary ranges for employees on common law contracts were:

> SES1—\$189,330 to \$202,628

> SES2—\$239,272 to \$264,898.

Non-salary benefits provided to employees on common law arrangements may include a performance bonus, a mobile phone, a car allowance and parking.

At 30 June 2016, 22 employees at ACMA Level 4, ACMA Level 6, Executive Level 1 (EL1) or Executive Level 2 (EL2) had individual flexibility arrangements for additional salary or retention bonuses. The highest additional salary increases the EL2 maximum to \$160,000 per annum and the EL1 maximum to \$133,747 per annum. The maximum retention bonus was \$15,000 per annum.

### Performance payments

Performance pay is available to employees at EL2 (and equivalent) level under the ACMA Agreement and to SES employees under common law contracts. Total performance payments paid for 2015–16 are set out in tables 3.1 and 3.2.

**Table 3.1: Performance payments—ACMA, 2015–16**

Employee level	Employees paid	Total performance pay (\$)	Minimum bonus (\$)	Maximum bonus (\$)	Average bonus (\$)
EL2	50	458,785.24	5,640.86	12,506.87	9,175.70
SES Band 1	9	97,832.42	8,025.23	14,864.46	10,870.27
SES Band 2	4	57,884.75	13,757.05	15,362.96	14,471.19
<b>Total</b>	<b>63</b>	<b>614,502.41</b>			

*Note: Of the 64 eligible EL2 (and equivalent-level) staff, 50 were paid a bonus.*

Table 3.2: Performance payments—Office of the Children’s eSafety Commissioner, 2015–16

Employee level	Employees paid	Total performance pay (\$)	Minimum bonus (\$)	Maximum bonus (\$)	Average bonus (\$)
SES Band 1 and EL 2	7	\$91,419.93	\$3,416.15	\$20,062.05	\$13,059.99

Note: Due to the small number of staff at the SES level, performance payment information at the SES and EL2 level has been combined for privacy reasons.

## Enterprise agreement negotiations

The ACMA Agreement sets out the terms and conditions of employment for employees below the SES level. That agreement nominally expired in June 2014, but continues in force until it is replaced by a new ACMA Agreement. Negotiations for a new ACMA Agreement are continuing.

## Workplace diversity plan

We are committed to providing a supportive and respectful work environment that recognises, values and accommodates the diversity of our employees and represents the Australian community we serve.

The *ACMA Workplace Diversity Plan 2014–18* aims to promote awareness of workplace diversity principles and enables these principles to be reflected in everyday management and workplace practices. The plan aims to develop a supportive culture, and a discrimination- and harassment-free workplace.

We recognise and value individual differences and aim to raise awareness of the importance of workplace diversity by:

- > including the acknowledgment and acceptance/encouragement of diversity in organisational and individual performance plans
- > making the ability to integrate workplace diversity principles into everyday management practice a key selection criteria for management positions
- > making information available to new employees in induction material
- > providing information to all staff through the agency’s intranet.

Further information on the workplace diversity plan is available on the ACMA website.

On 30 June 2016, our employee profile was:

- > total employees: 446
- > number of women: 239
- > number of staff from a non-English-speaking background: 49
- > number of staff with a disability: 5
- > number of Indigenous staff: 4 (all ongoing employees).

## Changes to disability reporting in annual reports

Since 1994, Commonwealth departments and agencies have reported on their performance as policy adviser, purchaser, employer, regulator and provider under the Commonwealth Disability Strategy. In 2007–08, reporting on the employer role was transferred to the Australian Public Service Commission’s *State of the Service Report* and the *APS Statistical Bulletin*. These reports are available at [www.apsc.gov.au](http://www.apsc.gov.au). From 2010–11, departments and agencies have no longer been required to report on these functions.

The Commonwealth Disability Strategy has been overtaken by the National Disability Strategy 2010–2020, which sets out a 10-year national policy framework to improve the lives of people with a disability, promote participation and create a more inclusive society. A high-level two-yearly report will track progress against each of the six outcome areas of the strategy and present a picture of how people with disabilities are faring. Reports can be found at [www.dss.gov.au](http://www.dss.gov.au).

### **Agency multicultural plan**

In 2015–16, we continued our commitment to making communications and media work for all Australians. This included reporting on the actions and activities outlined in the ACMA's *Multicultural Plan 2013–15* to the Department of Social Services.

We are currently developing a multicultural access and equity action plan in accordance with the six core dimensions of the revised Australian Government's Multicultural Access and Equity Policy, including leadership, engagement, performance, capability, responsiveness and openness.

### **Ethical standards**

During the reporting period, we continued to promote the importance of ethical standards through our Management Instructions (MIs), People Management Instructions (PMIs) and training programs. In particular, we promote ethical standards and make staff aware of their obligations through our MI on gifts, benefits and hospitality, and PMIs on public interests disclosure, and identifying and managing conflicts of interest.

All new staff are required to undertake online training on the APS Values and Principles as part of their induction. Additionally, during the reporting period, all staff were required to undertake refresher training on the APS Values and Principles. Adherence to the ACMA and APS Values and APS Code of Conduct is a mandatory expectation in all performance agreements.

### **Health and safety**

We are committed to providing our staff with a healthy and safe working environment.

We actively support the safe and timely return to work of injured or ill employees, whether or not the injury or illness is work-related. This includes implementing early intervention strategies and engaging rehabilitation providers to facilitate the return-to-work process.

A National Work Health and Safety Committee operates within the ACMA to discuss and resolve issues in the workplace, and comprises both employer and employee representatives. The broad function of the committee is to promote an environment in which management and employees work cooperatively to ensure the health and safety of everyone in the workplace. The National Work Health and Safety Committee met on four occasions during the reporting period.

Health and safety information is provided to all new employees through the ACMA's induction program. All employees are required to complete work health and safety online training on a regular basis. In addition, we provided the following initiatives during the reporting period:

- > Health Week—focused on 'Be active in the workplace', ergonomics and mental health, incorporating seminars, health assessments and work-based activities
- > flu vaccinations
- > plaque tests
- > assistance with costs associated with eye-testing and buying glasses for screen-based use
- > Employee Assistance Program
- > a monthly newsletter.

The Black Dog Institute was engaged during 2015 to undertake a review of the ACMA's mental health program, policy and procedures. The review found that we give a high priority to work health and safety, and have implemented excellent policies and initiatives in the area of mental health. We implemented several recommendations, including updating our online resources and providing information on preventing, recognising and managing mental illness in the workplace.

**Table 3.3: Health and wellbeing initiatives, 2015–16**

Initiative	Utilisation rate (%)
Influenza vaccination	44
Plaque check	26
Employee Assistance Program	8.39

Regular workplace inspections are undertaken in all ACMA workplaces to identify hazards and potential hazards, and to review current hazard control measures. We strongly encourage the reporting of workplace incidents, with 29 incident reports submitted by employees during the reporting period.

Health and safety outcomes as a result of initiatives undertaken include a continuing decrease in the yearly Comcare premium rate for the ACMA, an increased awareness among staff of their health and safety obligations, and greater understanding among workers of mental health issues.

No notifiable incidents were reported to Comcare, no work health and safety investigations were conducted, and no notices were given to the ACMA under Part 10 of the *Work Health and Safety Act 2011*.

## Consultation and workplace relations

Staff consultative bodies are established under the ACMA Agreement.

The National Consultative Forum deals primarily with the key strategic and change issues that affect the ACMA and is convened by the General Manager, Corporate and Research Division. It comprises management, union and employee representatives.

Four local consultative forums, comprising management, union and employee representatives, and chaired by a senior manager, have been established in each of the three principal offices—Canberra, Melbourne and Sydney—as well as a forum that covers the agency's compliance and operations function. Local consultative forums can refer matters with organisation-wide implications to the National Consultative Forum.

Approaches to involve employees in decision-making and information-sharing include all-staff meetings, planning sessions, branch and section meetings, focus groups and the use of the ACMA intranet to disseminate information.

We participate in the Australian Public Service Commission's State of the Service employee census, which enables us to collect employee feedback to help develop strategies to address specific workforce issues. About 80 per cent of ACMA staff participated in the 2016 census.

## People and capability development

We recognise that learning and development is a key enabler to building individual capability and performance. The *ACMA Learning and Development Strategy 2015–18* actively seeks to support our commitment to providing all employees with effective and accessible learning and development. The strategy showcases a new approach to learning and builds on organisational and individual capability.

The strategy aims to:

- > provide quality and relevant learning within the workplace by strengthening capabilities that are aligned to both strategic requirements and individual performance outcomes
- > ensure all employees have access to tools that will facilitate compliance with APS legislative obligations
- > create a continuous learning culture whereby individuals take ownership of their development needs in partnership with supervisors, encouraging an engaged and informed workforce.

The ACMA's net expenditure in 2015–16 for employee learning and development was \$349,217. This figure includes staff attendance at general training, conferences and seminars, and studies assistance. Staff attended a range of learning and development activities, from public service writing courses to industry-related conferences.

During the year, 17 employees were supported under our Studies Assistance Guidelines. Employees undertook tertiary qualifications in specialised fields such as law, business, social work and information technology.

## Performance management

The ACMA's performance management framework is designed to help us achieve organisational outcomes and outputs by managing employee performance, supporting employees in the workplace, and maintaining healthy and sustainable work practices. The framework specifically benefits employees by clarifying expectations, enabling improved individual work performance, increasing skills and knowledge, and enhancing career opportunities.

Individual performance and development plans identify the key targets and performance expectations needed to achieve the objectives of both area business plans and the ACMA corporate plan. Time frames align with the ACMA's annual planning cycle and allow for effective communication and formal feedback at regular intervals.

## Financial management

The ACMA continues to enhance its financial management. During 2015–16, further adjustments to reporting frameworks improved access to, and provision of, quality financial information for internal and external stakeholders.

We are continuing to review key areas within the financial management remit so that all ACMA processes align with legislative changes and best practice. The ACMA met all statutory budgeting and reporting requirements and deadlines as set down by the Department of Finance and the Australian National Audit Office (ANAO).

Key achievements during the year included:

- > further enhancing the forward-year budget allocation process
- > improving accessibility to the financial management information system.

The ACMA achieved an operating surplus in 2015–16, as a result of supplier and employment cost savings.

The ACMA's financial statements for 2015–16 were prepared in accordance with section 42 of the PGPA Act. The ANAO is given full access to all records and premises to enable them to perform their role, and they issued an unmodified audit opinion on the ACMA's 2015–16 financial statements and notes (see Appendix 15).

## Procurement and contract management

During 2015–16, we continued to strengthen our procurement and contract management capabilities by strengthening appropriate controls to ensure compliance with the PGPA Act and the *Commonwealth Procurement Rules*. We used a range of template documents, including the whole-of-government Commonwealth Contracting Suite, to procure goods and services that, in alignment with internal policies, delivered value-for-money procurement.

We also completed the implementation of a contracts module in the financial management information system to better facilitate an automated procurement process.

### Procurement initiatives to support small business

The ACMA supports small business and Indigenous participation in the Commonwealth Government procurement market. Small and medium enterprises (SME), small enterprise and Indigenous participation statistics are available on the Department of Finance's website at [www.finance.gov.au/procurement/statistics-on-commonwealth-purchasing-contracts](http://www.finance.gov.au/procurement/statistics-on-commonwealth-purchasing-contracts).

We recognise the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury's website at [www.treasury.gov.au](http://www.treasury.gov.au).

Our procurement practices support SMEs, consistent with paragraph 5.4 of the *Commonwealth Procurement Rules*, by adopting initiatives or practices including:

- > use of the Commonwealth Contracting Suite for low-risk procurements valued under \$200,000
- > Australian Industry Participation Plans in whole-of-government procurement where applicable
- > the Small Business Engagement Principles (outlined in the government's Industry Innovation and Competitiveness Agenda), such as communicating in clear, simple language and presenting information in an accessible format
- > electronic systems or other processes used to facilitate on-time payment performance, including the use of payment cards.

### Grant programs

The ACMA does not administer any grant programs.

### Asset management

The ACMA's asset management procedures and policies reflect relevant legislation and best practice. Major asset categories include land, buildings, leasehold improvements, plant, equipment and intangibles such as software that is either developed in-house or purchased from third-party vendors. Assets are valued at fair value with their carrying values and useful lives being reviewed annually.

At the end of 2015–16, the ACMA had a total value of \$57.19 million in net non-financial assets. During the year, the capital management plan was further developed to help our capital planning requirements.

### Property management

The ACMA property portfolio includes leased, licensed and Commonwealth-owned premises, ranging from office accommodation in the major capital cities to small radio monitoring sites at remote locations. We are continuing to review our office accommodation in accordance with the *Commonwealth Property Management Guidelines* and operational requirements.



During 2015–16, we relinquished our HFDF monitoring site at Cox Peninsula in the Northern Territory. We no longer require this site as we are working with the Department of Defence to utilise its infrastructure for HFDF monitoring in the future as part of Project Nullarbor. We have also ceased monitoring operations on Defence land at Garden Island in Western Australia.

We moved our office in Brisbane to Queen Street in November 2015. We have sub-let this space from the Australian Securities and Investments Commission, which has resulted in whole-of government savings of \$220,000 annually and a substantial saving in fit-out costs.

### **Ecologically sustainable development and environmental performance**

The ACMA is committed to ensuring that our corporate operations reflect environmental best practice in a public service agency for urban office environments and in remote and regional monitoring sites we manage. We undertook activities to promote ecologically sustainable development and minimise our impact on the environment by:

- > procuring green power and reducing energy consumption through energy-efficient office fit-outs
- > leasing main office tenancies that have a high National Australian Build Environment Rating System (NABERS) rating (Sydney 6-star, Melbourne and Canberra 5-star)
- > using videoconferencing facilities to reduce air travel
- > promoting efficient use of energy, water, paper and other natural resources
- > producing environmentally sustainable communication products and forms, including using alternatives to paper products and forms whenever possible
- > preventing or minimising pollution, waste-to-landfill and greenhouse gas emissions
- > implementing forced 'out-of-hours' computer terminal shutdown
- > using environmentally friendly cleaning products
- > reducing unnecessary printing by requiring a two-stage printing activation through our cloud-based printing system
- > utilising 100 per cent recycled printing paper.

### **Corporate support services provided by the ACMA to the Office**

To assist the Office, the ACMA provides the following categories of services:

- > finance and accounting
- > procurement and contract management
- > accommodation and facilities
- > human resource management (including the provision of ACMA staff)
- > information and communications technology (ICT)
- > certain media and communications services
- > legal services (on a fee-for-service basis)
- > research services (on a fee-for-service basis)
- > parliamentary liaison.

All staff employed to undertake the functions of the Office (with the exception of the Commissioner and directly recruited contract staff) are staff of the ACMA and are covered by all ACMA entitlements, protections and obligations.



# Part 4

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## Appendix 1:

### Committees, memberships and attendance at meetings, 2015–16

#### Authority meetings

At 30 June 2016, the Authority comprised the Acting Chairman, Richard Bean; the Acting Deputy Chairman, James Cameron; two Part-time Members, Anita Jacoby and Rosemary Sinclair, and one Associate Member, Rod Sims.

The Authority met 19 times in 2015–16.

Table 4.1: Attendance by Members at Authority meetings, 2015–16

Authority Member	No. of meetings attended
Chris Chapman	12
Richard Bean	19
James Cameron	19
Louise Benjamin	6
Anita Jacoby	15
Rosemary Sinclair	12
Rod Sims	0

For more details about the Authority, refer to Structure in Part 1 of this report.

#### Executive Group meetings

The ACMA Executive Group functions as a senior oversight committee for management decisions. The Executive Group assists the Chairman by providing counsel on issues of high-level corporate or strategic significance to the agency.

The Executive Group formally met 12 times in 2015–16.

Table 4.2: Attendance at Executive Group meetings, 2015–16

Member of Executive Group	No. of meetings attended
Chris Chapman, Chairman (until 26 February 2016)	4
Richard Bean, Deputy Chair (until 28 February 2016) Acting Chairman (from 29 February 2016)	11
James Cameron, Full-time Member (until 8 July 2015) Acting Deputy Chairman (from 9 July 2015)	12
Giles Tanner, General Manager, Communications Infrastructure Division	11
Maureen Cahill, General Manager, Corporate and Research Division	9
Brendan Byrne, General Manager, Legal Services Division	10
Jennifer McNeill, General Manager, Content, Consumer and Citizen Division	11

## Audit committee

The ACMA Audit Committee coordinates internal and external audit activities, and oversees the financial statements, risk management framework and implementation of fraud control policies.

In its capacity as an advisory committee to the ACMA Chairman, the Audit Committee met four times in 2015–16.

Table 4.3: Attendance by Members at Audit Committee, 2015–16

Members	No. of meetings attended
Richard Bean, Audit Committee Chair (until December 2015)	2
James Cameron, Audit Committee Chair (from January 2016)	2
Michael Harris, External Audit Committee Member	4
Fay Holthuizen, External Audit Committee Member	4
David Williams, External Audit Committee Member	4
Jonquil Ritter, ACMA Audit Committee Member (to March 2016)	3
Paul Miszalski, ACMA Audit Committee Member (from April 2016)	1

## ACMA advisory and consultative bodies

### Consumer Consultative Forum (CCF)

#### Chair

- > Australian Communications and Media Authority

#### Consumer representatives

All current consumer representatives were appointed from April 2016 for a period of two years, with the exception of Teresa Corbin, CEO of ACCAN, who was appointed on an ongoing basis.

- > Teresa Corbin, CEO, Australian Communications Consumer Action Network
- > Daniel Featherstone, General Manager, Indigenous Remote Communications Association
- > Dorothy Coombe, Country Women's Association
- > Erin Turner, CHOICE
- > George Fong, President, Internet Society of Australia
- > Jenny Lovric, Legal Aid NSW
- > Jo Ucakalo, Two Hoots and Handle My Complaint
- > Nadia Moffatt, Brain Injury SA

The following consumer representatives ceased membership in April 2016:

- > Stella Avramopoulos, CEO, Kildonan Uniting Care
- > Chris Jeffery, Policy Officer, Council on the Ageing WA
- > Professor Julian Thomas, Professor of Media and Communications, Swinburne University of Technology

#### Representatives from industry bodies

- > Chris Althaus, CEO, Australian Mobile Telecommunications Association
- > John Stanton, CEO, Communications Alliance

***Regulatory and government representatives***

- > Delia Rickard, Deputy Chair, Australian Competition and Consumer Commission
- > Judi Jones, Telecommunications Industry Ombudsman, preceded by Dianne Carmody, acting Ombudsman from 8 August 2015 to 28 April 2016, and Simon Cohen, Ombudsman until 7 August 2015
- > Sylvia Spaseski, Assistant Secretary, Consumer Access, Department of Communications and the Arts

**Emergency Call Services Advisory Committee (ECSAC)**

- > Australian Communications and Media Authority (Chair)
- > Ambulance Tasmania
- > Attorney-General's Department
- > Australian Capital Territory Emergency Services Authority
- > Australian Communications Consumer Action Network
- > Australian Communication Exchange Limited
- > Department of Communications and the Arts
- > Queensland Ambulance Services
- > Emergency Services Telecommunications Authority, Victoria
- > iiNet Limited
- > NBN Co Limited
- > New South Wales Police Force
- > Fire and Rescue NSW
- > Northern Territory Police, Fire and Emergency Services
- > Singtel Optus Pty Ltd
- > South Australia Ambulance Service
- > St John Ambulance, Western Australia
- > Telstra Corporation
- > Victoria Police
- > Vodafone Hutchison Australia Pty Limited

**Numbering Advisory Committee (NAC)**

- > AAPT Ltd
- > Australian Communications and Media Authority
- > Australian Communications Consumer Action Network
- > Australian Competition and Consumer Commission
- > Australian Phone Word Association Ltd
- > Mr Lawrence Glen Clarke
- > Communications Alliance
- > Department of Communications and the Arts
- > My Net Fone Ltd

- > SingTel Optus Pty Ltd
- > Telstra Corporation Ltd
- > Vodafone Hutchison Australia Pty Ltd

**Observers**

- > Industry Number Management Services
- > M2
- > Verizon Australia Pty Ltd

**Office of the Children’s eSafety Commissioner advisory and consultative bodies**

**Online Safety Consultative Working Group**

- > Alannah and Madeline Foundation
- > Attorney-General’s Department
- > Australian Federal Police
- > Australian Mobile Telecommunications Association (AMTA)
- > Australian Psychological Society
- > Bravehearts
- > Carly Ryan Foundation
- > Child Wise
- > Communications Alliance
- > Cyber Safety Solutions
- > Department of Communications and the Arts
- > Department of Education and Training
- > Department of Social Services
- > Facebook
- > Google
- > Interactive Games and Entertainment Association (IGEA)
- > Life Education
- > McAfee
- > Microsoft
- > National Association for Prevention of Child Abuse and Neglect (NAPCAN)
- > National Children’s Commissioner, Australian Human Rights Commission
- > National Children’s and Youth Law Centre (NCYLC)
- > Norton Rose Fulbright
- > Telstra
- > Twitter
- > Yahoo!7
- > Young and Well Co-operative Research Centre

## Appendix 2:

### Staffing information, 2015–16

This appendix contains staffing details for the ACMA and Office of the Children's eSafety Commissioner. Other than the Commissioner, all employees working for the Office remain employed by the ACMA under the *Public Service Act 1999*.



Table 4.4: Staff profiles by employment type, gender and location, 2015–16\*

NATIONAL	ONGOING										NON-ONGOING						
	Full-time		Part-time		Full-time		Part-time		Full-time		Part-time		Full-time		Part-time		
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	
Classification	01.07.15	30.06.16	01.07.15	30.06.16	01.07.15	30.06.16	01.07.15	30.06.16	01.07.15	30.06.16	01.07.15	30.06.16	01.07.15	30.06.16	01.07.15	30.06.16	Total
SES 2	2	2	2	2													5
SES 1	6	5	4	4													11
EL2	24	20	15	1	1	7	7										52
Principal Lawyer	6	6	6	6													12
EL1	83	80	53	46	2	1	27	30	1								166
Senior Lawyer	1	1	3	4	1	1	4	2									9
ACMA 6	58	55	62	52	1	1	17	20	4	5	1	3	1				144
Lawyer	1																1
ACMA 5	17	16	14	12			7	6	1	1	1	1					38
ACMA 4	7	7	15	16			6	7			1	1					28
ACMA 3							1	1	1								2
ACMA 2																	0
Graduate																	0
ACMA 1																	0
<b>TOTAL</b>	<b>205</b>	<b>197</b>	<b>180</b>	<b>157</b>	<b>5</b>	<b>4</b>	<b>69</b>	<b>73</b>	<b>6</b>	<b>6</b>	<b>1</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>4</b>	<b>468</b>

\*Substantive classification. Excludes four statutory office-holders.



MELBOURNE	ONGOING								NON-ONGOING								
	Full-time		Part-time		Full-time		Part-time		Full-time		Part-time		Full-time		Part-time		
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	
Classification	01.07.15	30.06.16	01.07.15	30.06.16	01.07.15	30.06.16	01.07.15	30.06.16	01.07.15	30.06.16	01.07.15	30.06.16	01.07.15	30.06.16	01.07.15	30.06.16	Total
SES 2																	0
SES 1	3	1															4
EL2	8	5	1	1													15
Principal Lawyer	4																4
EL1	30	16	15	1	17	17	1										63
Senior Lawyer			1	2	1	1	1	3	2								5
ACMA 6	25	20	13	1	10	11	2	1	2								59
Lawyer	1																1
ACMA 5	5	4	4		7	6											17
ACMA 4	2	4	4		1	2											7
ACMA 3																	0
ACMA 2																	0
Graduate																	0
ACMA 1																	0
<b>TOTAL</b>	<b>78</b>	<b>52</b>	<b>44</b>	<b>4</b>	<b>3</b>	<b>39</b>	<b>39</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>4</b>	<b>177</b>	<b>172</b>

SYDNEY	ONGOING						NON-ONGOING						Total	
	Full-time		Part-time		Part-time		Full-time		Part-time		Part-time			
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female		
Classification	01.07.15	30.06.16	01.07.15	30.06.16	01.07.15	30.06.16	01.07.15	30.06.16	01.07.15	30.06.16	01.07.15	30.06.16	01.07.15	30.06.16
SES 2	2												2	2
SES 1		3	2										3	2
EL2	5	7	6	4	4								16	15
Principal Lawyer	1	4	4										5	5
EL1	18	22	19	7	9								47	43
Senior Lawyer	1	1											2	1
ACMA 6	11	9	20	4	8			1					35	39
Lawyer													0	0
ACMA 5	3	2	1										4	2
ACMA 4	1	1	1										2	2
ACMA 3				1	1			1					2	1
ACMA 2													0	0
Graduate													0	0
ACMA 1													0	0
<b>TOTAL</b>	<b>42</b>	<b>36</b>	<b>59</b>	<b>52</b>	<b>22</b>	<b>16</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>118</b>	<b>112</b>

REGIONS*	ONGOING						NON-ONGOING								
	Full-time		Part-time		Part-time		Full-time		Part-time		Part-time				
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female			
Classification	01.07.15	30.06.16	01.07.15	30.06.16	01.07.15	30.06.16	01.07.15	30.06.16	01.07.15	30.06.16	01.07.15	30.06.16	01.07.15	30.06.16	Total
SES 2															0
SES 1															0
EL2	1			1											2
Principal Lawyer															1
EL1	1	1	1	1											2
Senior Lawyer															0
ACMA 6	5						1	1							6
Lawyer															0
ACMA 5	2		3	1	2										3
ACMA 4	1		1	2	2										3
ACMA 3															0
ACMA 2															0
Graduate															0
ACMA 1															0
<b>TOTAL</b>	<b>10</b>	<b>11</b>	<b>5</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>17</b>

\*Includes Parramatta, Hobart and Brisbane.

Table 4.5: Salary ranges of employees, 30 June 2016

ACMA local designation	Equivalent APS classification	(\$)
ACMA 1.1	APS Level 1	43,539
ACMA 1.2		48,019
ACMA 2.1	APS Level 2	48,986
ACMA 2.2		54,070
ACMA 3.1	APS Level 3	55,713
ACMA 3.2		57,125
ACMA 3.3		60,618
ACMA 4.1	APS Level 4	62,444
ACMA 4.2		64,067
ACMA 4.3		67,907
ACMA 5.1	APS Level 5	69,619
ACMA 5.2		71,679
ACMA 5.3		75,196
ACMA 6.1	APS Level 6	76,767
ACMA 6.2		80,623
ACMA 6.3		86,738
ACMA EL1.1	Executive Level 1	93,353
ACMA EL1.2		98,202
ACMA EL1.3		105,318
ACMA EL1.4* (Restricted)		115,983
ACMA EL2.1	Executive Level 2	113,009
ACMA EL2.2		120,588
ACMA EL2.3		128,147
ACMA EL2.4		133,747
ACMA EL2.5** (Restricted)		136,898
Lawyer/Legal Officer 1.1	APS Level 5	69,619
Lawyer/Legal Officer 1.2	APS Level 5	75,196
Lawyer/Legal Officer 1.3	APS Level 6	76,767
Lawyer/Legal Officer 1.4	APS Level 6	86,738
Snr Lawyer/Legal Officer 2.1	Executive Level 1	93,353
Snr Lawyer/Legal Officer 2.2	Executive Level 1	105,318
Snr Lawyer/Legal Officer 2.3	Executive Level 1	115,983
Principal Lawyer 3.1	Executive Level 2	128,147
Principal Lawyer 3.2	Executive Level 2	133,747
Tech Trainee 1	Trainee APS (Technical)	43,539
Tech Trainee 2	Trainee APS (Technical)	48,019
Tech Trainee 3	Trainee APS (Technical)	48,986
Tech Trainee 4	Trainee APS (Technical)	54,070
Graduate 1.1	Graduate APS	55,713
Graduate 1.2	Graduate APS	60,618
Graduate 1.3***	APS Level 4	62,444

\*Restricted to employees locally designated as Snr Lawyer/Legal Officer.

\*\*Restricted to employees 'grandfathered' from ABA/ACA on this pay point.

\*\*\*On successful completion of the graduate year, a graduate will be allocated an ACMA 3 (APS Level 3) local designation and immediately advanced to ACMA 4 (APS Level 4).

Abbreviations used in this appendix—SES: Senior Executive Service; EL: Executive Level; APS: Australian Public Service.

## Appendix 3:

### Programs and content, 2015–16

Table 4.6: Programs granted children's or preschool classification, 2015–16

Program title	Style	Type	Origin	Applicant
<b>Children's—C</b>				
<i>Move It!</i> (series 6, episodes 1–65)	Live action	Game show	Australia	Ambience Entertainment Pty Ltd
<i>The Most Extreme — Alien Planet Earth</i> (series 1, episodes 1–65)	Live action	Documentary/ Information	Australia	Eye Spy Productions Pty Ltd T/A Northern Pictures
<i>ZooMoo</i> (series 2, episodes 66–115)	Live action/ Animation/Puppetry	Drama/ Documentary	New Zealand	Natural History New Zealand Ltd
<i>Flushed</i> (series 2, episode 66)	Live action	Game show	Australia	Ambience Entertainment Pty Ltd
<i>Crunch Time</i> (series 1, episodes 1–65)	Live action	Lifestyle	Australia	Ambience Entertainment Pty Ltd
<i>Move It!</i> (series 5, episodes 1–65)	Live action	Game show	Australia	Ambience Entertainment Pty Ltd
<i>Flushed</i> (series 2, episodes 1–65)	Live action	Game show	Australia	Ambience Entertainment Pty Ltd
<b>Provisional—PRC</b>				
<i>Herb &amp; Ray's Yum</i> (series 1, episodes 1–8)	Animation	Drama	Australia	Sticky Pictures Pty Ltd
<i>The Most Extreme — Alien Planet Earth</i> (series 1, episodes 1–65)	Live action	Documentary/ Information	Australia	Eye Spy Productions Pty Ltd T/A Northern Pictures
<i>Lexi &amp; Lottie — Dynamic Detective Duo</i> (series 1 episodes 1–26)	Animation	Drama	Australia	SLR Productions Pty Ltd
<i>Crunch Time</i> (series 1, episodes 1–65)	Live action	Lifestyle	Australia	Ambience Entertainment Pty Ltd
<i>Skinner Boys</i> (series 2, episodes 1–26)	Animation	Drama/ Comedy	Australia	SLR Productions Pty Ltd
<b>Preschool—P</b>				
<i>Magical Tales</i> (series 7, episodes 1–45)	Animation	Drama	Australia	Ambience Entertainment Pty Ltd
<i>Crocamole</i> (series 1, episodes 46–160)	Live action/ Animation/Puppetry	Information/ Variety	Australia	Network Ten Pty Ltd
<i>Jay's Jungle</i> (series 2, episodes 1–65)	Live action	Variety	Australia	Ambience Entertainment Pty Ltd

Program title	Style	Type	Origin	Applicant
<i>Crocamole</i> (series 1, episodes 1–45)	Live action/ Animation/Puppetry	Information/ Variety	Australia	Network Ten Pty Ltd
<i>Imagination Train</i> (series 1, episodes 1–45)	Live action	Variety	Australia	Ambience Entertainment Pty Ltd
<i>Hiccup &amp; Sneeze</i> (series 1, episodes 1–45)	Live action/ Puppetry	Variety	Australia	Eye Spy Productions Pty Ltd T/A Northern Pictures
<b>Preschool—P—Renewal</b>				
<i>Larry the Lawnmower</i> (series 1, episodes 1–195)	Live action	Drama	Australia	Ambience Entertainment Pty Ltd
<i>Toybox</i> (series 1, episodes 1–75)	Live action	Variety	Australia	Beyond Screen Production Pty Ltd
<b>Provisional—PRP</b>				
<i>Hiccup &amp; Sneeze</i> (series 1, episodes 1–45)	Live action/ Puppetry	Variety	Australia	Eye Spy Productions Pty Ltd T/A Northern Pictures
<b>Australian children’s drama—CD</b>				
<i>Fanshaw &amp; Crudnut</i> (series 1, episodes 1–52 and telemovie)	Animation	Drama	Australia	Beyond Screen Production Pty Ltd
<i>Skinner Boys</i> (series 2, episodes 1–26)	Animation	Drama/ Comedy	Australia	SLR Productions Pty Ltd
<i>Beat Bugs</i> (series 1, episodes 1–52)	Animation	Drama	Australia	11:11 Creations Production 1 Pty Ltd
<i>Amazing Space Buddies</i> (series 1, episodes 1–13)	Animation	Drama	Australia	White Wizard Animation
<i>Blinky Bill</i> (series 1, episodes 1–52)	Animation	Drama	Australia	Flying Bark Productions Pty Ltd
<i>KooKoo Harajuku</i> (series 1, episodes 27–52)	Animation	Drama	Australia	HJ5 Pty Ltd

Table 4.7: Children’s television consultants, 2015–16

Name	Expertise
Donna Andrews	Child development/Production
Dina Browne	Production
Stephen Measday	Production/Script writer
Rita Princi	Child development
Gina Roncoli	Production/Script writer



## Appendix 4:

### Broadcasting investigations outcomes, 2015–16

Table 4.8: ACMA investigations, 1 July 2015 to 30 June 2016

Investigation number	Station	Program or issue	Substance of complaint	Outcome
<b>Commercial television</b>				
<b>Breach findings: 26</b>				
3238	TCN TCN Channel Nine Pty Ltd GTV General Television Corporation Pty Ltd NBN NBN Limited	<i>A Current Affair</i>	Accuracy, religious vilification, public panic and portrayal of a group of persons in a segment about a Christian organisation that provides religious instruction in Victorian public schools	Breach—accuracy No breach—proscribed matter No breach—create public panic No breach—portray in a negative light
BI-43	SAS Channel Seven Adelaide Pty Ltd	<i>Catching Milat</i> program promotions	Classification—program promotions were unsuitable for broadcast in a G classified program as they contained material inappropriate for viewing by children	Breach—classification Breach—restrictions in G viewing periods
BI-54	TEN Network TEN (Sydney) Pty Limited	<i>Ten News At Five</i>	Accuracy and privacy in a news report about an assault	Breach—accuracy Breach—privacy
BI-57	TCN TCN Channel Nine Pty Ltd	<i>A Current Affair</i>	Accuracy and privacy in a segment about a family law dispute	No breach—accuracy No breach—corrections Breach—privacy
BI-59	BDN Broken Hill Television Pty Ltd	Australian C Drama First Release Programs	Compliance with the Australian C Drama quota for the 2012–14 triennium	Breach—did not comply with program standards*
BI-61	GDS Spencer Gulf Telecasters Pty Ltd	Australian C Drama First Release Programs	Compliance with the Australian C Drama quota for the 2012–14 triennium	Breach—did not comply with program standards*
BI-62	IMP Imparja Television Pty Ltd	Australian C Drama First Release Programs	Compliance with the Australian C Drama quota for the 2012–14 triennium	Breach—did not comply with program standards*
BI-63	VAS Eastern Australia Satellite Broadcasters Pty Ltd	Australian C Drama First Release Programs	Compliance with the Australian C Drama quota for the 2012–14 triennium	Breach—did not comply with program standards*
BI-64	VAN Eastern Australia Satellite Broadcasters Pty Ltd	Australian C Drama First Release Programs	Compliance with the Australian C Drama quota for the 2012–14 triennium	Breach—did not comply with program standards*

Investigation number	Station	Program or issue	Substance of complaint	Outcome
BI-65	NWS Channel 9 South Australia Pty Ltd	Australian C Drama First Release Programs	Compliance with the Australian C Drama quota for the 2012–14 triennium	Breach—did not comply with program standards*
BI-66	STW Swan Television & Radio Broadcasters Pty Ltd	Australian C Drama First Release Programs	Compliance with the Australian C Drama quota for the 2012–14 triennium	Breach—did not comply with program standards*
BI-67	NBN NBN Pty Ltd	Australian C Drama First Release Programs	Compliance with the Australian C Drama quota for the 2012–14 triennium	Breach—did not comply with program standards*
BI-68	NTD Territory Television Pty Ltd	Australian C Drama First Release Programs	Compliance with the Australian C Drama quota for the 2012–14 triennium	Breach—did not comply with program standards*
BI-71	SWW WA Satco Pty Ltd	Australian C Drama First Release Programs	Compliance with the Australian C Drama quota for the 2012–14 triennium	Breach—did not comply with program standards*
BI-72	MTN WIN Television Griffith Pty Ltd	Australian C Drama First Release Programs	Compliance with the Australian C Drama quota for the 2012–14 triennium	Breach—did not comply with program standards*
BI-73	STV WIN Television Mildura Pty Ltd	Australian C Drama First Release Programs	Compliance with the Australian C Drama quota for the 2012–14 triennium	Breach—did not comply with program standards*
BI-74	WIN WIN Television NSW Pty Ltd	Australian C Drama First Release Programs	Compliance with the Australian C Drama quota for the 2012–14 triennium	Breach—did not comply with program standards*
BI-75	RTQ WIN Television QLD Pty Ltd	Australian C Drama First Release Programs	Compliance with the Australian C Drama quota for the 2012–14 triennium	Breach—did not comply with program standards*
BI-76	RTS WIN Television SA Pty Ltd	Australian C Drama First Release Programs	Compliance with the Australian C Drama quota for the 2012–14 triennium	Breach—did not comply with program standards*
BI-77	SES WIN Television SA Pty Ltd	Australian C Drama First Release Programs	Compliance with the Australian C Drama quota for the 2012–14 triennium	Breach—did not comply with program standards*
BI-78	TVT WIN Television TAS Pty Ltd	Australian C Drama First Release Programs	Compliance with the Australian C Drama quota for the 2012–14 triennium	Breach—did not comply with program standards*
BI-79	VTV WIN Television Vic Pty Ltd	Australian C Drama First Release Programs	Compliance with the Australian C Drama quota for the 2012–14 triennium	Breach—did not comply with program standards*

Investigation number	Station	Program or issue	Substance of complaint	Outcome
BI-80	WOW WIN Television WA Pty Ltd	Australian C Drama First Release Programs	Compliance with the Australian C Drama quota for the 2012–14 triennium	Breach—did not comply with program standards*
BI-85	QTQ Queensland Television Pty Ltd	<i>A Current Affair</i>	Privacy in multiple segments about a businessman in relation to sensitive matters concerning children, special care concerning a child	Breach—privacy
BI-174	TEN Network TEN (Sydney) Pty Limited	<i>Studio 10</i>	Classification—program material containing still images from a 'sex tape' scandal from 1988	Breach—classification
BI-197	TCN TCN Channel Nine Pty Ltd	<i>Don't Look Now</i>	Classification—classification zone exceptions and the broadcast of a film classified M	Breach—classification zones
<i>*Investigation against a licence condition, standard or provision of the Broadcasting Services Act 1992.</i>				
<b>No breach findings: 70</b>				
3336	TEN and One Network Ten (Melbourne) Pty Limited	Advertisement	Tobacco advertising	No breach—tobacco advertising*
3337	NEN Prime Television (Northern) Pty Ltd	<i>Winter</i> <i>The Chase</i> <i>Downton Abbey</i>	Missing captions	No breach—captioning*
3338	7TWO Channel Seven Brisbane Pty Limited	<i>Lewis</i>	Missing captions	No breach—captioning*
3340/BI-31	SAS Channel Seven Adelaide Pty Ltd	<i>Today Tonight</i>	Accuracy, impartiality, privacy, unfair identification and corrections in segment about the SA childcare industry	No breach—accuracy No breach—privacy No breach—unfair identification No breach—correction of significant errors
3351/BI-42	TCN TCN Channel Nine Pty Ltd	<i>A Current Affair</i>	Accuracy and viewpoints in a segment about a church	No breach—accuracy and viewpoints
3355/BI-37	QTQ Queensland Television Pty Ltd	Commercial for the cinema release film <i>Poltergeist</i>	Classification—non-program material unsuitable for broadcast during a PG-classified program	No breach—classification of commercials

Investigation number	Station	Program or issue	Substance of complaint	Outcome
BI-55	QTQ Queensland Television Pty Ltd.	<i>A Current Affair</i>	Accuracy, religious vilification, privacy and gratuitous emphasis on religion in a segment about a person	No breach—proscribed material No breach—privacy No breach—gratuitous emphasis on religion
BI-82	SAS Channel Seven Adelaide Pty Ltd	<i>Catching Milat</i>	Classification—program classification of a two-part program as Mature (M)	No breach—classification
BI-91	SAS Channel Seven Adelaide Pty Ltd	<i>Sunday Night</i> program promotion	Classification—program promotion did not meet the requirements of the PG time-zone	No breach—promotions for news, current affairs, sport and certain other programs
BI-94	SAS Channel Seven Adelaide Pty Ltd	Commercial for the cinema release film <i>Spy</i>	Classification—non-program material did not meet the requirements of the PG time-zone and the complaint about the commercial was not referred to the Advertising Standards Board	No breach—classification of other material No breach—classification of commercials No breach—scheduling of commercials for cinema films
BI-95	TEN Network Ten (Adelaide) Pty Limited	<i>Transformers: Dark Side of the Moon</i> program promotion	Classification—program promotion exceeded or did not meet the classification requirements of the time-zone or program in which it was screened	No breach—classification of other material No breach—restrictions in G periods and certain G programs
BI-96	TEN Network Ten (Adelaide) Pty Limited	Commercial for the cinema release film <i>Hot Pursuit</i>	Classification—non-program material did not meet the requirements of the PG time-zone and the complaint about the commercial was not referred to the Advertising Standards Board	No breach—classification of other material No breach—classification of commercials No breach—scheduling of commercials for cinema films
BI-97	TEN Network Ten (Adelaide) Pty Limited	<i>Madame Secretary</i> program promotion	Classification—program promotion exceeded or did not meet the classification requirements of the time-zone or program in which it was screened	No breach—classification of other material No breach—restrictions in G periods and certain G programs No breach—restrictions in PG programs in certain time periods
BI-98	TEN Network Ten (Adelaide) Pty Limited	<i>James Patterson's Zoo</i> program promotion	Classification—program promotion exceeded or did not meet the classification requirements of the time-zone or program in which it was screened	No breach—classification of other material No breach—restrictions in PG programs in certain time periods

Investigation number	Station	Program or issue	Substance of complaint	Outcome
BI-99	TEN Network Ten (Adelaide) Pty Limited	<i>Madame Secretary</i> program promotion	Classification—program promotion exceeded or did not meet the classification requirements of the time-zone or program in which it was screened	No breach—classification of other material No breach—restrictions in PG programs in certain time periods
BI-100	TEN Network Ten (Adelaide) Pty Limited	<i>Madame Secretary</i> program promotion	Classification—program promotion exceeded or did not meet the classification requirements of the time-zone or program in which it was screened	No breach—classification of other material No breach—restrictions in G or PG programs at 8.30 pm
BI-101	TEN Network Ten (Adelaide) Pty Limited	<i>James Patterson's Zoo</i> program promotion	Classification—program promotion exceeded or did not meet the classification requirements of the time-zone or program in which it was screened	No breach—classification of other material
BI-102	TEN Network Ten (Adelaide) Pty Limited	<i>CSI: Cyber</i> program promotion	Classification—program promotion exceeded or did not meet the classification requirements of the time-zone or program in which it was screened	No breach—classification of other material No breach—restrictions in PG programs in certain time periods
BI-103	TEN Network Ten (Adelaide) Pty Limited	<i>CSI: Cyber</i> program promotion	Classification—program promotions exceed or do not meet the classification requirements of the time-zone or program in which it was screened	No breach—classification of other material No breach—restrictions in G or PG programs at 8.30 pm
BI-104	TEN Network Ten (Adelaide) Pty Limited	<i>CSI: Cyber</i> program promotion	Classification—program promotion exceeded or did not meet the classification requirements of the time-zone or program in which it was screened	No breach—classification of other material No breach—restrictions in PG programs in certain time periods
BI-105	TEN Network Ten (Adelaide) Pty Limited	<i>James Patterson's Zoo</i> program promotion	Classification—program promotion exceeded or did not meet the classification requirements of the time-zone or program in which it was screened	No breach—classification of other material No breach—restrictions in PG programs in certain time periods
BI-106	TEN Network Ten (Adelaide) Pty Limited	<i>CSI: Cyber</i> program promotion	Classification—program promotion exceeded or did not meet the classification requirements of the time-zone or program in which it was screened	No breach—classification of other material No breach—restrictions in G or PG at 8.30 pm

Investigation number	Station	Program or issue	Substance of complaint	Outcome
BI-107	TEN Network Ten (Adelaide) Pty Limited	<i>James Patterson's Zoo</i> program promotion	Classification—program promotion exceeded or did not meet the classification requirements of the time-zone or program in which it was screened	No breach—classification of other material No breach—restrictions in PG programs in certain time periods
BI-108	TEN Network Ten (Adelaide) Pty Limited	<i>James Patterson's Zoo</i> program promotion	Classification—program promotion exceeded or did not meet the classification requirements of the time-zone or program in which it was screened	No breach—classification of other material No breach—restrictions in G periods and certain G programs
BI-109	TEN Network Ten (Adelaide) Pty Limited	<i>CSI: Cyber</i> program promotion	Classification—program promotion exceeded or did not meet the classification requirements of the time-zone or program in which it was screened	No breach—classification of other material No breach—restrictions in G or PG programs at 8.30 pm
BI-110	TEN Network Ten (Adelaide) Pty Limited	<i>CSI: Cyber</i> program promotion	Classification—program promotion exceeded or did not meet the classification requirements of the time-zone or program in which it was screened	No breach—classification of other material No breach—restrictions in PG programs in certain time periods
BI-111	TEN Network Ten (Adelaide) Pty Limited	<i>CSI: Cyber</i> program promotion	Classification—program promotion exceeded or did not meet the classification requirements of the time-zone or program in which it was screened	No breach—classification of other material No breach—restrictions in PG programs in certain time periods
BI-112	TEN Network Ten (Adelaide) Pty Limited	<i>Wolverine</i> program promotion	Classification—program promotion exceeded or did not meet the classification requirements of the time-zone or program in which it was screened	No breach—classification of other material No breach—restrictions in G or PG programs at 8.30 pm
BI-113	TEN Network Ten (Adelaide) Pty Limited	<i>Wolverine</i> program promotion	Classification—program promotion exceeded or did not meet the classification requirements of the time-zone or program in which it was screened	No breach—classification of other material No breach—restrictions in PG programs in certain time periods
BI-114	TEN Network Ten (Adelaide) Pty Limited	<i>James Patterson's Zoo</i> program promotion	Classification—program promotion exceeded or did not meet the classification requirements of the time-zone or program in which it was screened	No breach—classification of other material No breach—restrictions in PG programs in certain time periods

Investigation number	Station	Program or issue	Substance of complaint	Outcome
BI-115	TEN Network Ten (Adelaide) Pty Limited	Commercial for the cinema release film <i>Jurassic World</i>	Classification—non-program material did not meet the requirements of the PG time-zone and the complaint about the commercial was not referred to the Advertising Standards Board	No breach—classification of other material No breach—classification of commercials No breach—scheduling of commercials for cinema films
BI-116	TEN Network Ten (Adelaide) Pty Limited	Commercial for the cinema release film <i>Jurassic World</i>	Classification—non-program material did not meet the requirements of the PG time-zone and the complaint about the commercial was not referred to the Advertising Standards Board	No breach—classification of other material No breach—classification of commercials No breach—scheduling of commercials for cinema films
BI-117	TEN Network Ten (Adelaide) Pty Limited	<i>CSI: Cyber</i> program promotion	Classification—program promotion exceeded or did not meet the classification requirements of the time-zone or program in which it was screened	No breach—classification of other material
BI-118	TEN Network Ten (Adelaide) Pty Limited	<i>CSI: Cyber</i> program promotion	Classification—program promotion exceeded or did not meet the classification requirements of the time-zone or program in which it was screened	No breach—classification of other material
BI-119	TEN Network Ten (Adelaide) Pty Limited	<i>CSI: Cyber</i> program promotion	Classification—program promotion exceeded or did not meet the classification requirements of the time-zone or program in which it was screened	No breach—classification of other material No breach—restrictions in PG programs in certain time periods
BI-126	NWS Channel 9 South Australia Pty Limited	Commercial for the cinema release film <i>Fantastic Four</i>	Classification—non-program material did not meet the requirements of the PG time-zone and the complaint about the commercial was not referred to the Advertising Standards Board	No breach—classification of other material No breach—classification of commercials No breach—scheduling of commercials for cinema films
BI-127	NWS Channel 9 South Australia Pty Limited	Commercial for the cinema release film <i>Jurassic World</i>	Classification—non-program material did not meet the requirements of the PG time-zone and the complaint about the commercial was not referred to the Advertising Standards Board	No breach—classification of other material No breach—classification of commercials No breach—scheduling of commercials for cinema films

Investigation number	Station	Program or issue	Substance of complaint	Outcome
BI-128	NWS Channel 9 South Australia Pty Limited	Commercial for the cinema release film <i>Terminator: Genisys</i>	Classification—non-program material did not meet the requirements of the PG time-zone and the complaint about the commercial was not referred to the Advertising Standards Board	No breach—classification of other material No breach—classification of commercials No breach—scheduling of commercials for cinema films
BI-129	NWS Channel 9 South Australia Pty Limited	Commercial for the cinema release film <i>Terminator: Genisys</i>	Classification—non-program material did not meet the requirements of the PG time-zone and the complaint about the commercial was not referred to the Advertising Standards Board	No breach—classification of other material No breach—classification of commercials No breach—scheduling of commercials for cinema films
BI-130	NWS Channel 9 South Australia Pty Limited	Commercial for the cinema release film <i>Hot Pursuit</i>	Classification—non-program material did not meet the requirements of the PG time-zone and the complaint about the commercial was not referred to the Advertising Standards Board	No breach—classification of other material No breach—classification of commercials No breach—scheduling of commercials for cinema films
BI-131	NWS Channel 9 South Australia Pty Limited	Commercial for the cinema release film <i>Entourage</i>	Classification—non-program material did not meet the requirements of the PG time-zone and the complaint about the commercial was not referred to the Advertising Standards Board	No breach—classification of other material No breach—classification of commercials No breach—scheduling of commercials for cinema films
BI-132	NWS Channel 9 South Australia Pty Limited	Commercial for the cinema release film <i>San Andreas</i>	Classification—non-program material did not meet the requirements of the PG time-zone and the complaint about the commercial was not referred to the Advertising Standards Board	No breach—classification of other material No breach—classification of commercials No breach—scheduling of commercials for cinema films
BI-133	NWS Channel 9 South Australia Pty Limited	Commercial for the cinema release film <i>Entourage</i>	Classification—non-program material did not meet the requirements of the PG time-zone and the complaint about the commercial was not referred to the Advertising Standards Board	No breach—classification of other material No breach—classification of commercials No breach—scheduling of commercials for cinema films
BI-134	NWS Channel 9 South Australia Pty Limited	Commercial for the cinema release film <i>Spy</i>	Classification—non-program material did not meet the requirements of the PG time-zone and the complaint about the commercial was not referred to the Advertising Standards Board	No breach—classification of other material No breach—classification of commercials No breach—scheduling of commercials for cinema films



Investigation number	Station	Program or issue	Substance of complaint	Outcome
BI-135	NWS Channel 9 South Australia Pty Limited	<i>Love Child</i> program promotion	Classification—program promotion did not meet the requirements of the PG time-zone	No breach—classification of other material No breach—restrictions in PG programs in certain time periods
BI-136	NWS Channel 9 South Australia Pty Limited	<i>60 Minutes</i> program promotion	Classification—program promotion did not meet the requirements of the PG time-zone	No breach—promotions for news, current affairs, sport and certain other programs
BI-137	NWS Channel 9 South Australia Pty Limited	<i>Teens Behind Bars</i> program promotion	Classification—program promotion did not meet the requirements of the PG time-zone	No breach—classification of other material No breach—restrictions in PG programs in certain time periods
BI-138	NWS Channel 9 South Australia Pty Limited	<i>Married at First Sight</i> program promotion	Classification—program promotion did not meet the requirements of the PG time-zone	No breach—classification of other material No breach—restrictions in PG programs in certain time periods
BI-139	NWS Channel 9 South Australia Pty Limited	<i>Love Child</i> program promotion	Classification—program promotion did not meet the requirements of the PG time-zone	No breach—classification of other material No breach—restrictions in PG programs in certain time periods
BI-140	NWS Channel 9 South Australia Pty Limited	<i>Silver Linings Playbook</i> program promotion	Classification—program promotion did not meet the requirements of the PG time-zone	No breach—classification of other material No breach—restrictions in PG programs in certain time periods
BI-141	NWS Channel 9 South Australia Pty Limited	<i>Love Child</i> program promotion	Classification—program promotion did not meet the requirements of the PG time-zone	No breach—classification of other material
BI-142	NWS Channel 9 South Australia Pty Limited	<i>A Current Affair</i> program promotion	Classification—program promotion did not meet the requirements of the PG time-zone	No breach—promotions for news, current affairs, sport and certain other programs
BI-143	NWS Channel 9 South Australia Pty Limited	<i>A Current Affair</i> program promotion	Classification—program promotion did not meet the requirements of the PG time-zone	No breach—promotions for news, current affairs, sport and certain other programs
BI-145	NWS Channel 9 South Australia Pty Limited	<i>Inside the Mafia</i> program promotion	Classification—program promotion did not meet the requirements of the PG time-zone	No breach—classification of other material
BI-146	NWS Channel 9 South Australia Pty Limited	<i>Married at First Sight</i> program promotion	Classification—program promotion did not meet the requirements of the PG time-zone	No breach—classification of other material No breach—restrictions in PG programs in certain time periods

Investigation number	Station	Program or issue	Substance of complaint	Outcome
BI-147	NWS Channel 9 South Australia Pty Limited	<i>Love Child</i> program promotion	Classification—program promotion did not meet the requirements of the PG time-zone	No breach—classification of other material No breach—restrictions in PG programs in certain time periods
BI-148	NWS Channel 9 South Australia Pty Limited	<i>Love Child</i> program promotion	Classification—program promotion did not meet the requirements of the PG time-zone	No breach—classification of other material No breach—restrictions in G or PG programs at 8.30 pm
BI-149	NWS Channel 9 South Australia Pty Limited	<i>Love Child</i> program promotion	Classification—program promotion did not meet the requirements of the PG time-zone	No breach—classification of other material No breach—restrictions in PG programs in certain time periods
BI-151	NWS Channel 9 South Australia Pty Limited	<i>Married at First Sight</i> program promotion	Classification—program promotion did not meet the requirements of the PG time-zone	No breach—classification of other material No breach—restrictions in PG programs in certain time periods
BI-152	NWS Channel 9 South Australia Pty Limited	<i>Married at First Sight</i> program promotion	Classification—program promotion did not meet the requirements of the PG time-zone	No breach—classification of other material No breach—restrictions in G or PG programs at 8.30 pm
BI-153	NWS Channel 9 South Australia Pty Limited	<i>Man on Fire</i> program promotion	Classification—program promotion did not meet the requirements of the PG time-zone	No breach—classification of other material No breach—restrictions in PG programs in certain time periods
BI-154	NWS Channel 9 South Australia Pty Limited	<i>Man on Fire</i> program promotion	Classification—program promotion did not meet the requirements of the PG time-zone	No breach—classification of other material No breach—restrictions in G or PG programs at 8.30 pm
BI-156	BTQ Channel Seven Brisbane Pty Limited	<i>World's Craziest Fools</i>	Classification—program contained material that suggested a sexual act involving an animal	No breach—classification
BI-160	RTQ WIN Television QLD Pty Ltd	<i>Catch Me If You Can</i>	Classification—classification information and consumer advice applied to a film	No breach—classification of films No breach—consumer advice for PG films
BI-164	GTV General Television Corporation Propriety Ltd	<i>Channel 9 News</i>	Unfair identification and failure to present news fairly in a news report about safety at level crossings	No breach—unfair identification No breach—present news fairly and impartially
BI-168	NRN Northern Rivers Television Pty Ltd	<i>I'm a Celebrity ... Get Me Out of Here!</i>	Delay in captioning	No breach—captioning*

Investigation number	Station	Program or issue	Substance of complaint	Outcome
BI-171	WIN WIN Television NSW Pty Limited	<i>Today</i>	Lack of care in selecting material for broadcast and distressing material in a report about a hit-and-run accident	No breach—exercise care in selecting material for broadcast No breach—material which may seriously distress or seriously offend
BI-172	QTQ Queensland Television Pty Ltd.	<i>A Current Affair</i>	Accuracy and impartiality in a segment about an organiser of a peace conference	No breach—accuracy No breach—accuracy—current affairs promotion
BI-173	WIN WIN Television NSW Pty Limited	<i>Balls of Steel Australia</i>	Discriminatory material in a practical joke involving auditions of heterosexual males for a fictional reality television show that features a household of gay men	No breach—dislike, contempt or ridicule on grounds of sexual preference
BI-184	NEW Network Ten (Perth) Pty Limited	<i>The Project</i>	Provoke or perpetuate intense dislike, serious contempt or severe ridicule on the basis of religion in a segment about the Royal Commission into Institutional Responses to Child Sexual Abuse	No breach—provoke intense dislike, serious contempt or severe ridicule on the basis of religion
<i>*Investigation against a licence condition, standard or provision of the Broadcasting Services Act 1992.</i>				
<b>ABC television</b>				
<b>Breach findings: 1</b>				
BI-161	ABC Australian Broadcasting Corporation	<i>7.30</i>	Accuracy, impartiality, fair and honest dealing, privacy and harm and offence in a segment about the regulation of international surrogacy	No breach—accuracy No breach—materially mislead audiences No breach—due impartiality Breach—privacy No breach—harm and offence No breach—mitigate risks
<b>No breach findings: 15</b>				
3347	ABC Australian Broadcasting Corporation	<i>ABC News — Budget 2015</i>	Impartiality in a news interview about the Federal Budget	No breach—due impartiality
BI-38	ABC Australian Broadcasting Corporation	<i>The 7.30 Report</i>	Impartiality in a segment about the Gaza conflict	No breach—due impartiality
BI-44	ABC Australian Broadcasting Corporation	<i>Comedy Up Late</i>	Offensive language in a comedy program	No breach—harm and offense

Investigation number	Station	Program or issue	Substance of complaint	Outcome
BI-50	ABC Australian Broadcasting Corporation	<i>The 7.30 Report</i>	Accuracy, perspectives and opportunity to respond in a segment about alleged corruption in the private vocational training industry	No breach—accuracy No breach—materially mislead audiences No breach—diversity of perspectives No breach—unduly favour perspectives No breach—opportunity to respond
BI-53	ABC Australian Broadcasting Corporation	<i>Q&amp;A</i>	Dealing with participants and privacy in a panel show segment	No breach—fair and honest dealing No breach—privacy
BI-81	ABC Australian Broadcasting Corporation	<i>Lateline</i>	Diversity of perspectives over time in an interview on marriage equality	No breach—diversity of perspectives
BI-120	ABC Australian Broadcasting Corporation	<i>Lateline</i>	Lack of warning in a report concerning a beheading	No breach—warnings or advice
BI-121	ABC Australian Broadcasting Corporation	<i>ABC News</i>	Harm and offence in depictions of images of a deceased child in a news report	No breach—harm and offence
BI-122	ABC Australian Broadcasting Corporation	<i>Q&amp;A</i>	Harm and offence in broadcast of an offensive twitter handle	No breach—mitigation
BI-123	ABC Australian Broadcasting Corporation	<i>Q&amp;A</i>	Impartiality in composition of panel discussing same-sex marriage	No breach—unduly favour perspectives
BI-125	ABC Australian Broadcasting Corporation	<i>Four Corners</i>	Harm and offence in broadcast of coarse language	No breach—harm and offence No breach—warnings
BI-159	ABC Australian Broadcasting Corporation	<i>The Drum</i>	Impartiality and bias in coverage of Islamic extremism	No breach—impartiality
BI-163	ABC Australian Broadcasting Corporation	<i>The 7.30 Report</i>	Accuracy and impartiality in a story about Australia's first 100per cent renewable energy company	No breach—accuracy No breach—due impartiality
BI-165	ABC Australian Broadcasting Corporation	<i>ABC News 24</i>	Accuracy and unjustified use of stereotypes or discriminatory content in a news report about an outbreak of syphilis in Northern Australia	No breach—accuracy No breach—materially mislead No breach—condone or encourage prejudice

Investigation number	Station	Program or issue	Substance of complaint	Outcome
BI-177	ABC Australian Broadcasting Corporation	ABC News 24 Breakfast	Harm and offence in broadcast of comments about parents who home-school their children	No breach—harm and offence
<b>Subscription television</b>				
<b>No breach findings: 3</b>				
BI-40	Foxsports 1 Foxtel Cable Television Pty Limited	<i>Fox Sport</i>	Gambling representative appearing as part of the commentary team during a live sporting event	No breach—betting advertising
BI-52	Foxtel Cable Television Pty Limited	Various channels	Offensive anti same-sex marriage advertisement	No breach—reasonable efforts to resolve complaints No breach—offensive advertising
BI-157	Comedy Channel Foxtel Cable Television Pty Limited	<i>Tosh.0</i>	Offensive and racist content in a comedy program	No breach—classification
<i>*Investigation against a licence condition, standard or provision of the Broadcasting Services Act 1992.</i>				
<b>Commercial radio</b>				
<b>Breach findings: 2</b>				
3229	4GR Gold Radio Service Pty Ltd	<i>Alan Jones</i> <i>Alan Jones Comments</i>	Accuracy, significant viewpoints and misrepresent viewpoints in discussions about local Toowoomba development	Breach—accuracy No breach—significant viewpoints No breach—misrepresent viewpoints
3230	2GB Harbour Radio Pty Limited	<i>Alan Jones</i> <i>Breakfast Show</i>	Accuracy, significant viewpoints and misrepresent viewpoints in discussions about local Toowoomba development	Breach—accuracy No breach—significant viewpoints No breach—misrepresent viewpoints
<b>No breach findings: 11</b>				
3352	KIIS 1065 Commonwealth Broadcasting Corporation Pty Ltd	<i>The Kyle and Jackie O Show</i>	Offend against the standards of decency in an interview with a Minister of Parliament	No breach—generally accepted standards of decency No breach—treatment of participants in live hosted entertainment programs
BI-35	97.3FM Brisbane FM Radio Pty Ltd	<i>3PM Pick-Up</i>	Offend against the standards of decency in a segment concerning a woman's genitals	No breach—generally accepted standards of decency
BI-39	2GB Harbour Radio Pty Limited	<i>The Ray Hadley Morning Show</i>	Privacy in a segment where a person's name and suburb were broadcast	No breach—privacy

Investigation number	Station	Program or issue	Substance of complaint	Outcome
BI-41	KIIS 1065 Commonwealth Broadcasting Corporation Pty Ltd	<i>The Kyle and Jackie O Show</i>	Tobacco advertising—references to smoking, tobacco products and where such products may be purchased	No breach—tobacco advertising*
BI-48	2GB Harbour Radio Pty Limited	<i>Alan Jones Breakfast Show</i>	Accuracy, viewpoints in a discussion about an aged-care facility development	No breach—accuracy No breach—correction of factual errors
BI-124	KIIS 1065 Commonwealth Broadcasting Corporation Pty Ltd	<i>The Kyle and Jackie O Show</i>	Demeaning comment about a transgender person	No breach—proscribed material No breach—generally accepted standards of decency
BI-162	4CA AM Cairns Broadcasters Pty Ltd	<i>The John McKenzie Morning Show</i>	Accuracy and failure to distinguish advertising material from other program material, in a story about an upcoming conference in Cairns	No breach—accuracy No breach—distinguish advertisements from other material No breach—Commercial Radio Current Affairs Disclosure Standard 2012* No breach—licence condition at clause 8(1) (b) of Schedule 2 of the Broadcasting Services Act 1992
BI-181	HIT 92.9 Consolidated Broadcasting System (WA) Pty Ltd	<i>Hamish and Andy</i>	Misuse of alcohol in a competition involving contestants balancing glasses of alcohol while driving	No breach—proscribed material, misuse of alcohol
BI-183	KIIS 1065 Commonwealth Broadcasting Corporation Pty Ltd	<i>The Kyle and Jackie O Show</i>	Incite hatred or severe ridicule of Chinese people in an on-air prank	No breach—proscribed material
BI-189	Triple M Triple M Melbourne Pty Ltd	<i>The Hot Breakfast</i>	Incite hatred, serious contempt or severe ridicule on the basis of religion in a discussion about the Royal Commission into Institutional Responses to Child Sexual Abuse	No breach—proscribed material
BI-199	Triple M Triple M Brisbane Pty Ltd	Advertisement	Tobacco advertising	No breach—tobacco advertising*

\*Investigation against a licence condition, standard or provision of the Broadcasting Services Act 1992.

Investigation number	Station	Program or issue	Substance of complaint	Outcome
<b>ABC radio</b>				
<b>No breach findings: 7</b>				
BI-46	ABC Australian Broadcasting Corporation	<i>Between The Lines</i>	Impartiality and diversity of perspectives in a radio interview on climate change	No breach—editorial opinion
BI-49	ABC Australian Broadcasting Corporation	<i>AM</i>	Accuracy, corrections and opportunity to respond in a radio segment about alleged corruption in the private vocational training industry	No breach—accuracy No breach—corrections and clarifications No breach—opportunity to respond
BI-84	ABC Australian Broadcasting Corporation	<i>Breakfast with Red Symons</i>	Offensive stereotypes in a joke about Irish people	No breach—harm and offence No breach—condone or encourage prejudice
BI-170	ABC Australian Broadcasting Corporation	<i>The World Today</i>	Inaccuracy and impartiality in a report about the 'payday' loan industry	No breach—accuracy No breach—materially mislead No breach—impartiality
BI-182	ABC Australian Broadcasting Corporation	<i>Mornings with Leon Compton</i>	Correct or clarify inaccurate quoting of a Member of Parliament by commentator	No breach—correct or clarify errors
BI-191	ABC Australian Broadcasting Corporation	<i>Veronica &amp; Lewis</i>	Offensive lyrics in a song about an Australian religious figure	No breach—harm and offence
BI-192	ABC Australian Broadcasting Corporation	<i>Afternoons with James Valentine</i>	Condone or encourage prejudice of the Catholic church in a discussion about the Royal Commission into Institutional Responses to Child Sexual Abuse	No breach—condone or encourage prejudice
<b>Community radio</b>				
<b>Breach findings: 6</b>				
3342	3BBB Ballarat Community FM radio Cooperative Ltd	Licence condition matter	Broadcasting advertisements	Breach—advertising*
BI-45	Tamar FM/ TAMAR FM Inc.	Song: <i>I'm Fair Dinkum</i>	Racially insensitive and stereotype people on the basis of race, complaints-handling	No breach—stereotype, incite, vilify or perpetuate hatred against a group on the basis of race No breach—complaints-handling Breach—complaints-handling

Investigation number	Station	Program or issue	Substance of complaint	Outcome
BI-90	1WAY Canberra Christian Radio Ltd	Licence condition matter	Broadcasting advertisements	Breach—advertising*
BI-92	3WBC Whitehorse Boroondara FM Community Radio Inc.	Licence condition matter	Broadcasting advertisements	Breach—advertising* No breach—advertising*
BI-158	2UUU Shoalhaven Community Radio Inc.	Licence condition matter	Sponsorship time limit	Breach—sponsorship time limits* No breach—sponsorship time limits*
BI-176	2MCE Charles Sturt University	<i>Saturday Night Jukebox</i>	Offensive comments, complaints-handling	No breach—consider prevailing community standards Breach—complaints-handling
<i>*Investigation against a licence condition, standard or provision of the Broadcasting Services Act 1992.</i>				
<b>No breach findings: 2</b>				
3359	2WEB WREB Cooperative Ltd	Licence condition matter	Broadcasting advertisements and encourage participation in provision of programs	No breach—advertising* No breach—encourage participation in provision of programs*
3360	3BBB Ballarat Community FM Cooperative Ltd	Licence condition matter	Broadcasting advertisements	No breach—advertising*
<i>*Investigation against a licence condition, standard or provision of the Broadcasting Services Act 1992.</i>				
<b>Open narrowcast radio</b>				
<b>No breach findings: 1</b>				
BI-178	Old Gold Radio 1611 AM Mildura Ashley Scott Thorburn	Licence condition matter	Providing an open narrowcasting service within the meaning of section 18 of the <i>Broadcasting Services Act 1992</i>	No breach—definition of a narrowcasting service*
<i>*Investigation against a licence condition, standard or provision of the Broadcasting Services Act 1992.</i>				



## Appendix 5:

### Telecommunications consumer protection compliance and enforcement outcomes, 2015–16

Table 4.9 includes information related to the ACMA's requirement under paragraph 57(e) of the *ACMA Act 2005* to report on Part 6 of the *Telecommunications Act 1997*.

Table 4.9: ACMA formal warnings, directions and infringement notices 1 July 2015 to 30 June 2016

Entity	Regulation	Subject matter	Outcome
Lycamobile Pty Ltd	TCP Code	Clauses 8.2 and 8.4 (managing and keeping records of complaints)	Direction to comply with the TCP Code
iTalkBB Australia Pty Ltd	TCP Code	Clauses 4.1 and 4.2 (communicating and providing information about its offers)	Formal warning
Exceed Connect	TCP Code	Clauses 7.2 and 7.4 (consent and providing information on transfers)	Formal warning
David John Esmonde trading as Aunix	TCP Code	Chapter 9: Code Compliance and Monitoring (failure to provide compliance statements to Communications Compliance)	Infringement notice
Amnet Broadband Pty Ltd	TCP Code	Chapter 9: Code Compliance and Monitoring (failure to provide compliance statements to Communications Compliance)	Formal warning
Arcon Communications Pty Ltd	TCP Code	Chapter 9: Code Compliance and Monitoring (failure to provide compliance statements to Communications Compliance)	Formal warning
Australian Power Control Systems Pty Ltd	TCP Code	Chapter 9: Code Compliance and Monitoring (failure to provide compliance statements to Communications Compliance)	Formal warning
Blue Telecom Pty Ltd	TCP Code	Chapter 9: Code Compliance and Monitoring (failure to provide compliance statements to Communications Compliance)	Formal warning
Call Central	TCP Code	Chapter 9: Code Compliance and Monitoring (failure to provide compliance statements to Communications Compliance)	Formal warning
Christmas Island Internet Administration Limited	TCP Code	Chapter 9: Code Compliance and Monitoring (failure to provide compliance statements to Communications Compliance)	Formal warning
Julie Veronica Foye	TCP Code	Chapter 9: Code Compliance and Monitoring (failure to provide compliance statements to Communications Compliance)	Formal warning
Cody Glen Heit	TCP Code	Chapter 9: Code Compliance and Monitoring (failure to provide compliance statements to Communications Compliance)	Formal warning
Highway Internet Services Pty Ltd	TCP Code	Chapter 9: Code Compliance and Monitoring (failure to provide compliance statements to Communications Compliance)	Formal warning
Infinet Telecommunications Pty Ltd	TCP Code	Chapter 9: Code Compliance and Monitoring (failure to provide compliance statements to Communications Compliance)	Formal warning
Jimojo Pty Ltd	TCP Code	Chapter 9: Code Compliance and Monitoring (failure to provide compliance statements to Communications Compliance)	Formal warning

Entity	Regulation	Subject matter	Outcome
Gary Martin Mahnkoph	TCP Code	Chapter 9: Code Compliance and Monitoring (failure to provide compliance statements to Communications Compliance)	Formal warning
Melbourne PC User Group Inc.	TCP Code	Chapter 9: Code Compliance and Monitoring (failure to provide compliance statements to Communications Compliance)	Formal warning
Novatel Telecommunications Pty Ltd	TCP Code	Chapter 9: Code Compliance and Monitoring (failure to provide compliance statements to Communications Compliance)	Formal warning
Pluris Networks Pty Ltd	TCP Code	Chapter 9: Code Compliance and Monitoring (failure to provide compliance statements to Communications Compliance)	Formal warning
Rebtel Services S.a.r.l	TCP Code	Chapter 9: Code Compliance and Monitoring (failure to provide compliance statements to Communications Compliance)	Formal warning
ReddeNet Pty Ltd	TCP Code	Chapter 9: Code Compliance and Monitoring (failure to provide compliance statements to Communications Compliance)	Formal warning
Supercheap Telco Pty Limited	TCP Code	Chapter 9: Code Compliance and Monitoring (failure to provide compliance statements to Communications Compliance)	Formal warning
Telco4u Pty Ltd	TCP Code	Chapter 9: Code Compliance and Monitoring (failure to provide compliance statements to Communications Compliance)	Formal warning
Tele Talk Pty Ltd	TCP Code	Chapter 9: Code Compliance and Monitoring (failure to provide compliance statements to Communications Compliance)	Formal warning
The Trustee for Kommunique trust	TCP Code	Chapter 9: Code Compliance and Monitoring (failure to provide compliance statements to Communications Compliance)	Formal warning
Vintek Pty Ltd	TCP Code	Chapter 9: Code Compliance and Monitoring (failure to provide compliance statements to Communications Compliance)	Formal warning
Vocal Channels Pty Ltd	TCP Code	Chapter 9: Code Compliance and Monitoring (failure to provide compliance statements to Communications Compliance)	Formal warning
We Solve It Pty Ltd	TCP Code	Chapter 9: Code Compliance and Monitoring (failure to provide compliance statements to Communications Compliance)	Formal warning
Wire Networks Pty Ltd	TCP Code	Chapter 9: Code Compliance and Monitoring (failure to provide compliance statements to Communications Compliance)	Formal warning
AussieSim Pty Ltd	TCP Code	Chapter 9: Code Compliance and Monitoring (failure to provide compliance statements to Communications Compliance)	Direction to comply with TCP Code
Btel Communications Pty Ltd	TCP Code	Chapter 9: Code Compliance and Monitoring (failure to provide compliance statements to Communications Compliance)	Direction to comply with TCP Code
Datawave Internet Pty Ltd	TCP Code	Chapter 9: Code Compliance and Monitoring (failure to provide compliance statements to Communications Compliance)	Direction to comply with TCP Code
Golden IT Pty Ltd	TCP Code	Chapter 9: Code Compliance and Monitoring (failure to provide compliance statements to Communications Compliance)	Direction to comply with TCP Code

Entity	Regulation	Subject matter	Outcome
Harbour Of Technology Pty Ltd	TCP Code	Chapter 9: Code Compliance and Monitoring (failure to provide compliance statements to Communications Compliance)	Direction to comply with TCP Code
MVoice Pty Ltd	TCP Code	Chapter 9: Code Compliance and Monitoring (failure to provide compliance statements to Communications Compliance)	Direction to comply with TCP Code
LBM Australia	TCPSS Act	Section 128 (TIO scheme membership)	Direction to comply with section 128(1) of the TCPSS Act
Netfast Communications Pty Ltd	TCPSS Act	Section 128 (TIO scheme membership)	Infringement notice

## Appendix 6:

### Legislation

The ACMA performed its principal roles, responsibilities and obligations under the following legislation administered by the Department of Communications and the Arts, and the Attorney-General's Department<sup>1</sup>:

Table 4.10: Legislation relevant to the ACMA

Acts	Act number	Date of assent	Date of commencement
<i>Australian Broadcasting Corporation Act 1983</i>	6 of 1983	1 June 1983	Part I (ss. 1–4), ss. 7, 9–24, 34, 69 and 83: Royal Assent Remainder: 1 July 1983 (see Gazette 1983, No. S124)
<i>Australian Communications and Media Authority Act 2005</i>	44 of 2005	1 April 2005	Ss. 3–68: 1 July 2005 Remainder: Royal Assent
<i>Broadcasting Services Act 1992</i>	110 of 1992	14 July 1992	Ss. 4, 5, 7–92 and 117–218: 5 October 1992 (see Gazette 1992, No. GN38) Remainder: Royal Assent
<i>Competition and Consumer Act 2010, Parts XIB and XIC</i>	51 of 1974	24 August 1974	Ss. 1 and 2: Royal Assent S. 55: 27 September 1975 (see Gazette 1975, No. S178) Remainder: 1 October 1974 (see Gazette 1974, No. 75B)
<i>Datacasting Charge (Imposition) Act 1998</i>	98 of 1998	27 July 1998	27 July 1998
<i>Datacasting Transmitter Licence Fees Act 2006</i>	154 of 2006	8 December 2006	1 January 2007
<i>Do Not Call Register Act 2006</i>	88 of 2006	30 June 2006	Parts 2, 4–5, ss. 39–40 and 42–45, Schedules 1–3: 31 May 2007 (see F2007L01114) Remainder: Royal Assent
<i>Enhancing Online Safety for Children Act 2015</i>	24 of 2015	24 March 2015	Ss. 1 and 2: Royal Assent; ss. 3–108: 1 July 2015 Remainder: Royal Assent
<i>Interactive Gambling Act 2001</i>	84 of 2001	11 July 2001	Ss. 15, 15A, 61AA–61FE: 8 August 2001 Ss. 16–31, 42, 43, 48, 49, 54–59: 12 January 2002 Remainder: Royal Assent
<i>National Broadband Network Companies Act 2011</i>	22 of 2011	12 April 2011	S. 98A: 22 March 2011 Ss. 3–98, 99–101, Schedules 1 and 2: 13 April 2011 Remainder: Royal Assent
<i>Radiocommunications Act 1992</i>	174 of 1992	11 December 1992	1 July 1993
<i>Radiocommunications (Receiver Licence Tax) Act 1983</i>	132 of 1983	22 December 1983	20 August 1985 (see Gazette 1985, No. S322)

<sup>1</sup> The administration of Acts is determined by the Administrative Arrangements Order; see [www.legislation.gov.au](http://www.legislation.gov.au); C2016G00306.

Acts	Act number	Date of assent	Date of commencement
<i>Radiocommunications (Spectrum Licence Tax) Act 1997</i>	144 of 1997	9 October 1997	9 October 1997
<i>Radiocommunications Taxes Collection Act 1983</i>	133 of 1983	22 December 1983	20 August 1985 (see Gazette 1985, No. S322)
<i>Radiocommunications (Transmitter Licence Tax) Act 1983</i>	137 of 1983	22 December 1983	20 August 1985 (see Gazette 1985, No. S322)
<i>Radio Licence Fees Act 1964</i>	119 of 1964	24 November 1964	24 November 1964
<i>Spam Act 2003</i>	129 of 2003	12 December 2003	Ss. 1–14, 42, 47 and Schedule 2: 12 December 2003; Parts 2–6, ss. 41, 43–46, Schedules 1 and 3: 10 April 2004 Remainder: Royal Assent
<i>Special Broadcasting Service Act 1991</i>	180 of 1991	25 November 1991	S. 54: 24 March 1994 (see Gazette 1994, No. GN10) Remainder: 23 December 1991
<i>Telecommunications Act 1997</i>	47 of 1997	22 April 1997	Ss. 41–51, 56–85, 98–495, 507–576, 579–588, 590–593 and Schedules 1–4: 1 July 1997 Ss. 52–55: 5 June 1997 Remainder: Royal Assent
<i>Telecommunications (Carrier Licence Charges) Act 1997</i>	49 of 1997	22 April 1997	22 April 1997
<i>Telecommunications (Consumer Protection and Service Standards) Act 1999</i>	50 of 1999	5 July 1999	Part 3: 1 July 1999 Remainder: 2 August 1999
<i>Telecommunications (Industry Levy) Act 2012</i>	45 of 2012	16 April 2012	Ss. 3–8: 1 July 2012 Remainder: Royal Assent
<i>Telecommunications (Interception and Access) Act 1979</i>	114 of 1979	25 October 1979	1 June 1980 (see Gazette 1980, No. G21, p. 2)
<i>Telecommunications (Numbering Charges) Act 1997</i>	51 of 1997	22 April 1997	Parts 1 and 4: Royal Assent Parts 2 and 3: 1 July 1997
<i>Television Licence Fees Act 1964</i>	118 of 1964	24 November 1964	24 November 1964
<i>Telstra Corporation Act 1991</i>	79 of 1991	26 June 1991	Part 1 (ss. 1–7): Royal Assent Remainder: 1 February 1992 (see Gazette 1992, No. S32)
<i>Telstra (Transition to Full Private Ownership) Act 2005</i>	118 of 2005	23 September 2005	Schedule 1 items 45–51 and 53–65: 24 November 2006 (F2006L03997); Schedule 1 Part 3: The 85% sale day declared under s. 4. Remainder: Royal Assent

## Appendix 7:

### Directions and legislative instruments

Section 57 of the *Australian Communications and Media Authority Act 2005* (the ACMA Act) requires copies of certain directions and instruments to be included in the ACMA's annual report, including directions given to the ACMA under section 14 of the ACMA Act, and directions given by the ACMA to a carrier or carriage service provider under section 581 of the *Telecommunications Act 1997* (the Telecommunications Act) during the financial year.

Between 1 July 2015 and 30 June 2016, the ACMA was not given any directions under section 14 of the ACMA Act.

The ACMA did not give any directions during the financial year under section 581 of the Telecommunications Act.<sup>2</sup>

Additionally, section 67 of the ACMA Act requires the ACMA to maintain a register of all directions given to it under that Act or any other Act. The ACMA maintains this register by electronic means on its website at [acma.gov.au/theACMA/ministerial-directions](http://acma.gov.au/theACMA/ministerial-directions).

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<sup>2</sup> The ACMA did, however, exercise its power under subsection 581(1) of the Telecommunications Act as affected by subsection 33(3) of the *Acts Interpretation Act 1901* to revoke the Telecommunications (Freephone and Local Rate Numbers) Directions 2004 (No. 1) [F2005B00220]. (See subsection 3(2) of the Telecommunications Numbering Plan (Consequential Amendments and Transitional Arrangements) Instrument 2015 (No. 1).)

Table 4.11: ACMA legislative instruments registered in 2015–16

Title	Enabling legislation	Section	Date of instrument: Date of registration: FRLI number:
Radiocommunications Licence Conditions (Amateur Licence) Determination 2015	<i>Radiocommunications Act 1992</i>	paragraph 107(1)(f)	29/06/15 06/07/15 F2015L01113
Radiocommunications (Overseas Amateurs Visiting Australia) Class Licence 2015	<i>Radiocommunications Act 1992</i>	section 132	29/06/15 06/07/15 F2015L01114
Telecommunications (Specification of Costs by the ACMA) Determination 2015	<i>Telecommunications (Carrier Licence Charges) Act 1997</i>	paragraphs 15(1) (a), (c) and (ca)	07/07/15 10/07/15 F2015L01131
Telecommunications (Annual Carrier Licence Charge) Determination 2015	<i>Telecommunications (Carrier Licence Charges) Act 1997</i>	subsection 14(1)	07/07/15 10/07/15 F2015L01132
Telecommunications (Charges) Amendment Determination 2015 (No. 1)	<i>Australian Communications and Media Authority Act 2005</i>	subsection 60(1)	10/07/15 16/07/15 F2015L01153
Telecommunications (Numbering Charges) (Allocation Charge) Determination 2015	<i>Telecommunications (Numbering Charges) Act 1997</i>	subsection 13(1)	10/07/15 16/07/15 F2015L01152
Radiocommunications (Maritime Ship Station — 27 MHz and VHF) Class Licence 2015	<i>Radiocommunications Act 1992</i>	section 132	24/07/15 30/07/15 F2015L01197
Telecommunications Numbering Plan (Consequential Amendments and Transitional Arrangements) Instrument 2015 (No. 1)	<i>Telecommunications Act 1997</i> <i>Telecommunications (Carrier Licence Charges) Act 1997</i>	subsections 349(1), 463(1) and 581(1) of the <i>Telecommunications Act 1997</i> and subsections 20(1) and 22(2) of the <i>Telecommunications (Numbering Charges) Act 1997</i>	24/07/15 30/07/15 F2015L01198
Telecommunications Numbering Plan Commencement Instrument 2015	Telecommunications Numbering Plan 2015	item 2 of the table in section 2	24/07/15 30/07/15 F2015L01199
Radiocommunications (Trading Rules for Defence Spectrum Licences) Determination 2015	<i>Radiocommunications Act 1992</i>	section 86 and section 88	29/07/15 04/08/15 F2015L01217
Radiocommunications (Limitation of Authorisation of Third Party Users and Transfer of Apparatus Licences) Determination 2015	<i>Radiocommunications Act 1992</i>	section 115 and section 131AC	29/07/15 04/08/15 F2015L01218

Title	Enabling legislation	Section	Date of instrument: Date of registration: FRL number:
Radiocommunications (Minimum Age for Issue of Certificates of Proficiency) Declaration 2015	<i>Radiocommunications Act 1992</i>	section 122	10/08/15 18/08/15 F2015L01286
Radiocommunications 1.5 GHz Frequency Band Plan 2015	<i>Radiocommunications Act 1992</i>	subsection 32(1)	10/08/15 14/08/15 F2015L01271
Radiocommunications Licence Conditions (Maritime Coast Licence) Determination 2015	<i>Radiocommunications Act 1992</i>	paragraph 107(1)(f)	11/08/15 18/08/15 F2015L01283
Radiocommunications Licence Conditions (Scientific Licence) Determination 2015	<i>Radiocommunications Act 1992</i>	paragraph 107(1)(f)	11/08/15 18/08/15 F2015L01284
Radiocommunications Licence Conditions (Major Coast Receive Licence) Determination 2015	<i>Radiocommunications Act 1992</i>	paragraph 107(1)(f)	11/08/15 18/08/15 F2015L01285
Radiocommunications Spectrum Marketing Plan (1800 MHz Band) 2015	<i>Radiocommunications Act 1992</i>	sections 39 and 39A	28/08/15 01/09/15 F2015L01372
Radiocommunications (Spectrum Licence Allocation – 1800 MHz Band) Determination 2015	<i>Radiocommunications Act 1992</i>	sections 60 and 294	28/08/15 01/09/15 F2015L01373
Radiocommunications (Advisory Guidelines and Unacceptable Levels of Interference – 1800 MHz Band) Omnibus Variation Instrument 2015	<i>Radiocommunications Act 1992</i>	subsection 145(4) and section 262	28/08/15 01/09/15 F2015L01375
Radiocommunications Licence Conditions (Fixed Licence) Determination 2015	<i>Radiocommunications Act 1992</i>	paragraph 107(1)(f)	04/09/15 14/09/15 F2015L01430
Radiocommunications Licence Conditions (Fixed Receive Licence) Determination 2015	<i>Radiocommunications Act 1992</i>	paragraph 107(1)(f)	4/09/15 14/09/15 F2015L01431
Radiocommunications Licence Conditions (Outpost Licence) Determination 2015	<i>Radiocommunications Act 1992</i>	paragraph 107(1)(f)	04/09/15 14/09/15 F2015L01433
Radiocommunications (Low Interference Potential Devices) Class Licence 2015	<i>Radiocommunications Act 1992</i>	section 132	04/09/15 15/09/15 F2015L01438
Radiocommunications (Short Range Devices) Amendment Standard 2015 (No. 1)	<i>Radiocommunications Act 1992</i>	section 162	04/09/15 15/09/15 F2015L01439



Title	Enabling legislation	Section	Date of instrument: Date of registration: FRL number:
Radiocommunications (Allocation of Transmitter Licences — Low Power Open Narrowcasting Licences) Determination 2015	<i>Radiocommunications Act 1992</i>	subsection 106(1)	04/09/15 15/09/15 F2015L01440
Radiocommunications (27 MHz Handphone Stations) Class Licence 2015	<i>Radiocommunications Act 1992</i>	subsection 132(1)	04/09/15 15/09/15 F2015L01441
Radiocommunications (Communication with Space Object) Class Licence 2015	<i>Radiocommunications Act 1992</i>	subsection 132(1)	18/09/15 23/09/15 F2015L01486
Radiocommunications (Communication with Space Object) Class Licence Consequential Amendments Instrument 2015	<i>Radiocommunications Act 1992</i>	paragraph 16(1)(ca) and subsection 190(1)	18/09/15 23/09/15 F2015L01488
Radiocommunications Licence Conditions (Broadcasting Licence) Determination 2015	<i>Radiocommunications Act 1992</i>	paragraph 107(1)(f)	18/09/15 23/09/15 F2015L01489
Radiocommunications (Radionavigation-Satellite Service) Class Licence 2015	<i>Radiocommunications Act 1992</i>	subsection 132(1)	18/09/15 25/09/15 F2015L01510
Broadcasting Services (Primary Commercial Television Broadcasting Service) Amendment Declaration 2015 (No. 2)	<i>Broadcasting Services Act 1992</i>	clause 41G, Schedule 4	29/09/15 30/09/15 F2015L01535
Radiocommunications (Spectrum Access Charges — 3.4 GHz Band) Determination 2015 (No.2)	<i>Radiocommunications Act 1992</i>	subsection 294(1)	13/10/15 16/10/15 F2015L01659
Radiocommunications (Field Trial by Corrective Services NSW of PMTS Jamming Devices at Lithgow Correctional Centre) Exemption Determination 2015	<i>Radiocommunications Act 1992</i>	subparagraph 27(1)(be)(ii) and subsection 27(2)	13/10/15 19/10/15 F2015L01662
Radiocommunications (Spectrum Access Charges — 3.4 GHz Band) Determination 2015 (No.3)	<i>Radiocommunications Act 1992</i>	subsection 294(1)	29/10/15 05/11/15 F2015L01756
Broadcasting Services (Regional Commercial Radio — Specification of Periods for Subsections 43C(1A) and 61CD(2)) Variation Instrument 2015 (No. 1)	<i>Broadcasting Services Act 1992</i>	subsections 43C(1A) and 61CD(2)	30/11/15 04/12/15 F2015L01938

Title	Enabling legislation	Section	Date of instrument: Date of registration: FRLI number:
Radiocommunications (Receiver Licence Tax) Amendment Determination 2015 (No. 1)	<i>Radiocommunications (Receiver Licence Tax) Act 1983</i>	subsection 7(1)	17/12/15 05/01/16 F2016L00025
Radiocommunications (Transmitter Licence Tax) Amendment Determination 2015 (No. 1)	<i>Radiocommunications (Transmitter Licence Tax) Act 1983</i>	subsection 7(1)	17/12/15 07/01/16 F2016L00030
Television Licence Area Plan (Brisbane) Variation 2015 (No. 1)	<i>Broadcasting Services Act 1992</i>	subsection 26(2)	17/12/15 23/12/15 F2015L02113
Television Licence Area Plan (Melbourne) Variation 2015 (No. 1)	<i>Broadcasting Services Act 1992</i>	subsection 26(2)	17/12/15 23/12/15 F2015L02116
Television Licence Area Plan (Sydney) Variation 2015 (No. 1)	<i>Broadcasting Services Act 1992</i>	subsection 26(2)	17/12/15 04/01/16 F2016L00007
Broadcasting Services (Television Captioning) Standard Variation 2016 (No.1)	<i>Broadcasting Services Act 1992</i>	subsection 130ZZA(1)	24/02/16 29/02/16 F2016L00182
Telecommunications Numbering Plan Variation 2016 (No. 1)	<i>Telecommunications Act 1997</i>	subsection 455(1)	18/03/16 18/03/16 F2016L00354
Telecommunications (Non-refundable Code Development Costs and Auditing Requirements) Determination 2016	<i>Telecommunications Act 1997</i>	subsections 136C(5) and 136E(1)	18/03/16 22/03/16 F2016L00365
Broadcasting Services Clarification Notice 2016	<i>Broadcasting Services Act 1992</i>	paragraph 19(1)(b)	18/03/16 22/03/16 F2016L00366
Radiocommunications (Qualified Operators) Consequential Amendments Instrument 2016 (No. 1)	<i>Australian Communications and Media Authority Act 2005</i> <i>Radiocommunications Act 1992</i>	subsection 64(1) of the <i>Australian Communications and Media Authority Act 2005</i> and paragraph 107(1)(f) of the <i>Radiocommunications Act 1992</i>	21/03/16 23/03/16 F2016L00378
Radiocommunications (Qualified Operators) Determination 2016	<i>Radiocommunications Act 1992</i>	section 119	21/03/16 23/03/16 F2016L00375
Broadcasting Services (Australian Content) Standard 2016	<i>Broadcasting Services Act 1992</i>	subsection 122(1)	23/03/16 29/03/16 F2016L00392

Title	Enabling legislation	Section	Date of instrument: Date of registration: FRLI number:
Broadcasting Services (International Broadcasting) Guidelines 2016	<i>Broadcasting Services Act 1992</i>	subsection 121FP(1)	23/03/16 29/03/16 F2016L00393
Radiocommunications (Low Interference Potential Devices) Class Licence Variation 2016 (No. 1)	<i>Radiocommunications Act 1992</i>	section 132	02/05/16 03/05/16 F2016L00636
Telecommunications (International Mobile Roaming) Industry Standard Variation 2016 (No. 1)	<i>Telecommunications Act 1997</i>	subsection 125AA(1)	02/05/16 03/05/16 F2016L00634
Radiocommunications (Spectrum Access Charges — 2 GHz Band) Determination 2016	<i>Radiocommunications Act 1992</i>	subsection 294(1)	08/06/16 09/06/16 F2016L01021

## Appendix 8:

### Disclosures of information, 2015–16

Customer information provided to telecommunications carriers and CSPs is protected under Part 13 of the Telecommunications Act. Carriers and CSPs are prohibited from disclosing that information to other parties—except in limited circumstances—and are required to report specific disclosures to the ACMA under section 308 of the Telecommunications Act.

The ACMA is required under paragraph 57(2)(f) of the ACMA Act to include in its annual report information on disclosures of customer information made by carriers and CSPs during the reporting year. The disclosures made under Part 13 of the Telecommunications Act by carriers and CSPs during 2015–16 are set out in Table 4.12 below.

Table 4.12: Disclosures made under Part 13 of the Telecommunications Act 1997—by carriers and CSPs

Reason for disclosure	(Sub)section	Number of disclosures 2015–16
<b>Under the <i>Telecommunications Act 1997</i></b>		
Authorised by or under law	280	13,334
Made as a witness under summons	281	276
To assist the ACMA	284(1)	366
To assist the Children's e-Safety Commissioner	284(1A)	0
To assist the ACCC	284(2)	14
To assist the TIO	284(3)	7,774
Calls to emergency service number	286	8,062
To avert a threat to a person's life or health	287	11,381
Communications for maritime purposes	288	0
With the knowledge or consent of the person concerned	289	66,629
In circumstances prescribed in the Telecommunications Regulations 2001	292	0
Connected with an exempt disclosure	293	6
<b>Under the <i>Telecommunications (Interception and Access Act) 1979</i></b>		
Voluntary disclosure	177	43
Authorisations for access to existing information or documents—enforcement of the criminal law	178	541,318
Authorisations for access to existing information or documents—locating missing persons	178A	4,229
Authorisations for access to existing information or documents—enforcement of a law imposing pecuniary penalty or protection of the public revenue	179	2,929
Authorisations for access to prospective information or documents	180	11,427
Enforcement of the criminal law of a foreign country (existing information)	180A	4
Enforcement of the criminal law of a foreign country (prospective information)	180B	0
<b>Total</b>		<b>667,792</b>

Source: Carriers and CSPs.

Part 13 of the Telecommunications Act allows information contained in the IPND to be disclosed for the testing and operation of telephone-based emergency warning systems by state and territory governments. The number and type of disclosures made under subsections 295V(1) or 295V(2) of the Telecommunications Act in 2015–16, as reported to the ACMA under section 295ZC of the Telecommunications Act, are set out in Table 4.13 below.

Table 4.13: Disclosures made under Part 13 of the *Telecommunications Act 1997*—by emergency management persons (EMP) for telephone-based emergency warning systems

Reason for disclosure	(Sub)section of Act	Number of disclosures 2015–16
Likely emergency	295V(1)	0
Actual emergency	295V(2)	2,804
<b>Total</b>		<b>2,804</b>

Source: Emergency management persons.

## Appendix 9:

### Consultancies, advertising expenditure and competitive tendering

This appendix contains information for both the ACMA and the Office of the Children's eSafety Commissioner.

The ACMA engages consultants to provide specialised services when the capability or capacity to perform these in-house is not available, or where there is a requirement for independent advice.

The policy for selecting and engaging consultants is in accordance with the *Commonwealth Procurement Rules* and is based on the core principle of achieving value for money. The majority of consultants were engaged following an open approach to market and use of panel arrangements. The main categories for consultancies in 2015–16 were legal advice, research and audit.

During 2015–16, 23 new consultancy contracts were entered into, involving total actual expenditure of \$1,282,869. In addition, 10 ongoing consultancy contracts were active during the period, involving total actual expenditure of \$185,828.

Annual reports contain information about actual expenditure on contracts for consultancies. Information on the value of contracts and consultancies is also available on the AusTender website at [tenders.gov.au](http://tenders.gov.au).

Table 4.14: Expenditure on consultancy contracts, 2013–14 to 2015–16

Year	New consultancies	Continued consultancies
2013–14	\$1,132,183	\$666,671
2014–15	\$538,202	\$318,525
2015–16	\$1,282,869	\$185,828

Table 4.15: Expenditure on media advertising organisations, 2015–16

Organisation name	Purpose	Amount of payment
Mitchell and Partner Australia Pty Ltd	Public notices and general advertising	\$9,364
Decisive Publishing Pty Ltd	General advertising	\$4,866
Google Services	General advertising	\$1,538
Office of Parliamentary Counsel	Gazette lodgement and FRLI lodgement	\$4,200
Australian Associated Press	General advertising	\$1,009
Facebook Ireland	General advertising	\$1,517
<b>Total</b>		<b>\$22,494</b>

Table 4.16: Expenditure on market research organisations, 2015–16

Organisation name	Purpose	Amount of payment
Omnipoll Pty Ltd	Annual consumer survey	\$199,650
Woolcott Research	NBN consumer migration experience	\$148,830
ADMA	Data-driven marketing	\$29,700
Colmar Brunton Pty Ltd	<i>Reconnecting the Customer</i> tracking study 2	\$190,476
Woolcott Research	Customer Service Centre satisfaction survey	\$37,950
Orima Research	Parental and youth survey	\$205,650
<b>Total</b>		<b>\$812,256</b>

**Advertising**

During the reporting period, the ACMA placed advertising for a range of purposes, including public notices and legal notices. The ACMA did not conduct any advertising campaigns during the reporting period.

Expenditure by the ACMA on advertising in 2015–16 was \$22,494.

**Competitive tendering**

No contracts have been let for the delivery of government activities previously performed by a Commonwealth agency.

**Access by Auditor-General**

No contracts have been let that prevent access by the Auditor-General.

**Exemptions from reporting of Commonwealth contracts**

No exemptions have been sought or granted for the non-reporting of Commonwealth contracts on AusTender.

## Appendix 10:

### Outcome table, 2015–16

This appendix contains information for both the ACMA and the Office of the Children's eSafety Commissioner.

#### Outcome 1: A communications and media environment that balances the needs of the industry and the Australian community through regulation, education and advice

	Budget <sup>1</sup> (1) \$'000	Actual <sup>2</sup> (2) \$'000	Variance (2) minus (1) \$'000
<b>Program 1.1: Communications regulation, planning and licensing</b>			
<b>Departmental items:</b>			
Departmental appropriations	39,680	34,372	(5,308)
Revenues from independent sources	431	397	(34)
<b>Special accounts</b>			
Special Appropriation Act— <i>Public Governance, Performance and Accountability Act 2013</i> —s77	4,800	15,436	10,636
Non-Appropriation receipts to special accounts	50	0	(50)
<b>Subtotal for Program 1.1</b>	<b>44,961</b>	<b>50,206</b>	<b>5,245</b>
<b>Program 1.2: Consumer safeguards, education and information</b>			
<b>Departmental items</b>			
Departmental appropriations	32,377	37,440	5,063
Revenues from independent sources	469	433	(36)
Special accounts	10,844	11,055	211
<b>Special appropriations</b>			
Special Appropriation Act—Telecommunications consumer codes	300	71	(229)
<b>Subtotal for Program 1.2</b>	<b>43,990</b>	<b>48,998</b>	<b>5,008</b>
<b>Total for Outcome 1</b>			
Departmental	83,801	83,697	(104)
Administered	5,150	15,507	10,357
Average staffing level	417	419	

#### Notes

<sup>1</sup> Budget represents the original budget per the 2015–16 Portfolio Budget Statements.

<sup>2</sup> Actual appropriations is the total available appropriation in 2015–16, including MYEFO budget adjustments.



## Appendix 11:

### Agency resource statement, 2015–16

This appendix contains information for both the ACMA and the Office of the Children's eSafety Commissioner.

	Actual available appropriations for 2015–16 \$'000 (a)	Payments made 2015–16 \$'000 (b)	Balance remaining \$'000 (a–b)
<b>Ordinary annual services</b>			
<b>Departmental appropriation</b>			
Prior year departmental appropriation	23,485	17,979	5,506
Departmental appropriation <sup>1</sup>	71,812	58,403	13,409
Departmental appropriation (DCB) <sup>2</sup>	6,053	6,053	-
S. 74 relevant agency receipts	193	-	193
<b>Total</b>	<b>101,543</b>	<b>82,435</b>	<b>19,108</b>
<b>Administered items</b>			
Outcome	15,480	15,436	44
Appropriation lapsing	-	44	(44)
<b>Total</b>	<b>15,480</b>	<b>15,480</b>	<b>-0</b>
<b>Total ordinary annual services</b>	<b>117,023</b>	<b>97,915</b>	<b>19,108</b>
<b>Departmental non-operating</b>			
Equity injections	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Special appropriations</b>			
<b>Special appropriations limited by amount</b>			
<i>Telecommunication Act 1997—</i> s. 136C(4) reimbursement of costs of developing consumer-industry code	300	71	229
Appropriation lapsing	-	229	(229)
<b>Total special appropriations</b>	<b>300</b>	<b>300</b>	<b>-</b>
<b>Special accounts</b>			
<b>Services for Other Entities and Trusts Money- s. 20 FMA Act Det 2012/13</b>			
Prior year departmental appropriation	43	43	0
Non-appropriations receipts to special accounts	195	-	195

	Actual available appropriations for 2015–16 \$'000 (a)	Payments made 2015–16 \$'000 (b)	Balance remaining \$'000 (a–b)
<b>The Children's Online Safety Special Account s80 PGPA Act (s72 Enhancing Online Safety for Children Act 2015)</b>			
Appropriation credited to Special Account <sup>1</sup>	11,155	7,706	3,449
<b>Total</b>	<b>11,393</b>	<b>7,749</b>	<b>3,644</b>
<b>Total resourcing and payments</b>	<b>128,716</b>	<b>105,964</b>	<b>22,752</b>

<sup>1</sup> Children's Online Safety appropriation is included in the Australian Communication and Media Authority's Appropriation Act 1, however the appropriation is moved to the Children's Online Safety Special Account s. 80 PGPA Act 2013. An amount of \$34k has been excluded from the actual available appropriation balance, in accordance to s. 51 PGPA Act 2013, withholding appropriation. The amount withheld is a permanent reduction.

<sup>2</sup> An amount of \$250k has been excluded from the actual available appropriation balance, in accordance to s. 51 PGPA Act 2013, withholding appropriation. The amount withheld is a permanent reduction.

**Appendix 12:****Regulatory impact analysis compliance report, 2015–16**

The Office of Best Practice Regulation (OBPR) manages and monitors regulatory impact analysis requirements and is required to report annually on regulatory impact compliance by Australian Government departments and agencies.

In 2015–16, the ACMA undertook 31 preliminary assessments for regulations to be made or tabled in the reporting period.

## Appendix 13:

### Office of the Children's eSafety Commissioner financial reporting

Financial information on the operation of the Office of the Children's eSafety Commissioner, presented in accordance with paragraph 57(aa) of the ACMA Act.

	2016 \$'000	2015 \$'000
<b>Departmental Expenditure Summary for the financial year ended 30 June 2016</b>		
<b>Operating Expense</b>		
<b>Employee Benefits</b>		
Wages and Salaries	4,300	-
Superannuation:		
Defined contribution plans	-	-
Defined benefit plans	44	-
Leave and other entitlements	99	-
<b>Total Employee Benefits</b>	<b>4,443</b>	<b>-</b>
<b>Supplier Expenses</b>		
Consultants	303	-
Contractor & labour costs	1,444	-
Outsourced services	380	-
Stationery & publications	150	-
Legal costs	18	-
Occupancy Costs	3	-
I.T. and communications services	185	-
Travel costs	348	-
Other	2,489	-
<b>Total Supplier Expenses</b>	<b>5,320</b>	<b>-</b>
<b>Total Operating Expenses</b>	<b>9,763</b>	<b>-</b>
<b>Capital Expenses</b>		
Internally developed software	677	-
<b>Total Capital Expenses</b>	<b>677</b>	<b>-</b>
<b>Total Departmental Expenditure</b>	<b>10,440</b>	<b>-</b>

	2016 \$'000	2015 \$'000
<b>Administered Expenditure Summary for the financial year ended 30 June 2016</b>		
<b><i>Supplier Expenses</i></b>		
Consultants	13	-
Contractor & labour costs	574	-
Outsourced services	259	-
Stationery & publications	-	-
Legal costs	-	-
Occupancy Costs	-	-
I.T. and communications services	2	-
Travel costs	7	-
Other	1	-
<b><i>Total Supplier Expenses</i></b>	<b>856</b>	<b>-</b>
<b>Total Administered Expenditure</b>	<b>856</b>	<b>-</b>

## Appendix 14:

### List of requirements, 2015–16

#### Requirements for annual reports

Schedule 2 of the Public Governance, Performance and Accountability Rule 2014

PGPA Rule reference	Part of report	Description	ACMA page reference	OCeSC page reference
<b>17AD(g) Letter of transmittal</b>				
17AI		Copy of the letter of transmittal signed and dated by the accountable authority with statement that the report has been prepared in accordance with section 46 of the Act and any enabling legislation that specifies additional requirements in relation to the annual report	9	n/a
<b>17AD(h) Aids to access</b>				
17AJ(a)		Table of contents	i, 10, 144, 155	i, 108, 144, 155
17AJ(b)		Alphabetical index	275	275
17AJ(c)		Glossary of abbreviations and acronyms	270	270
17AJ(d)		List of requirements	206	206
17AJ(e)		Details of contact officer	8	106
17AJ(f)		Entity's website address	back cover	back cover
17AJ(g)		Electronic address of report	8	106
<b>17AD(a) Review by accountable authority</b>				
17AD(a)		Review by Chairman and Commissioner	17	111
<b>17AD(b) Overview of the entity</b>				
17AE(1)(a)(i)		Role and functions	23	117
17AE(1)(a)(ii)		Organisational structure	24	118
17AE(1)(a)(iii)		Outcome and program structure	5, 27	5
17AE(1)(a)(iv)		Purpose (as included in corporate plan)	5, 27	5
17AE(1)(b)		An outline of the structure of the portfolio of the entity	n/a	n/a
17AE(2)		Where the outcomes and programs administered by the entity differ from any Portfolio Budget Statement, Portfolio Additional Estimates Statement or other portfolio estimates statement that was prepared for the entity for the period, including details of variations and reasons for change	n/a	n/a
<b>17AD(c) Report on performance</b>				
<b>Annual Performance Statement</b>				
17AD(c)(i); 16F		Annual Performance Statement in accordance with paragraph 39(1)(b) of the Act and section 16F of the Rule	39–43 (with detailed results in section 3.1 and 3.2)	n/a

PGPA Rule reference	Part of report	Description	ACMA page reference	OCeSC page reference
<b>17AD(c)(iii)</b>	<b>Report on financial performance</b>			
17AF(1)(a)		Discussion and analysis of entity's financial performance	32, 139, 141, 151, 199–200, 212	139, 141, 151, 199–200, 204, 212
17AF(1)(b)		Tabular summary of total resources and total payments	200	200
17AF(2)		Significant changes in the financial results during or after the previous or current reporting period, information on those changes, including: the cause of any operating loss of the entity; how the entity has responded to the loss and the actions that have been taken in relation to the loss; and any matter of circumstances that it can reasonably be anticipated will have a significant impact on the entity's future operation or financial results	212	212
<b>17AD(d)</b>	<b>Management and accountability</b>			
	<b>Corporate governance</b>			
17AG(2)(a)		Compliance with section 10 (fraud systems)	97, 139, 146, 157	97, 139, 146, 157
17AG(2)(b)(i)		Certification by accountable authority that fraud risk assessments and fraud control plans have been prepared	9	9
17AG(2)(b)(ii)		Certification by the accountable authority that appropriate mechanisms for preventing, detecting incidents of, investigating or otherwise dealing with, and recording or reporting fraud that meets the specific needs of the entity are in place	9	9
17AG(2)(b)(iii)		Certification by the accountable authority that all reasonable measures have been taken to deal appropriately with fraud relating to the entity	9	9
17AG(2)(c)		Outline of the structures and processes in place for the entity to implement principles and objectives of corporate governance	145	145
17AG(2)(d) – (e)		Statement of significant issues reported to the minister under paragraph 19(1)(e) of the Act that relates to non-compliance with Finance law and action taken to remedy non-compliance	145	145
	<b>External scrutiny</b>			
17AG(3)		Information on the most significant developments in external scrutiny and the entity's response to this scrutiny	147	n/a
17AG(3)(a)		Information on judicial decisions and decisions of administrative tribunals and by the Australian Information Commissioner that may have a significant effect on the operations of the entity	147	n/a

PGPA Rule reference	Part of report	Description	ACMA page reference	OCeSC page reference
17AG(3)(b)		Information on any reports on operations of the entity by the Auditor-General (other than report under section 43 of the Act), a Parliamentary Committee, or the Commonwealth Ombudsman	147	147
17AG(3)(c)		Information on any capability reviews on the entity that were released during the period	147	147
<b>Management of human resources</b>				
17AG(4)(a)		Assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives	147, 150	147, 150
17AG(4)(b)		Statistics on APS employees (ongoing and non-ongoing) including: > classification level > full-time and part-time employees > gender > staff location > those who identify as Indigenous	147, 160	147, 160
17AG(4)(c)		Information on enterprise agreements, individual flexibility arrangements, Australian workplace agreements, common law contracts and determinations under subsection 24(1) of the <i>Public Service Act 1999</i>	147	147
17AG(4)(c)(i)		Information on the number of SES and non-SES employees covered by agreements etc. identified in paragraph 17AG(4)(c)	147	147
17AG(4)(c)(ii)		Salary ranges for APS employees by classification level	166	166
17AG(4)(c)(iii)		Description of non-salary benefits for employees	147	147
17AG(4)(d)(i)		Number of employees at each classification level who received performance pay	147	148
17AG(4)(d)(ii)		Aggregate amounts of performance pay at each classification level	147	148
17AG(4)(d)(iii)		Average amount of performance payment, and range of such payments, at each classification level	147	148
17AG(4)(d)(iv)		Aggregate amount of performance payments	147	148
<b>Assets management</b>				
17AG(5)		Assessment of effectiveness of assets management where asset management is a significant part of the entity's activities	152	152
<b>Purchasing</b>				
17AG(6)		Assessment of entity performance against the Commonwealth Procurement Rules	152	152



PGPA Rule reference	Part of report	Description	ACMA page reference	OCeSC page reference
<b>Consultants</b>				
17AG(7)(a)		Summary detailing: <ul style="list-style-type: none"> <li>&gt; number of new contracts engaging consultants</li> <li>&gt; total actual expenditure on all new consultancy contracts let during the year (inclusive of GST)</li> <li>&gt; number of ongoing consultancy contracts entered into during a previous reporting period</li> <li>&gt; total actual expenditure in the reporting year on the ongoing consultancy contracts (inclusive of GST)</li> </ul>	198	198
17AG(7)(b)		Statement that 'During 2015–16, xx new consultancy contracts were entered into involving total actual expenditure of \$xx million. In addition, xx ongoing consultancy contracts were active during the period, involving total actual expenditure of \$xx.	198	198
17AG(7)(c)		Policies and procedures for selecting and engaging consultants and the main categories of purpose for which they were engaged	152, 198	152, 198
17AG(7)(d)		Statement that: 'Annual reports contain information on the actual expenditure on contracts for consultancies. Information on the value of contracts and consultancies is available on the AusTender website	198	198
<b>Australian National Audit Office Access Clauses</b>				
17AG(8)		If an entity entered into a contract with a value of more than \$100,000 (inclusive of GST) and the contract did not provide the Auditor-general with access to the contractor's premises, the report must include the name of the contractor, purpose and value of the contract, and the reason why a clause allowing access was not included in the contract	n/a	n/a
<b>Exempt contracts</b>				
17AG(9)		If an entity entered into a contract or there is a standing offer with a value greater than \$10 000 (inclusive of GST) which has been exempted from being published in AusTender because it would disclose exempt matters under the FOI Act, the annual report must include a statement that the contract or standing offer has been exempted, and the value of the contract or standing offer, to the extent that doing so does not disclose the exempt matters	n/a	n/a

PGPA Rule reference	Part of report	Description	ACMA page reference	OCeSC page reference
<b>Small business</b>				
17AG(10)(a)		A statement that “[Name of entity] supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance’s website.”	152	152
17AG(10)(b)		An outline of the ways in which the procurement practices of the entity support small and medium enterprises	152	152
17AG(10)(c)		If the entity is considered by the Department administered by the Finance Minister as material in nature—a statement that “[Name of entity] recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Businesses are available on the Treasury’s website.”	152	152
<b>Financial statements</b>				
17AD(e)		Inclusion of the annual financial statements in accordance with the subsection 43(4) of the PGPA Act	212	212
<b>Other mandatory information</b>				
17AH(1)(a)(i)		If the entity conducted advertising campaigns, a statement that “During [reporting period], the [name of entity] conducted the following advertising campaigns: [name of advertising campaigns undertaken]. Further information on those advertising campaigns is available at [address of entity’s website] and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance’s website.”	n/a	n/a
17AH(1)(a)(ii)		If the entity did not conduct advertising campaigns, a statement to that effect	199	199
17AH(1)(b)		A statement that “Information on grants awarded by [name of entity] during [reporting period] is available at [address of entity’s website].”	n/a	n/a
17AH(1)(c)		Outline of mechanisms of disability reporting, including reference to the website for further information	148	148
17AH(1)(d)		Website reference to where the entity’s Information Publication Scheme statement pursuant to Part II of FOI Act can be found	146	140
17AH(1)(e)		Correction of material errors in previous annual reports	n/a	n/a
17AH(2)		Information required by other legislation	See tables below	n/a

### Requirements in section 57 of the *Australian Communications and Media Authority Act 2005*

ACMA Act reference	Requirement	Page reference
57(a)	A copy of each direction given to the ACMA under section 14 during the period	190
57(aa)	A report on the following matters: (i) remuneration, and other employment-related costs and expenses, in respect of APS employees whose duties relate to the performance of the Children's eSafety Commissioner's functions or the exercise of the Children's eSafety Commissioner's powers; (ii) any other costs, expenses and other obligations incurred by the Commonwealth in connection with the performance of the Children's eSafety Commissioner's functions or the exercise of the Children's eSafety Commissioner's powers	(i) 204 (ii) 201
57(b), (c)	A copy, or extract, of each instrument given to a carrier or to a carriage service provider under section 581 of the <i>Telecommunications Act 1997</i> during the financial year	190
57(d)	A report on the number and types of complaints made under Part 26 of the <i>Telecommunications Act 1997</i> . A report on the investigations conducted as a result of complaints made under Part 26. The results of those investigations	81–2
57(e)	A report on the operation of Part 6 of the <i>Telecommunications Act 1997</i>	62, 66, 72–8, 83, 185
57(f)	A report setting out statistical information relating to information or documents disclosed under Division 3 of Part 13 of the <i>Telecommunications Act 1997</i>	196

### Requirements under the *Public Governance, Performance and Accountability Act 2013*

PGPA Act reference	Requirement	Page reference
Section 42	Accountable authority must give annual financial statements to the Auditor-General. A copy of the annual financial statements and the Auditor-General's report must be included in the annual report.	212
Section 42	Accountable authority must state whether, in the authority's opinion, the financial statements: a. comply with the accounting standards and any requirements prescribed by rules made under the <i>Public Governance, Performance and Accountability Act 2013</i> , being the Public Governance, Performance and Accountability (Financial Reporting) Rule 2015; and b. present fairly the entity's financial position, financial performance and cash flows	213

### Other information required to be included by an Act or instrument

Requirement	Page reference
Reporting on work health and safety under Schedule 2, Part 4 of the <i>Work Health and Safety Act 2011</i>	149–50
Advertising and market research reporting requirements in section 311A of the <i>Commonwealth Electoral Act 1918</i> .	198
Ecologically sustainable development and environmental performance (section 516A of the <i>Environment Protection and Biodiversity Conservation Act 1999</i> )	153

**Appendix 15:**

**Financial statements**

For the period ended 30 June 2016



## INDEPENDENT AUDITOR'S REPORT

### To the Minister for Communications

I have audited the accompanying annual financial statements of the Australian Communications and Media Authority for the year ended 30 June 2016, which comprise:

- Statement by the Acting Chairman and Chief Finance Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Statement of Cash Flows;
- Administered Schedule of Comprehensive Income;
- Schedule of Administered Assets and Liabilities;
- Administered Reconciliation Schedule;
- Administered Cash Flow Statement; and
- Notes to and forming part of the financial statements.

### Opinion

In my opinion, the financial statements of the Australian Communications and Media Authority:

- (a) comply with Australian Accounting Standards and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Australian Communications and Media Authority as at 30 June 2016 and its financial performance and cash flows for the year then ended.

### Accountable Authority's Responsibility for the Financial Statements

The Chairman of the Australian Communications and Media Authority is responsible under the *Public Governance, Performance and Accountability Act 2013* for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards and the rules made under that Act and is also responsible for such internal control as the Chairman determines is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I have conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. These auditing standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Accountable Authority of the entity, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

***Independence***

In conducting my audit, I have followed the independence requirements of the Australian National Audit Office, which incorporate the requirements of the Australian accounting profession.

Australian National Audit Office

A handwritten signature in blue ink, appearing to read 'John Jones', is written over a faint circular stamp or watermark.

John Jones  
Executive Director

Delegate of the Auditor-General

Canberra  
2 September 2016

**Australian Communications and Media Authority**  
**STATEMENT BY THE ACTING CHAIRMAN AND CHIEF FINANCE OFFICER**

In our opinion, the attached financial statements for the year ended 30 June 2016 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the Australian Communications and Media Authority will be able to pay its debts as and when they fall due.

Signed 

Richard Bean  
Acting Chairman

Date 2 September 2016

Signed 

Anne Fleischer  
Chief Finance Officer

Date 2 September 2016

**Australian Communications and Media Authority**  
**STATEMENT OF COMPREHENSIVE INCOME**  
*as at 30 June 2016*

	Notes	2016 \$'000	2015 \$'000	Original Budget 2016 \$'000
<b>NET COST OF SERVICES</b>				
<b>Expenses</b>				
Employee benefits	1.1A	55,916	61,783	56,823
Suppliers	1.1B	26,254	26,366	26,978
Depreciation and amortisation	1.1C	11,322	10,035	9,028
Write-down and impairment of assets	1.1D	76	1,653	-
Losses from asset sales	1.1E	2	-	-
<b>Total expenses</b>		<b>93,570</b>	<b>99,837</b>	<b>92,829</b>
<b>Own-Source Income</b>				
<b>Own-source revenue</b>				
Sale of goods and rendering of services	1.2A	60	251	900
Other revenue	1.2B	770	2,177	-
<b>Total own-source revenue</b>		<b>830</b>	<b>2,428</b>	<b>900</b>
<b>Gains</b>				
Other gains	1.2C	83	83	-
<b>Total gains</b>		<b>83</b>	<b>83</b>	<b>-</b>
<b>Total own-source income</b>		<b>913</b>	<b>2,511</b>	<b>900</b>
<b>Net cost of services</b>		<b>(92,657)</b>	<b>(97,326)</b>	<b>(91,929)</b>
Revenue from Government	1.2D	82,867	89,233	82,901
<b>Deficit attributable to the Australian Government</b>		<b>(9,790)</b>	<b>(8,093)</b>	<b>(9,028)</b>
<b>OTHER COMPREHENSIVE INCOME</b>				
<b>Items subject to subsequent reclassification to net cost of services</b>				
Changes in asset revaluation surplus	3.2A	1,372	30	-
<b>Total other comprehensive income before income tax</b>		<b>1,372</b>	<b>30</b>	<b>-</b>
<b>Total other comprehensive income</b>		<b>1,372</b>	<b>30</b>	<b>-</b>
<b>Total comprehensive loss attributable to the Australian Government</b>		<b>(8,418)</b>	<b>(8,063)</b>	<b>(9,028)</b>

The above statement should be read in conjunction with the accompanying notes.

**Material Budget Variances Commentary**

Depreciation and Amortisation

A number of internally developed software assets were capitalised during 2015-16 resulting in additional depreciation expenses.

Sale of Goods and Rendering of Services

The ACMA earns revenue from the sale of media items such as CDs and publications which is driven by demand, and many publications are now being published on the website free of charge, reducing revenue.

Other Revenue

Unbudgeted cost recovery for International Telecommunications Union (ITU) satellite work undertaken by the ACMA on behalf of operators.



**Australian Communications and Media Authority**  
**STATEMENT OF FINANCIAL POSITION**  
*as at 30 June 2016*

	Notes	2016 \$'000	2015 \$'000	Original Budget 2016 \$'000
<b>ASSETS</b>				
<b>Financial Assets</b>				
Cash and cash equivalents	3.1A	1,708	3,375	3,496
Trade and other receivables	3.1B	23,466	24,180	9,635
<b>Total financial assets</b>		<b>25,174</b>	<b>27,555</b>	<b>13,131</b>
<b>Non-Financial Assets</b>				
Land and buildings	3.2B	24,192	24,559	27,359
Property, plant and equipment	3.2C	4,625	4,513	11,940
Intangibles	3.2D	26,695	28,615	31,055
Other non-financial assets	3.2E	1,678	1,819	2,245
<b>Total non-financial assets</b>		<b>57,190</b>	<b>59,506</b>	<b>72,599</b>
<b>Total assets</b>		<b>82,364</b>	<b>87,061</b>	<b>85,730</b>
<b>LIABILITIES</b>				
<b>Payables</b>				
Suppliers	3.3A	5,249	6,096	4,659
Other payables	3.3B	2,616	3,663	1,886
<b>Total payables</b>		<b>7,865</b>	<b>9,759</b>	<b>6,545</b>
<b>Provisions</b>				
Employee provisions	6.1A	18,447	18,818	20,397
Other provisions	3.4A	2,493	2,560	2,479
<b>Total provisions</b>		<b>20,940</b>	<b>21,378</b>	<b>22,876</b>
<b>Total liabilities</b>		<b>28,805</b>	<b>31,137</b>	<b>29,421</b>
<b>Net assets</b>		<b>53,559</b>	<b>55,924</b>	<b>56,309</b>
<b>EQUITY</b>				
Contributed equity		98,993	92,940	103,454
Reserves		2,032	910	899
Accumulated deficit		(47,466)	(37,926)	(48,044)
<b>Total equity</b>		<b>53,559</b>	<b>55,924</b>	<b>56,309</b>

The above statement should be read in conjunction with the accompanying notes.

**Material Budget Variances Commentary**

Cash and Cash Equivalents

The budget was based on the previous years' closing balance. In 2014-15, cash held at the end of the year was significantly higher due to the timing of the salary pay run being the first week of July, whereas in 2015-16 the last pay ended on the 29<sup>th</sup> of June 2015, therefore cash reserves were not required.

Trade and Other Receivables

The majority of ACMA receivables are in the form of appropriations yet to be drawn down from the Official Public Account. Appropriations are only drawn down when payments are due to be made, often creating a variance with the original budget.

**Australian Communications and Media Authority**  
**STATEMENT OF FINANCIAL POSITION**

*as at 30 June 2016*

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Total Non-Financial Assets

The variance is primarily due to delays in commencement of projects and subsequent delayed capitalisation, along with an unbudgeted movement of capital appropriation from 2015-16 to 2016-17 for the High Frequency Direction Finding project. This resulted in lower capitalisation compared to budget.

Suppliers

The budget variance is primarily due to the timing of payments due to suppliers. A large amount of consultancy work was completed at the end of June, with payment due in July 2016, for which the budget did not consider.

Other Payables

The variance is primarily due to accrued separation and redundancies of \$1.500 million not included in the original budget.

Reserves

The budget variance comprises \$1.372 million attributable to the asset revaluation of property, plant and equipment undertaken in 2015-16.

**Australian Communications and Media Authority**  
**STATEMENT OF CHANGES IN EQUITY**  
*for the period ended 30 June 2016*

	Notes	2016 \$'000	2015 \$'000	Original budget 2016 \$'000
<b>CONTRIBUTED EQUITY/CAPITAL</b>				
<b>Opening balance</b>				
Balance carried forward from previous period		92,940	81,346	93,627
<b>Adjusted opening balance</b>		<b>92,940</b>	<b>81,346</b>	<b>93,627</b>
<b>Contributions by owners</b>				
Equity injection - Appropriations		-	4,795	3,524
Departmental capital budget		6,053	6,799	6,303
<b>Total transactions with owners</b>		<b>6,053</b>	<b>11,594</b>	<b>9,827</b>
<b>Closing balance attributable to Australian Government</b>				
		<b>98,993</b>	<b>92,940</b>	<b>103,454</b>
<b>RETAINED EARNINGS</b>				
<b>Opening balance</b>				
Balance carried forward from previous period		(37,926)	(29,852)	(39,016)
<b>Adjusted opening balance</b>		<b>(37,926)</b>	<b>(29,852)</b>	<b>(39,016)</b>
<b>Comprehensive income</b>				
Deficit for the period		(9,790)	(8,093)	(9,028)
<b>Total comprehensive income</b>		<b>(9,790)</b>	<b>(8,093)</b>	<b>(9,028)</b>
<b>Contributions by owners</b>				
Departmental capital budget		250	19	-
<b>Total transactions with owners</b>		<b>250</b>	<b>19</b>	<b>-</b>
<b>Closing balance attributable to Australian Government</b>				
		<b>(47,466)</b>	<b>(37,926)</b>	<b>(48,044)</b>
<b>ASSET REVALUATION RESERVE</b>				
<b>Opening balance</b>				
Balance carried forward from previous period		910	899	899
<b>Adjusted opening balance</b>		<b>910</b>	<b>899</b>	<b>899</b>
<b>Comprehensive income</b>				
Revaluation increment on non-financial assets		1,372	30	-
<b>Total comprehensive income</b>		<b>1,372</b>	<b>30</b>	<b>-</b>
Transfers between equity components		(250)	(19)	-
<b>Closing balance attributable to Australian Government</b>				
		<b>2,032</b>	<b>910</b>	<b>899</b>

**Australian Communications and Media Authority**  
**STATEMENT OF CHANGES IN EQUITY**  
*for the period ended 30 June 2016*

<b>TOTAL EQUITY</b>			
<b>Opening balance</b>			
Balance carried forward from previous period	<b>55,924</b>	52,393	55,510
<b>Adjusted opening balance</b>	<b>55,924</b>	52,393	55,510
<b>Comprehensive income</b>			
Revaluation increment on non-financial assets	<b>1,372</b>	30	-
Deficit for the period	<b>(9,790)</b>	(8,093)	(9,028)
<b>Total comprehensive income</b>	<b>(8,418)</b>	(8,063)	(9,028)
<b>Contributions by owners</b>			
Equity injection - Appropriations	-	4,795	3,524
Departmental capital budget	<b>6,303</b>	6,799	6,303
<b>Total transactions with owners</b>	<b>6,303</b>	11,613	9,827
Transfers between equity components	<b>(250)</b>	(19)	-
<b>Closing balance attributable to Australian Government</b>			
	<b>53,559</b>	55,924	56,309

The above statement should be read in conjunction with the accompanying notes.

**Accounting Policy**

**Equity Injections**

Amounts appropriated which are designated as 'equity injections' for a year (less any formal reductions) and Departmental Capital Budgets (DCBs) are recognised directly in contributed equity in that year.

**Other Distributions to Owners**

The Finance Reporting Rule (FRR) require that distributions to owners be debited to contributed equity unless it is in the nature of a dividend. No surplus output appropriation funding was relinquished and returned to the Official Public Account this financial year (2015: Nil).

**Material Budget Variances Commentary**

**Equity Injection – Appropriation**

The budget includes an equity injection for the High Frequency Direction Finding project, however the ACMA later received approval to move these funds into 2016-17. The equity injection will appear in the 2016-17 financial statements.

**Revaluation Increment**

The budget variance comprises \$1.372 million attributable to the asset revaluation of property, plant and equipment undertaken in 2015-16.

**Australian Communications and Media Authority**  
**STATEMENT OF CASHFLOWS**  
*as at 30 June 2016*

	Notes	2016 \$'000	2015 \$'000	Original Budget 2016 \$'000
<b>OPERATING ACTIVITIES</b>				
<b>Cash received</b>				
Sale of goods and rendering of services		194	123	-
Appropriations		83,124	83,372	87,914
Net GST received		2,782	3,367	2,380
Other		319	2,181	900
<b>Total cash received</b>		<b>86,419</b>	<b>89,043</b>	<b>91,194</b>
<b>Cash used</b>				
Employees		53,809	62,595	58,897
Suppliers		33,148	26,624	32,297
<b>Total cash used</b>		<b>86,957</b>	<b>89,219</b>	<b>91,194</b>
<b>Net cash used by operating activities</b>	5.5	<b>(538)</b>	<b>(176)</b>	<b>-</b>
<b>INVESTING ACTIVITIES</b>				
<b>Cash used</b>				
Purchase of property, plant and equipment		1,276	1,493	9,827
Purchase of intangibles		6,702	9,386	-
<b>Total cash used</b>		<b>7,978</b>	<b>10,879</b>	<b>9,827</b>
<b>Net cash used by investing activities</b>		<b>(7,978)</b>	<b>(10,879)</b>	<b>(9,827)</b>
<b>FINANCING ACTIVITIES</b>				
<b>Cash received</b>				
Contributed equity		6,849	10,934	9,827
<b>Total cash received</b>		<b>6,849</b>	<b>10,934</b>	<b>9,827</b>
<b>Net cash from financing activities</b>		<b>6,849</b>	<b>10,934</b>	<b>9,827</b>
<b>Net decrease in cash held</b>		<b>(1,667)</b>	<b>(121)</b>	<b>-</b>
Cash and cash equivalents at the beginning of the reporting period		3,375	3,496	3,496
<b>Cash and cash equivalents at the end of the reporting period</b>	3.1A	<b>1,708</b>	<b>3,375</b>	<b>3,496</b>

The above statement should be read in conjunction with the accompanying notes.

**Material Budget Variances Commentary**

Appropriations

The budget variance is due to the timing of payables as cash is only drawn down when required. The original budget includes capital appropriation received for the High Frequency Direction Finding project, however the ACMA later received approval to move these funds into 2016-17. The cash received will appear in the 2016-17 financial statements.

Net GST Received

The budget variance is primarily due to the commencement of the Office of the Children's eSafety Commissioner in July, which resulted in an increase in supplier expense and unbudgeted GST receivable.

## Australian Communications and Media Authority

### STATEMENT OF CASHFLOWS

as at 30 June 2016

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#### Other Cash Received

The ACMA earns revenue from the sale of media items such as CDs and publications which is driven by demand, and many publications are now being published on the website free of charge, reducing cash received.

#### Employees

The ACMA continues to manage its workforce carefully and has been rebalancing span of control and employee numbers as we continue to see and implement business process improvements and efficiencies.

#### Purchase of Property, Plant and Equipment

The original budget was not categorised between purchase of property, plant and equipment and intangibles. The budget variance in total cash used for investing activities is due to delays in the High Frequency Direction Finding project, for which appropriation has been moved into 2016-17. The cash used for investing activities associated with this project will appear in the 2016-17 financial statements.

#### Contributed Equity

The original budget includes capital appropriation for the High Frequency Direction Finding project that was expected to be drawn down during 2015-16. However, due to the ACMA's subsequent approval to move the funds into 2016-17, the funds were not drawn down during the year and will be utilised next financial year.

**Australian Communications and Media Authority**  
**ADMINISTERED SCHEDULE OF COMPREHENSIVE INCOME**  
*as at 30 June 2016*

	Notes	2016 \$'000	2015 \$'000	Original Budget 2016 \$'000
<b>NET COST OF SERVICES</b>				
<b>EXPENSES</b>				
Suppliers	2.1A	942	-	350
Asset write-downs and impairments	2.1B	1,062	19	-
<b>Total Expenses</b>		<b>2,004</b>	<b>19</b>	<b>350</b>
<b>INCOME</b>				
<b>Revenue</b>				
<b>Taxation revenue</b>				
Other taxes	2.2A	635,997	615,655	631,542
<b>Total taxation revenue</b>		<b>635,997</b>	<b>615,655</b>	<b>631,542</b>
<b>Non-taxation revenue</b>				
Sale of goods and rendering of services	2.2B	5,916	2,926	5,033
Fees and fines	2.2C	37,265	38,931	46,776
Other revenue	2.2D	3,345	3,436	4,130
<b>Total non-taxation revenue</b>		<b>46,526</b>	<b>45,293</b>	<b>55,939</b>
<b>Total revenue</b>		<b>682,523</b>	<b>660,948</b>	<b>687,481</b>
<b>Gains</b>				
Sale of assets	2.2E	152,743	2,128,228	67,600
Reversal of write-downs and impairments	2.2F	26	-	-
<b>Total gains</b>		<b>152,769</b>	<b>2,128,228</b>	<b>67,600</b>
<b>Total income</b>		<b>835,292</b>	<b>2,789,176</b>	<b>755,081</b>
<b>Net contribution by services</b>		<b>833,288</b>	<b>2,789,157</b>	<b>754,731</b>
<b>Surplus after income tax on continuing operations</b>		<b>833,288</b>	<b>2,789,157</b>	<b>754,731</b>
<b>Total other comprehensive income attributable to the Australian Government</b>		<b>833,288</b>	<b>2,789,157</b>	<b>754,731</b>

The above schedule should be read in conjunction with the accompanying notes.

**Material Budget Variances Commentary**

Suppliers

The budget variance relates to expenditure associated with additional funding received during the year for the Office of the Children's eSafety Commissioner. This funding was not originally included in the budget.

Asset Write-Downs and Impairments

The variance relates to the provision for doubtful debts over 90 days for which the ACMA does not included in the budget.

**Australian Communications and Media Authority**  
**ADMINISTERED SCHEDULE OF COMPREHENSIVE INCOME**  
*as at 30 June 2016*

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Sales of Goods and Rendering of Services

The increase relates to the recognition of numbering charges revenue of \$2.150 million, where previously this was recognised as Departmental revenue. The change came about from changes in the underlying circumstances of the arrangements with new outsourced provider which commenced service in 2015. In addition, Office of the Children's eSafety Commissioner received \$0.950 million in Administered Appropriation during the year

Fees and Fines

The budget variance relates to the decrease in the Annual Carrier Licence Charge due to the ACMA's cost component under paragraph 15(1)(a) of the *Telecommunications (Carrier Licence Charges) Act 1997* decreasing by 10.59% from the previous year. This is mainly due to adoption of the Government's Deregulation Policy and a streamlining of activities in the early part of the 2014-15 financial year, which was facilitated by an organisational restructure to align functions.

Other Revenue

The budget is based on expected consumer demand. The variance is primarily due to Non-radiocommunication taxes collected during 2015-16 not meeting expected consumer demands and needs.

Gains

The Radio Spectrum Auction (Digital Dividend) 15 year Spectrum Licence Renewal commenced and was recognised as revenue in 2015-16, however the budget was reflected in the 2014-15 financial year. The budget of \$67.600 million relates to the sale of 1800 MHz, of which \$15.800 million is recognised as revenue in 2015-16 with the remainder recognised in 2016-17.



**Australian Communications and Media Authority**  
**SCHEDULE OF ADMINISTERED ASSETS AND LIABILITIES**  
*as at 30 June 2016*

	Notes	2016 \$'000	2015 \$'000	Original Budget 2016 \$'000
<b>ASSETS</b>				
<b>Financial Assets</b>				
Cash and cash equivalents	4.1A	1,175	603	500
Taxation receivables	4.1B	176,112	190,165	166,365
Trade and other receivables	4.1B	37,127	53,867	38,628
Other financial assets	4.1C	-	453	-
<b>Total financial assets</b>		<b>214,414</b>	<b>245,088</b>	<b>205,493</b>
<b>Total assets administered on behalf of Government</b>		<b>214,414</b>	<b>245,088</b>	<b>205,493</b>
<b>LIABILITIES</b>				
<b>Payables</b>				
Prepayments	4.2A	95,792	158,918	85,332
Other payables	4.2A	831	3,303	1,653
<b>Total payables</b>		<b>96,623</b>	<b>162,221</b>	<b>86,985</b>
<b>Total liabilities administered on behalf of government</b>		<b>96,623</b>	<b>162,221</b>	<b>86,985</b>
<b>Net assets</b>		<b>117,791</b>	<b>82,867</b>	<b>118,508</b>

The above schedule should be read in conjunction with the accompanying notes.

**Material Budget Variances Commentary**

Cash and Cash Equivalents

Due to the additional funds received during the year for the Office of the Children's eSafety Commissioner, supplier payments due the first week of July required sufficient cash reserves to be held. These were unknown at the time of preparing the original budget.

Taxation Receivables

The Government announced in the 2016-17 Budget a permanent reduction in Broadcasting Licence Fees (BLF) of 25 per cent, commencing in the 2015-16 BLF return period. This reduction has been reflected in the 2015-16 accrual, but was not anticipated at the time of preparing the 2015-16 original budget. However, this reduction is offset by Radiocommunications licences revenue which is \$83.260 million higher this financial year primarily due to two significant licence renewals totalling \$50.000 million. There has also been an increase in new license subscriptions this year.

Prepayments

The budget variance is due to an increase in prepaid subscription of Radiocommunications licences this year that was not anticipated at the time of preparing the original budget.

Other Payables

The budget variance is due to a number of refunds being processed during the financial year, which were not forecast during the original budget.

**Australian Communications and Media Authority**  
**ADMINISTERED RECONCILIATION SCHEDULE**  
*for the period ended 30 June 2016*

	2016	2015
	\$'000	\$'000
<b>Opening administered assets less administered liabilities as at 1 July</b>	<b>82,867</b>	(71,570)
<b>Adjusted opening administered assets less administered liabilities</b>	<b>82,867</b>	(71,570)
Plus: Administered income	<b>835,292</b>	2,789,176
Less: Administered expenses	<b>(2,004)</b>	(19)
<b>Administered transfers to/from Australian Government</b>		
Appropriation transfers from OPA	<b>15,464</b>	4,443
Transfers to OPA	<b>(598,337)</b>	(2,418,163)
Transfers to OPA (transfer to other entity- Finance Whole of Government)	<b>(215,491)</b>	(221,000)
<b>Closing administered assets less administered liabilities as at 30 June</b>	<b>117,791</b>	82,867

The above schedule should be read in conjunction with the accompanying notes

**Accounting Policy**

**Administered Cash Transfers to and from the Official Public Account**

Revenue collected by the entity for use by the Government rather than the entity is administered revenue. Collections are transferred to the Official Public Account (OPA) maintained by the Department of Finance. Conversely, cash is drawn from the OPA to make payments under Parliamentary appropriation on behalf of Government. These transfers to and from the OPA are adjustments to the administered cash held by the entity on behalf of the Government and reported as such in the schedule of administered cash flows and in the administered reconciliation schedule.

**Australian Communications and Media Authority**  
**ADMINISTERED CASH FLOW STATEMENT**  
*as at 30 June 2016*

	Notes	2016 \$'000	2015 \$'000
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Sale of goods and rendering of services		4,427	2,515
Taxes		736,240	635,889
Fees		5,393	3,248
Fines		446	190
Other		(92,213)	(132,139)
<b>Total cash received</b>		<b>654,293</b>	<b>509,703</b>
<b>Cash used</b>			
Other		(8,100)	(3,108)
<b>Total cash used</b>		<b>(8,100)</b>	<b>(3,108)</b>
<b>Net cash from operating activities</b>	5.6	<b>646,193</b>	<b>506,595</b>
<b>INVESTING ACTIVITIES</b>			
<b>Cash received</b>			
Proceeds from sales of intangibles		152,743	2,128,228
<b>Total cash received</b>		<b>152,743</b>	<b>2,128,228</b>
<b>Net cash from investing activities</b>		<b>152,743</b>	<b>2,128,228</b>
<b>Net increase in cash held</b>		<b>798,936</b>	<b>2,634,823</b>
Cash and cash equivalents at the beginning of the reporting period		603	500
<b>Cash from Official Public Account</b>			
Appropriations		15,464	4,443
<b>Total cash used from official public account</b>		<b>15,464</b>	<b>4,443</b>
<b>Cash to Official Public Account</b>			
Administered Revenue		(598,340)	(2,418,163)
Transfer to other entities (Finance - Whole of Government)		(215,488)	(221,000)
<b>Total cash used to official public account</b>		<b>(813,828)</b>	<b>(2,639,163)</b>
<b>Cash and cash equivalents at the end of the reporting period</b>	4.1A	<b>1,175</b>	<b>603</b>

The above schedule should be read in conjunction with the accompanying notes.

**Australian Communications and Media Authority**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

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## Australian Communications and Media Authority NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

### Overview

#### Objectives of the Australian Communications and Media Authority

The Australian Communications and Media Authority (ACMA) is an Australian Government non-corporate entity. The objective of the ACMA is to enable a communications and media environment that balances the needs of the industry and the Australian community through regulation, education and advice.

The entity is structured to meet the following outcomes and programs:

**Outcome 1:** A communications and media environment that balances the needs of the industry and the Australian community through regulation, education and advice.

**Program 1.1:** Communications regulations, planning and licensing

**Program 1.2:** Consumer safeguards, education and information

The continued existence of the ACMA in its present form and with its present programs is dependent on Government policy and on continuing appropriations by Parliament for the ACMA's administration and programs.

The ACMA's activities contributing toward these outcomes are classified as either Departmental or Administered.

- Departmental activities involve the use of assets, liabilities, income and expenses controlled or incurred by the ACMA in its own right.
- Administered activities involve the management or oversight by the ACMA, on behalf of the Government, of items controlled or incurred by the Government.

The ACMA administers the following activities on behalf of the Government:

- Regulation of the telecommunications and radiofrequency services;
- Managing access to the radiofrequency spectrum bands through radio communications licence arrangements;
- Regulating compliance with the relevant legislation, licence conditions, codes of conduct and other service standards;
- Promoting and facilitating industry self-regulation, exercising its powers when necessary, and reporting on matters of importance to the communication industry,
- Managing Australia's "Do Not Call Register"; and
- Representing Australia's communication interests internationally.

#### Basis of Preparation of the Financial Statements

The financial statements are general purpose financial statements and are required by section 42 of the *Public Governance, Performance and Accountability Act 2013*.

The Financial Statements have been prepared in accordance with:

- a) Financial Reporting Rule (FRR) for reporting period ending on or after 1 July 2015
- b) Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

## **Australian Communications and Media Authority NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

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The financial statements are presented in Australian dollars and values are rounded to the nearest thousand dollars unless otherwise specified.

Unless an alternative treatment is specifically required by an accounting standard or the FRR, assets and liabilities are recognised in the Statement of Financial Position when and only when it is probable that future economic benefits will flow to the ACMA or a future sacrifice of economic benefits will be required, and the amounts of the assets or liabilities can be reliably measured. However, assets and liabilities arising under executor contracts are not recognised unless required by an accounting standard. Liabilities and assets that are unrecognised are reported in the Schedule of Commitments or the Schedule of Contingencies.

Unless alternative treatment is specifically required by an accounting standard, income and expenses are recognised in the Statement of Comprehensive Income when and only when the flow, consumption or loss of economic benefits has occurred and can be reliably measured.

Administered revenues, expenses, assets, liabilities and cash flows reported in the Schedule of Administered Items and related notes are accounted for on the same basis, using the same policies as for Departmental items, including the application of Australian Accounting Standards.

### **Significant Accounting Judgements and Estimates**

In the process of applying the accounting policies listed in this note, the ACMA has made the following judgements that have the most significant impact on the amounts recorded in the financial statements:

- The fair value of land and buildings has been taken to be the market value of similar properties as determined by an independent valuer. In some instances, the ACMA's buildings are purpose-built and may in fact realise more or less in the market;
- The fair value of plant and equipment has been taken to be the market value of similar items determined by an independent valuer including allowances for physical deterioration of the asset;
- The provision for long service leave has been estimated using present value techniques, which take into account attrition rates and pay increases through promotion and inflation; and
- The provision for impairment of financial assets are assessed on a monthly basis. When a receivable is aged more than 90 days the debt is considered doubtful and a provision for the non-recovery of the debt is made.

Other than as noted below, no other accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next reporting period.

The amortised value of the administered receivable from broadcasting licence fees and data casting charges has been estimated based on the prior year assessed licence fees on the assumption that all rebates will be claimed by broadcasting licensees and regardless of licensee compliance with rebate conditions. The estimates include the Government announced 25% fee reduction. No other indexation has been applied.

## Australian Communications and Media Authority NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

### New Australian Accounting Standards

#### Adoption of New Australian Accounting Standard Requirements

No accounting standard has been adopted earlier than the application date as stated in the standard.

No new, revised or amended Standards or Interpretation were issued prior to the signing of the statement by the Chief Executive and Chief Finance Officer, that were applicable to the current reporting period and had a material effect on the ACMA's financial statements.

All other new, revised or amending Standards or Interpretations that were issued prior to the sign-off and are applicable to the current period did not have material effect and are not expected to have future material effect.

#### Future Australian Accounting Standard Requirements

The following revised Standards were issued by the Australian Accounting Standards Board prior to the signing of the financial statements by the Chief Executive and Chief Finance Officer, and are expected to have a financial impact on the ACMA's financial statements for future reporting periods.

Standard/ Interpretation	Application date for the ACMA	Nature of new changes/s in Accounting Policy and impact on initial application
AASB 124 Related Party Disclosures	1 July 2016	Entities are required to report their related party transactions in their disclosure notes to the financial statements. The standard also imposes disclosure obligations on Ministers including Assistant Ministers and Parliamentary secretaries as they are key management personnel of the Government.  Moderate impact.
AASB 15 Revenue from Contracts with Customers	1 Jan 2018	AASB 15 replaces previous revenue standards (AASB 18 and AASB 111). Establishes principles for reporting information about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers, with revenue recognised as 'performance obligations' are satisfied.
AASB 9 Financial Instruments	1 Jan 2018	AASB was reissued in December 2014 and now incorporates: The classification and measurement requirement for financial assets and liabilities. <ul style="list-style-type: none"> <li>• The recognition and de-recognition requirements for financial instrument (phase 1).</li> <li>• Requirements for impairments of financial assets (phase 2).</li> </ul>

**Australian Communications and Media Authority**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

**1. Financial Performance**

This section analyses the financial performance of the ACMA for the year ended 30 June 2016.

**1.1 Expenses**

	2016	2015
	\$'000	\$'000
<b>Note 1.1A: Employee Benefits</b>		
Wages and salaries	38,548	41,151
Superannuation		
Defined contribution plans	3,109	3,302
Defined benefit plans	4,892	5,320
Leave and other entitlements	7,764	9,669
Separation and redundancies	1,603	2,341
<b>Total employee benefits</b>	<b>55,916</b>	<b>61,783</b>

**Accounting Policy**

For accounting policies on employee related expenses please refer to Section 6. People and Relationships.

**Note 1.1B: Suppliers**

**Goods and services supplied or rendered**

Consultants	1,436	785
Contractors	2,179	2,158
Outsourced services	5,258	5,662
Stationery and publications	328	269
Legal costs	98	662
Occupancy costs	1,729	1,896
I.T. and communications services	4,300	3,620
Travel costs	1,632	1,500
Other	2,759	2,789
<b>Total goods and services supplied or rendered</b>	<b>19,719</b>	<b>19,341</b>

Goods supplied	328	417
Services rendered	19,391	18,924
<b>Total goods and services supplied or rendered</b>	<b>19,719</b>	<b>19,341</b>

**Other suppliers**

**Operating lease rentals in connection with**

Minimum lease payments	5,850	6,074
Workers compensation expenses	685	951
<b>Total other suppliers</b>	<b>6,535</b>	<b>7,025</b>
<b>Total supplier</b>	<b>26,254</b>	<b>26,366</b>

**Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:**

Within 1 year	6,711	6,341
Between 1 to 5 years	27,843	26,366
More than 5 years	11,820	19,145
<b>Total operating lease commitments</b>	<b>46,374</b>	<b>51,852</b>



## Australian Communications and Media Authority

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

#### Leasing commitments

Office lease payments are subject to annual increases in accordance with upward movements of the Consumer Price Index increased by a fixed rate. All office accommodation leases are current. A number of leases allow for extensions, the longest option providing for two five year extensions at the ACMA's discretion. On renewal, each lease allows for a market review to set the net rental base.

Accommodation Lease	Minimum end date period
Brisbane	March 2021
Canberra	August 2023
Melbourne	December 2025
Parramatta	February 2017
Sydney	February 2021

#### Accounting Policy

##### Leases

Finance leases effectively transfer from the lessor to the lessee substantially all the risks and rewards incidental to ownership. In operating leases the lessor effectively retains substantially all such risks and benefits.

Operating lease payments are expensed on a straight-line basis which is representative of the pattern of benefits derived from the leased assets.

##### Taxation

The ACMA is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST). Revenues, expenses and assets are recognised net of GST except where the amount of GST incurred is not recoverable from the Australian Taxation Office, and for receivables and payables.

##### Competitive Neutrality

Competitive neutrality requires that Government business activities should not enjoy net competitive advantages over their private competitors simply by virtue of public sector ownership. The ACMA does not have any Competitive Neutrality obligations.

<b>2016</b>	2015
<b>\$'000</b>	\$'000

#### Note 1.1C: Depreciation and Amortisation

##### Depreciation

Buildings and leasehold improvements	2,500	2,370
Property, plant and equipment	1,343	1,038
<b>Total depreciation</b>	<b>3,843</b>	<b>3,408</b>

##### Amortisation

Intangibles	7,479	6,627
<b>Total amortisation</b>	<b>7,479</b>	<b>6,627</b>
<b>Total depreciation and amortisation</b>	<b>11,322</b>	<b>10,035</b>

#### Note 1.1D: Write-Down and Impairment of Assets

Impairment on financial instruments	-	(10)
Impairment of property, plant and equipment	76	361
Impairment on intangible assets	-	1,302
<b>Total write-down and impairment of assets</b>	<b>76</b>	<b>1,653</b>

#### Note 1.1E: Losses from Asset Sales

Carrying value of assets sold	2	-
<b>Total losses from asset sales</b>	<b>2</b>	<b>-</b>

**Australian Communications and Media Authority**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

**1.2 Own-Source Revenue and Gains**

	2016	2015
	\$'000	\$'000
<b>Own-Source Revenue</b>		

**Note 1.2A: Sale of Goods and Rendering of Services**

**Sale of goods in connection with**

Related entities	60	153
External parties	-	96
Rendering of services - external parties	-	2
<b>Total sale of goods and rendering of services</b>	<b>60</b>	<b>251</b>

**Note 1.2B: Other Revenue**

Number allocation charges	123	1,175
Other	647	1,002
<b>Total other revenue</b>	<b>770</b>	<b>2,177</b>

**Accounting Policy**

**Revenue**

Revenue from the sale of goods is recognised when, the risks and rewards of ownership have been transferred to the buyer, the ACMA retains no managerial involvement or effective control over the goods, the revenue and transaction costs incurred can be reliably measured and it is probable that the economic benefits associated with the transaction will flow to the ACMA.

Revenue from rendering of services is recognised by reference to the stage of completion of contracts at the reporting date. The revenue is recognised when the amount of revenue, stage of completion and transaction costs incurred can be reliably measured, and the probable economic benefits associated with the transaction will flow to the ACMA.

The stage of completion of contracts at the reporting date is determined by reference to the proportion that costs incurred to date bear to the estimated total costs of the transaction.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at the end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

**Sale of Assets**

Gains from disposal of assets are recognised when control of the asset has passed to the buyer.

**Gains**

**Note 1.2C: Other Gains**

**Resources received free of charge**

Remuneration of auditors <sup>1</sup>	83	83
<b>Total other gains</b>	<b>83</b>	<b>83</b>

<sup>1</sup> The value of income represents the services provided free of charge by the ANAO.

**Accounting Policy**

**Resources Received Free of Charge**

Resources received free of charge are recognised as revenue when and only when a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense. Resources received free of charge are recorded as either revenue or gains depending on their nature.

Contributions of assets at no cost of acquisition or for a nominal consideration are recognised as gains at their fair value when the asset qualifies for recognition, unless received from another Government agency or authority as a consequence of a restructuring of administrative arrangements.

**Australian Communications and Media Authority**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

<b>Revenue from government</b>	<b>2016</b>	2015
	<b>\$'000</b>	\$'000
<b>Note 1.2D: Revenue from Government</b>		
<b>Appropriations:</b>		
Departmental appropriations	<u>82,867</u>	<u>89,233</u>
<b>Total revenue from Government</b>	<u><b>82,867</b></u>	<u><b>89,233</b></u>

**Accounting Policy**

Revenue from Government

Amounts appropriated for Departmental appropriations for the year (adjusted for any formal additions and reductions) are recognised as Revenue from Government when the ACMA gains control of the appropriation, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned.

Appropriations receivable are recognised at their nominal amounts.

**Australian Communications and Media Authority**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

**2. Income and Expenses Administered on Behalf of Government**

This section analyses the activities that the ACMA does not control but administers on behalf of the Government. Unless otherwise noted, the accounting policies adopted are consistent with those applies for departmental reporting.

**2.1 Administered – Expenses**

	2016	2015
	\$'000	\$'000
<b>Note 2.1A: Suppliers</b>		
<b>Goods and services supplied or rendered</b>		
Travel	5	-
Consultants	99	-
Contractors	574	-
Other	264	-
<b>Total goods and services supplied or rendered</b>	<b>942</b>	<b>-</b>
<b>Goods supplied in connection with</b>		
Related parties	-	-
External parties	942	-
<b>Total goods supplied</b>	<b>942</b>	<b>-</b>
<b>Total goods and services supplied or rendered</b>	<b>942</b>	<b>-</b>
<b>Note 2.1B: Asset Write-Downs and Impairments</b>		
Asset write-downs and impairments	1,062	19
<b>Total asset write-downs and impairments</b>	<b>1,062</b>	<b>19</b>

**Notes**

Suppliers

No prior year comparative figures exist due to the establishment of the Office of the Children's eSafety Commissioner on 1 July 2015.

**Australian Communications and Media Authority**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

<b>2.2 Administered – Income</b>		
	2016	2015
	\$'000	\$'000
<b>Taxation Revenue</b>		
<b>Note 2.2A: Other Taxes</b>		
Broadcasting licence fees	127,947	185,351
Radiocommunications taxes	232,562	149,304
Telecommunication numbering charges	60,000	60,000
Industry contributions (Telecommunications Industry Levy)	215,488	221,000
<b>Total other taxes</b>	<b>635,997</b>	<b>615,655</b>
<b>Non-Taxation Revenue</b>		
<b>Note 2.2B: Sale of Goods and Rendering of Services</b>		
<b>Sale of goods in connection with</b>		
External parties	5,916	2,926
<b>Total rendering of services</b>	-	-
<b>Total sale of goods and rendering of services</b>	<b>5,916</b>	<b>2,926</b>
<b>Note 2.2C: Fees and Fines</b>		
Licence fees	36,819	38,741
Fines and penalties	446	190
<b>Total fees and fines</b>	<b>37,265</b>	<b>38,931</b>
<b>Note 2.2D: Other Revenue</b>		
Other	3,345	3,436
<b>Total other revenue</b>	<b>3,345</b>	<b>3,436</b>
<b>Gains</b>		
<b>Note 2.2E: Gains from Sale of Assets</b>		
Proceeds from sale	152,743	2,128,228
<b>Total gains from sale of assets</b>	<b>152,743</b>	<b>2,128,228</b>
<b>Note 2.2F: Reversal of write-downs and impairments</b>		
Reversal of impairment losses	26	-
<b>Total reversals of previous asset write-downs and impairments</b>	<b>26</b>	<b>-</b>

**Accounting Policy**

**Revenue**

All administered revenues are revenues relating to the course of ordinary activities performed by the ACMA on behalf of the Australian Government. Contributions from industries in the form of taxes, industry levies and fines are recognised as revenue when the economic activity giving rise to the Government's right to the contribution has taken place and the liability to contribution can be reliably measured.

**Industry Contributions**

From 1 July 2015, the functions carried out by the Telecommunications Universal Services Management Agency were transferred to Department of Communications and the Arts. The ACMA continues to collect levies on behalf of Department of Communications and the Arts, remit them to the OPA and report them as Non taxation revenues.

**Australian Communications and Media Authority**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

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External parties

The increase relates to the recognition of numbering charges revenue of \$2.150 million, where previously this was recognised as Departmental revenue. The change came about from changes in the underlying circumstances of the arrangements with new outsourced provider which commenced service in 2015.

Gains from Sale of Assets

Proceeds from the sale of digital dividend spectrum licences of \$1.953 billion, and the reissue of expiring spectrum licences of \$172.390 million were recorded as gains in 2014-15.

**Australian Communications and Media Authority**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

**3. Financial Position**

This section analyses the ACMA's assets used to generate financial performance and the operating liabilities incurred as a result. Employee related information is disclosed in the People and Relationships section.

**3.1 Financial Assets**

	2016	2015
	\$'000	\$'000
<b>Note 3.1A: Cash and Cash Equivalents</b>		
Cash on hand or on deposit	1,587	3,276
Cash held for external parties	121	99
<b>Total cash and cash equivalents</b>	<b>1,708</b>	<b>3,375</b>

**Accounting Policy**

Cash

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, demand deposits in bank accounts with an original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value, and cash in special accounts/security deposits.

**Note 3.1B: Trade and Other Receivables**

**Goods and Services:**

Related entities	-	1
External parties	-	-
<b>Total receivables for goods and services</b>	<b>-</b>	<b>1</b>

**Appropriations receivables:**

For existing outputs	22,557	23,485
<b>Total appropriations receivable</b>	<b>22,557</b>	<b>23,485</b>

**Other receivables**

GST receivable from the Australian Taxation Office	397	314
Other	512	380
<b>Total other receivables</b>	<b>909</b>	<b>694</b>
<b>Total trade and other receivables (gross)</b>	<b>23,466</b>	<b>24,180</b>

**Less impairment allowance account:**

Goods and services	-	-
<b>Total impairment allowance account</b>	<b>-</b>	<b>-</b>
<b>Total trade and other receivables (net)</b>	<b>23,466</b>	<b>24,180</b>

**Receivables are expected to be recovered in:**

No more than 12 months	23,466	24,180
More than 12 months	-	-
<b>Total trade and other receivables (net)</b>	<b>23,466</b>	<b>24,180</b>

**Australian Communications and Media Authority**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

	2016	2015
	\$'000	\$'000
<b>Receivables are aged as follows</b>		
Not overdue	23,466	24,160
Overdue by		
0 to 30 days	-	20
31 to 60 days	-	-
61 to 90 days	-	-
More than 90 days	-	-
<b>Total receivables (gross)</b>	<u>23,466</u>	<u>24,180</u>

**Reconciliation of the Impairment Allowance Account:**

**Movements in relation to 2016**

	Goods and services \$'000	Total \$'000
<b>Opening balance</b>	-	-
Amounts recovered and reversed	-	-
<b>Closing balance</b>	-	-

**Movements in relation to 2015**

	Goods and services \$'000	Total \$'000
Opening balance	10	10
Amounts written off	(10)	(10)
Closing balance	-	-



**Australian Communications and Media Authority  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

**3.2 Non-Financial Assets**

**Note 3.2A: Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment for 2016**

	Land \$'000	Buildings \$'000	Other property, plant & equipment \$'000	WIP Non IT Projects \$'000	Computer software internally developed \$'000	WIP IT projects \$'000	Computer software purchased \$'000	Total \$'000
<b>As at 1 July 2015</b>								
Gross book value	6,950	20,996	6,056	1,348	38,169	13,888	9,378	96,785
Accumulated depreciation and impairment	-	(3,387)	(2,891)	-	(24,690)	-	(8,130)	(39,098)
<b>Total as at 1 July 2015</b>	<b>6,950</b>	<b>17,609</b>	<b>3,165</b>	<b>1,348</b>	<b>13,479</b>	<b>13,888</b>	<b>1,248</b>	<b>57,687</b>
<b>Additions</b>								
By purchase	-	-	21	1,250	-	-	-	1,271
Internally developed	-	-	-	-	-	6,702	-	6,702
Revaluations and impairments recognised in other comprehensive income	175	457	740	-	-	-	-	1,372
Depreciation and amortisation	-	(2,500)	(1,343)	-	(6,735)	-	(744)	(11,322)
Reclassification	-	1,616	2,103	(2,573)	11,681	(13,794)	967	-
Impairments recognised in net cost of services	-	-	(76)	-	-	-	-	(76)
<b>Total as at 30 June 2016</b>	<b>7,125</b>	<b>17,067</b>	<b>4,600</b>	<b>25</b>	<b>18,427</b>	<b>6,796</b>	<b>1,472</b>	<b>55,512</b>
<b>Total as at 30 June 2016 represented by</b>								
Gross book value	7,125	17,067	4,600	25	49,852	6,796	10,345	95,810
Accumulated depreciation and impairment	-	-	-	-	(31,425)	-	(8,873)	(40,298)
<b>Total as at 30 June 2016</b>	<b>7,125</b>	<b>17,067</b>	<b>4,600</b>	<b>25</b>	<b>18,427</b>	<b>6,796</b>	<b>1,472</b>	<b>55,512</b>

**Australian Communications and Media Authority  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

Note 3.2A: Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment for 2015

	Land \$'000	Buildings \$'000	Other property, plant & equipment \$'000	WIP Non IT Projects \$'000	Computer software internally developed \$'000	WIP IT Projects \$'000	Computer software purchased \$'000	Total \$'000
As at 1 July 2014								
Gross book value	6,920	20,920	5,304	272	38,730	8,407	9,219	89,772
Accumulated depreciation and impairment	-	(1,017)	(2,093)	-	(20,976)	-	(7,210)	(31,296)
Total as at 1 July 2014	6,920	19,903	3,211	272	17,754	8,407	2,009	58,476
Additions								
By purchase	-	76	-	1,417	-	-	-	1,493
Internally developed	-	-	-	-	-	-	-	-
Revaluations and impairments recognised in other comprehensive income	30	-	-	-	-	-	-	30
Depreciation and amortisation	-	(2,370)	(1,038)	-	(5,533)	-	(1,094)	(10,035)
Reclassification	-	-	1,353	(341)	2,560	(3,905)	333	-
Impairments recognised in net cost of services	-	-	(361)	-	(1,302)	-	-	(1,663)
Other movements	-	-	-	-	-	-	-	-
Total as at 30 June 2016	6,950	17,609	3,165	1,348	13,479	4,502	1,248	48,301
Total as at 30 June 2015 represented by								
Gross book value	6,950	20,996	6,056	1,348	38,169	13,888	9,378	96,785
Accumulated depreciation and impairment	-	(3,387)	(2,891)	-	(24,690)	-	(8,130)	(39,098)
Total as at 30 June 2015	6,950	17,609	3,165	1,348	13,479	13,888	1,248	57,687

## Australian Communications and Media Authority

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

#### Accounting Policy

##### Acquisition of Assets

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Financial assets are initially measured at their fair value plus transaction costs where appropriate. Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor's accounts immediately prior to the restructuring.

##### Asset Recognition Threshold

Purchases of property, plant and equipment are recognised initially at cost in the statement of financial position, except for purchases costing less than the applicable threshold, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total). The asset thresholds have not been changed during the current financial year. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to 'make good' provisions in property leases taken up by the ACMA where there exists an obligation to restore the property to its original condition. These costs are included in the value of the ACMA's leasehold improvements with a corresponding provision for the 'make good' recognised.

Asset Class	Threshold
Buildings	\$50,000
Leasehold improvements	\$10,000
Plant and equipment	\$5,000
Motor vehicles	\$10,000
Software – purchased	\$10,000
Software – internally developed	\$10,000

##### Revaluations

Fair values for each class of asset are determined:

Asset class	Revaluation cycle	Fair Value Measured at
Land	Annually	Market approach
Building	Tri-annually	Depreciated replacement cost
Leasehold improvements	Tri-annually	Depreciated replacement cost
Plant and equipment	Tri-annually	Market approach
Motor vehicles	Tri-annually	Market approach

Following initial recognition at cost, property plant and equipment is carried at fair value less subsequent

accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets do not differ materially from the assets' fair values as at the reporting date.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve, except to the extent that it reverses a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the surplus/deficit except to the extent that they reverse a previous revaluation increment for that class. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset restated to the revalued amount.

##### Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the ACMA using, in all cases, the straight-line method of depreciation. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Asset Class	Useful Life
Buildings	5 to 40 years
Plant and equipment	3 to 15 years
Motor vehicles	5 to 10 years

##### Impairment

All assets were assessed for impairment at 30 June 2016. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount. The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the ACMA were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

##### Intangibles

The ACMA's intangibles comprise internally developed and purchased software for internal use. These assets are carried at cost less accumulated amortisation and accumulated impairment losses. Software is amortised on a straight-line basis over its anticipated useful life. The useful lives of the ACMA's software are 3 to 10 years, and have not changed from previous years.

##### De-recognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

## Australian Communications and Media Authority

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

<b>Revaluations of non-financial assets</b>	<b>2016</b>	2015
Movements on the revaluation reserves are as follows:	<b>\$'000</b>	\$'000

<b>Asset Class</b>	<b>Increment (Decrement)</b>	<b>Increment (Decrement)</b>
Land	175	30
Building	31	-
Leasehold improvements	427	0
Plant and equipment	(66)	(4)
Technical equipment	555	(15)

#### **Notes**

All increments and decrements were transferred to the asset revaluation surplus by asset class and included in the equity section. A revaluation increment of \$1.372 million was transferred for non-financial assets. A revaluation decrement of \$0.250 million was transferred from the asset revaluation reserve to retained earnings for decommissioned assets.

#### **Note 3.2B: Land and Buildings**

##### **Land**

Land at fair value	7,125	6,950
<b>Total land</b>	<b>7,125</b>	<b>6,950</b>

##### **Buildings on freehold land**

Fair value	212	222
Accumulated depreciation	-	(27)
<b>Total buildings on freehold land</b>	<b>212</b>	<b>195</b>

##### **Leasehold improvements**

Fair value	16,855	20,775
Accumulated depreciation	-	(3,361)
<b>Total leasehold improvements</b>	<b>16,855</b>	<b>17,414</b>
<b>Total land and buildings</b>	<b>24,192</b>	<b>24,559</b>

#### **Note 3.2C: Property, Plant and Equipment**

Fair value	4,625	7,403
Accumulated depreciation	-	(2,890)
<b>Total property, plant and equipment</b>	<b>4,625</b>	<b>4,513</b>

#### **Note 3.2D: Intangibles**

Computer software internally developed	49,852	38,169
WIP IT projects	6,796	13,888
Computer software purchased	10,345	9,378
Accumulated amortisation	(40,298)	(32,820)
<b>Total intangibles</b>	<b>26,695</b>	<b>28,615</b>

#### **Note 3.2E: Other Non-Financial Assets**

Prepaid expenses	1,678	1,819
<b>Total other non-financial assets</b>	<b>1,678</b>	<b>1,819</b>
Other non-financial assets expected to be recovered		
No more than 12 months	1,678	1,819
<b>Total other non-financial assets</b>	<b>1,678</b>	<b>1,819</b>

**Australian Communications and Media Authority**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

**3.3 Payables**

	2016	2015
	\$'000	\$'000
<b>Note 3.3A: Suppliers</b>		
Trade creditors and accruals	2,590	3,771
Operating lease rentals	<u>2,659</u>	<u>2,325</u>
<b>Total supplier payables</b>	<u>5,249</u>	<u>6,096</u>
<b>Suppliers expected to be settled in:</b>		
No more than 12 months	2,590	3,771
More than 12 months	<u>2,659</u>	<u>2,325</u>
<b>Total</b>	<u>5,249</u>	<u>6,096</u>
<b>Suppliers in connection with</b>		
Related parties	-	-
External parties	<u>5,249</u>	<u>6,096</u>
<b>Total</b>	<u>5,249</u>	<u>6,096</u>
<b>Total supplier payables</b>	<u>5,249</u>	<u>6,096</u>

Settlement is usually made within 30 days.

**Note 3.3B: Other Payables**

Salaries and wages	1,072	2,358
Superannuation	29	286
Separations and redundancies	1,504	1,008
Other	<u>11</u>	<u>11</u>
<b>Total other payables</b>	<u>2,616</u>	<u>3,663</u>
<b>Other payables expected to be settled in</b>		
No more than 12 months	<u>2,616</u>	<u>3,663</u>
<b>Total other payables</b>	<u>2,616</u>	<u>3,663</u>

**Australian Communications and Media Authority**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

**3.4 Other Provisions**

	2016	2015
	\$'000	\$'000
<b>Note 3.4A: Other Provisions</b>		
Provision for restoration obligations	2,493	2,560
<b>Total other provisions</b>	<b>2,493</b>	<b>2,560</b>
<b>Other provisions expected to be settled in:</b>		
More than 12 months	2,493	2,560
<b>Total other provisions</b>	<b>2,493</b>	<b>2,560</b>

	Provision for restoration	Total
	\$'000	\$'000
<b>Reconciliation of the Other Provisions Account:</b>		
<b>As at 1 July 2015</b>	<b>2,560</b>	<b>2,560</b>
Additional provisions made	62	62
Amounts reversed	(46)	(46)
Amounts used	(83)	(83)
Unwinding of discount or change in discount rate	-	-
<b>Total as at 30 June 2016</b>	<b>2,493</b>	<b>2,493</b>

**Notes**

As indicated on the Schedule of Commitments, the ACMA currently has 5 major agreements for the leasing of premises which have provisions requiring the ACMA to restore the premises to their original condition at the conclusion of the lease (2015: 5). The ACMA re-values the restoration obligation each year using the market value of the obligation at reporting date.

**Australian Communications and Media Authority**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

**4. Assets and Liabilities Administered on Behalf of Government**

This section analyses assets and liabilities that ACMA does not control but administers on behalf of the Government. Unless otherwise noted, the accounting policies adopted are consistent with those applied for Departmental reporting.

**4.1 Administered – Financial Assets**

	2016	2015
	\$'000	\$'000
<b>Note 4.1A: Cash and Cash Equivalents</b>		
Special accounts	195	43
Cash on hand or on deposit	980	560
<b>Total cash and cash equivalents</b>	<b>1,175</b>	<b>603</b>
<b>Note 4.1B: Taxation Receivables</b>		
Other taxes	177,132	190,232
<b>Total taxation receivables (gross)</b>	<b>177,132</b>	<b>190,232</b>
Less: impairment allowance account		
Other taxes	1,020	67
<b>Total receivables (net)</b>	<b>176,112</b>	<b>190,165</b>
Receivables are expected to be recovered in:		
No more than 12 months	176,112	169,691
<b>Total trade and other receivables (net)</b>	<b>176,112</b>	<b>169,691</b>
Taxation receivables were aged as follows:		
Not overdue	171,462	174,937
Overdue by:		
0 to 30 days		
31 to 60 days	4,070	15,206
61 to 90 days	580	64
More than 90 days	1,020	25
<b>Total taxation receivables (gross)</b>	<b>177,132</b>	<b>190,232</b>
The impairment allowance account is aged as follows:		
Not overdue	-	-
Overdue by:		
0 to 30 days	-	-
31 to 60 days	-	-
61 to 90 days	-	-
More than 90 days	1,020	67
<b>Total impairment allowance account</b>	<b>1,020</b>	<b>67</b>

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

<b>Reconciliation of the Impairment Allowance</b>			
<b>Movements in relation to 2016</b>			
	<b>Taxation receivables</b>	<b>Other receivables</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Opening balance</b>	67	13	80
Increase recognised in net surplus	953	29	982
<b>Closing balance</b>	<b>1,020</b>	<b>42</b>	<b>1,062</b>
<b>Movements in relation to 2015</b>			
	<b>Taxation receivables</b>	<b>Other receivables</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Opening balance	46	2	48
Increase recognised in net cost surplus	21	11	32
Closing balance	67	13	80
		<b>2016</b>	2015
		<b>\$'000</b>	<b>\$'000</b>
<b>Note 4.1B: Receivables</b>			
<b>Goods and services:</b>			
Goods and services receivable - external parties		37	433
<b>Total receivables for good and services</b>		<b>37</b>	<b>433</b>
<b>Other receivables</b>			
Fees, charges and other revenues		37,132	53,447
<b>Total other receivables</b>		<b>37,132</b>	<b>53,447</b>
<b>Total receivables (gross)</b>		<b>37,169</b>	<b>53,880</b>
Less: impairment allowance account			
Other receivables		42	13
<b>Total receivables (net)</b>		<b>37,127</b>	<b>53,867</b>
Receivables are expected to be recovered in:			
No more than 12 months		37,127	53,867
<b>Total trade and other receivables (net)</b>		<b>37,127</b>	<b>53,867</b>
Receivables were aged as follows:			
Not overdue		36,735	38,654
Overdue by:			
0 to 30 days		282	15,208
31 to 60 days		73	9
61 to 90 days		37	4
More than 90 days		42	13
<b>Total receivables (gross)</b>		<b>37,169</b>	<b>53,888</b>



**Australian Communications and Media Authority**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

	2016	2015
	\$'000	\$'000
The impairment allowance account is aged as follows:		
Not overdue	-	-
Overdue by:		
0 to 30 days	-	-
31 to 60 days	-	-
61 to 90 days	-	-
More than 90 days	42	13
<b>Total impairment allowance account</b>	<b>42</b>	<b>13</b>

Goods and services receivables are with entities external to the Australian Government. Credit terms granted to debtors vary dependant on legislation.

**Note 4.1C: Other Financial Assets**

Accrued revenue	-	453
<b>Total other financial assets</b>	<b>-</b>	<b>453</b>
Other financial assets expected to be recovered		
No more than 12 months	-	-
More than 12 months	-	453
<b>Total other financial assets</b>	<b>-</b>	<b>453</b>

**4.2 Administered – Payables**

	2016	2015
	\$'000	\$'000
<b>Note 4.2A: Other Payables</b>		
Prepayments received/unearned income	95,792	158,918
Other	831	3,303
<b>Total other payables</b>	<b>96,623</b>	<b>162,221</b>
<b>Other payables are expected to be settled in:</b>		
No more than 12 months	96,623	162,221
<b>Total other payables</b>	<b>96,623</b>	<b>162,221</b>

## Australian Communications and Media Authority

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

#### 5. Funding

This section identifies the ACMA's funding structure.

##### 5.1 Appropriations

###### Note 5.1A: Annual Appropriations ('Recoverable GST exclusive')

###### Annual appropriations for 2016

	<i>Appropriation Act</i>	<i>PGPA Act</i>	Total appropriation	Appropriation applied in 2016 (current and prior years)	Variance <sup>2</sup>
	Annual Appropriation <sup>1</sup>	Section 74			
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Departmental</b>					
Ordinary annual services Appropriation Act (No.1) 2015-16 as passed	89,204	193	89,397	(90,041)	(644)
Appropriation Act (No.1) 2015-16 as passed	82,901	193	83,094	(83,317)	(223)
Appropriation Act (No.1) Capital Budget <sup>3</sup> 2015-16 as passed	6,303	-	6,303	(6,724)	(421)
<b>Total departmental</b>	<b>89,204</b>	<b>193</b>	<b>89,397</b>	<b>(90,041)</b>	<b>(644)</b>

#### Notes

<sup>1</sup>An amount of \$0.034 million from Appropriation Act 1 and \$0.250 million from Appropriation Act 1 Capital budget was withheld under s51 of the PGPA Act. These amounts constitute a permanent loss of appropriation.

<sup>2</sup>The over spend of \$0.644 million in ordinary annual appropriations is due to the completion of a number of projects delayed from previous years. Amounts spent on these projects were drawn down from previous Appropriations.

<sup>3</sup>Departmental and Administered Capital Budgets are appropriated through Appropriation Acts (No.1, 3, 5). They form part of ordinary annual services and are not separately identified in the Appropriation Acts.

###### Annual appropriations for 2015

	<i>Appropriation Act</i>	<i>PGPA Act</i>	Total appropriation	Appropriation applied in 2015 (current and prior years)	Variance
	Annual Appropriation <sup>1</sup>	Section 74			
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Departmental</b>					
Ordinary annual services Appropriation Act (No.1) 2014-15 as passed	96,032	1,051	97,083	(91,564)	5,519
Appropriation Act (No.1) 2014-15 as passed	85,196	1,051	86,247	(84,422)	
Appropriation Act (No.3) 2014-15 as passed	4,037	-	4,037	-	
Appropriation Act (No.1) Capital Budget 2014-15 as passed	6,799	-	6,799	(7,142)	
Other services	4,795		4,795	(3,793)	1,002
Act 2 Non-Operating - Equity Injection	4,576		4,576	(3,627)	
Act 4 Non-Operating - Equity Injection	219		219	(166)	
<b>Total departmental</b>	<b>100,827</b>	<b>1,051</b>	<b>101,878</b>	<b>(95,357)</b>	<b>6,521</b>

## Australian Communications and Media Authority NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

### Note 5.1B: Unspent Annual Appropriations ('Recoverable GST exclusive')

	2016 \$'000	2015 \$'000
<b>Authority</b>		
Appropriation Act (No.1) 2013-2014 as passed	930	712
Appropriation Act (No.1) 2014-2015 as passed	13	13,502
Appropriation Act (No.1) 2015-2016 as passed	13,602	-
Appropriation Act (No.1) 2014-2015 as passed - Capital Budget	-	20
Appropriation Act (No.2) 2013-2014 as passed Non-operating (Equity)	-	585
Appropriation Act (No.2) 2014-2015 as passed Non-operating (Equity)	4,563	4,576
Appropriation Act (No.3) 2014-15 as passed	-	4,037
Appropriation Act (No.4) 2014-2015 as passed Non-operating (Equity)	-	53
<b>Total</b>	<b>19,108</b>	<b>23,485</b>

### Note 5.1C: Special Appropriations ('Recoverable GST exclusive')

Authority	Type	Appropriation applied	
		2016 \$'000	2015 \$'000
Public Governance, Performance and Accountability Act 2013 s77 Repayments	Refund	15,436	4,443
<b>Total special appropriations applied</b>		<b>15,436</b>	<b>4,443</b>

#### Notes

Special Appropriation: Under section 77 of the *Public Governance, Performance and Accountability Act 2013*, the ACMA has a special appropriation utilised for the purpose of providing refunds of Administered revenue to customers, and transfer of administered funds between bank accounts where payments were made to the incorrect bank account and the funds had already transferred to the Official Public Account.

## Australian Communications and Media Authority

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

#### 5.2 Special Accounts

##### Note 5.2A: Special Accounts ('Recoverable GST exclusive')

	2016	2015
	\$'000	\$'000
<b>The Children's Online Safety Special Account s80 PGPA Act (s72 Enhancing Online Safety for Children Act 2015)</b>		
<b>Balance brought forward from previous period</b>	-	-
Appropriation credited to special account	11,155	-
Other receipts	-	-
<b>Total increases</b>	<b>11,155</b>	-
<b>Available for payments</b>	<b>11,155</b>	-
<b>Decreases:</b>		
Payments made to suppliers	(7,706)	-
<b>Total decrease</b>	<b>(7,706)</b>	-
<b>Total balance carried to the next period</b>	<b>3,449</b>	-
<b>Total available carried to the next period</b>	<b>3,644</b>	-

##### Services for Other Entities and Trusts Money- s20 FMA Act Det 2012/13

<b>Balance brought forward from previous period</b>	43	-
<b>Increases:</b>		
Other receipts	280	43
<b>Total increases</b>	<b>283</b>	<b>43</b>
<b>Available for payments</b>	<b>323</b>	<b>43</b>
<b>Decreases:</b>		
Payments made	(128)	-
PGPA Act section 58 investments	-	-
Payments made to suppliers	-	-
Balance transferred to CRF	-	-
<b>Total decrease</b>	<b>(128)</b>	-
<b>Total balance carried to the next period</b>	<b>195</b>	<b>43</b>

#### Notes

The ACMA administers the Children's Online Safety Special account on behalf of the Office of the Children's eSafety Commissioner. This account was established under s80 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and s72 of the *Enhancing Online Safety for Children Act 2015*. For the year ended 30 June 2016 the account had a \$3.644 million available cash balance. No prior year comparative figures exist due to the establishment of the Special Account on 1 July 2015.

Appropriation: Financial Management and Accountability, Establishing Instrument: Section 20 FMA Act Det 2012/13. Purpose: Monies held on trust for or for the benefit of a person other than the Commonwealth. The ACMA holds money in trust primarily for Submarine Cable Protection Zone deposits in accordance with item 6.1 of Part 6 of Schedule 1 to the *Telecommunications (Charges) Determination 2012*.

**Australian Communications and Media Authority**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

**5.3 Regulatory Charging Summary**

	2016	2015
	\$'000	\$'000
<b>Amounts applied</b>		
Departmental		
Annual appropriations	23,313	26,371
Own source revenue	210	436
Administered		
Special appropriations (including special accounts)	300	300
<b>Total amounts applied</b>	<b>23,823</b>	<b>27,107</b>
<b>Expenses</b>		
Departmental	23,581	23,291
Administered	86	3,616
<b>Total expenses</b>	<b>23,667</b>	<b>26,907</b>
<b>Revenue</b>		
Departmental	210	536
Administered	43,062	45,449
<b>Total revenue</b>	<b>43,272</b>	<b>45,985</b>
Not overdue	37,019	39,095
Overdue by:		
0 to 30 days	-	-
31 to 60 days	73	7
61 to 90 days	38	2
More than 90 days	32	5
<b>Total receivables</b>	<b>37,162</b>	<b>39,109</b>

**Notes**

Cost Recovered Activities:

Regulatory activities in accordance with the *Telecommunications (Carrier Licence Charges) Act 1997* – The charges (Annual Carrier Licence Charges) for these activities are based on the cost of services provided by the ACMA, ACCC and the Department of Communications and the Arts. The ACMA is responsible for invoicing and collecting the charges from the telecommunications carriers on behalf of other participating government organisations. Further information can be accessed from the ACMA's Cost Recovery Implementation Statements which is available at: <http://www.acma.gov.au/theACMA/About/Corporate/Accountability/cost-recovery-impact-statements-acma>

Investigation of complaints activities performed by the Postal Industry Ombudsman (PIO) – The ACMA is responsible for invoicing and collecting the charges on behalf of the PIO. Details are available at: <http://pio.gov.au>

**Australian Communications and Media Authority**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

**5.4 Net Cash Appropriation Arrangement**

	2016	2015
	\$'000	\$'000
<b>Total comprehensive income/(loss) less depreciation/amortisation expenses previously funded through revenue appropriations<sup>1</sup></b>	<b>2,904</b>	<b>1,972</b>
Plus: depreciation/amortisation expenses previously funded through revenue appropriation	<u>(11,322)</u>	<u>(10,035)</u>
<b>Total comprehensive income (loss) - as per the Statement of Comprehensive Income</b>	<b><u>(8,418)</u></b>	<b><u>(8,063)</u></b>

**Notes**

From 2010-11, the Government introduced net cash appropriation arrangements, where revenue appropriations for depreciation/amortisation expenses ceased. Entities now receive a separate capital budget provided through equity appropriations. Capital budgets are to be appropriated in the period when cash payment for capital expenditure is required.

**5.5 Cash Flow Reconciliation**

	2016	2015
	\$'000	\$'000
<b>Reconciliation of cash and cash equivalents as per statement of financial position to cash flow statement</b>		
<b>Cash and cash equivalents as per</b>		
Cash flow statement	1,708	3,375
Statement of financial position	<u>1,708</u>	<u>3,375</u>
<b>Discrepancy</b>	<u>-</u>	<u>-</u>
<b>Reconciliation of net cost of services to net cash from/(used by) operating activities</b>		
Net cost of services	(92,657)	(97,326)
Revenue from Government	<b>82,867</b>	89,233
<b>Adjustments for non-cash items</b>		
Depreciation/amortisation	11,322	10,035
Write-down and impairment of assets	76	1,663
Losses from sale of assets	2	-
<b>Movements in assets and liabilities</b>		
<b>Assets</b>		
(Increase)/Decrease in net receivables	43	(5,923)
Decrease in prepayments	141	426
<b>Liabilities</b>		
Increase/(Decrease) in supplier payables	(847)	1,437
Decrease in other payable	(1,047)	(1,010)
Increase/(Decrease) in employee provisions	(371)	1,208
Increase/(Decrease) in other provisions	<u>(67)</u>	<u>81</u>
<b>Net cash used by operating activities</b>	<b><u>(538)</u></b>	<b><u>(176)</u></b>

**Australian Communications and Media Authority**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

**5.6 Administered Cash Flow Reconciliation**

	2016 \$'000	2015 \$'000
<b>Reconciliation of cash and cash equivalents as per administered schedule of assets and liabilities to administered cash flow statement</b>		
<b>Cash and cash equivalents as per</b>		
Schedule of administered cash flows	1,175	603
Schedule of administered assets and liabilities	1,175	603
<b>Difference</b>	-	-
<b>Reconciliation of net cost of services to net cash from/(used by) operating activities</b>		
Net contribution by services	833,288	2,789,157
<b>Adjustments for non-cash items</b>		
Gain on sale of assets	(152,743)	(2,128,228)
<b>Changes in assets/liabilities</b>		
(Increase)/Decrease in net receivables	30,793	(38,470)
Decrease in other financial assets	453	-
Decrease in prepayments and other payables	(65,598)	(115,864)
<b>Net cash from operating activities</b>	<b>646,193</b>	<b>506,595</b>

## Australian Communications and Media Authority

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

#### 6. People and Relationships

This section describes a range of employment and post-employment benefits provided to our people and our relationships with other key people.

##### 6.1 Employee Provisions

	2016	2015
	\$'000	\$'000
<b>Note 6.1A: Employee Provisions</b>		
Leave	18,447	18,818
<b>Total employee provisions</b>	<b>18,447</b>	<b>18,818</b>
<b>Employee provisions are expected to be settled in:</b>		
No more than 12 months	15,505	15,513
More than 12 months	2,942	3,305
<b>Total employee provisions</b>	<b>18,447</b>	<b>18,818</b>

#### Accounting Policy

Liabilities for 'short-term employee benefits' (as defined in AASB 119 Employee Benefits ) and termination benefits due within twelve months of end of reporting period are measured at their nominal amounts.

The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits are measured as net total of the present value of the defined benefit obligation at the end of the reporting period minus the fair value at the end of the reporting period of plan assets (if any) out of which the obligations are to be settled directly.

#### Leave

The liability for employee benefits includes provision for annual leave and long service leave. No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of the ACMA is estimated to be less than the annual entitlement for sick leave.

The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time the leave is taken, including the ACMA's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The liability for long service leave has been determined by reference to the short hand method prescribed under section 24 of the Financial Reporting Rule. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

#### Separation and Redundancy

Provision is made for separation and redundancy benefit payments. The ACMA recognises a provision for termination when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the termination.

#### Superannuation

The ACMA's staff are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS) or the PSS accumulation plan (PSSap).

The CSS and PSS are defined benefit schemes for the Australian Government. The PSSap is a defined contribution scheme.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance's administered schedules and notes.

The ACMA makes employer contributions to the employees' superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the Government of the superannuation entitlements of the ACMA's employees. The ACMA accounts for the contributions as if they were contributions to defined contribution plans.

#### Parental Leave Payments Scheme

Amounts received under the Parental Leave Payments Scheme and not yet paid to employees have been presented at the gross amount as cash and payable.



**Australian Communications and Media Authority**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

**6.2 Senior Management Personnel Remuneration**

	2016	2015
	\$'000	\$'000
<b>Short-term employee benefits</b>		
Salary	3,584,409	3,926,937
Performance bonuses	181,695	238,020
Other	414,142	445,790
<b>Total short-term employee benefits</b>	<u>4,180,246</u>	<u>4,610,747</u>
<b>Post-employment benefits</b>		
Superannuation	694,846	781,311
<b>Total post-employment benefits</b>	<u>694,846</u>	<u>781,311</u>
<b>Other long-term employee benefits</b>		
Annual leave accrued	287,967	235,446
Long-service leave	112,434	108,147
<b>Total other long-term employee benefits</b>	<u>400,401</u>	<u>343,593</u>
<b>Termination benefits</b>		
Voluntary redundancy payments	79,420	-
<b>Total termination benefits</b>	<u>79,420</u>	<u>-</u>
<b>Total senior executive remuneration expenses</b>	<u>5,354,913</u>	<u>5,735,651</u>

The total number of senior management personnel that are included in the above table are for 21 senior management personnel (2015: 24).

Other than Annual leave accrued and Long-service leave, all expenses reflect cash payments made during the year.

## Australian Communications and Media Authority

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

#### 7. Managing Uncertainties

This section analyses how the ACMA manages financial risks within its operating environment.

##### 7.1 Contingent Assets and Liabilities

###### Quantifiable Contingencies

The Schedule of Contingencies reports an asset in the form of an award of costs, estimated to be \$50,000, made in the ACMA's favour in legal proceedings during 2016 (2015: \$nil).

###### Unquantifiable Contingencies

At 30 June 2016, the ACMA is involved in a number of legal proceedings, mostly of an administrative law nature, although some involve civil proceedings or prosecutions actioned by the ACMA. Additionally, the ACMA has a number of employee related contingent liabilities. It is not possible to estimate the amounts of any eventual payments that may be required in relation to these claims.

###### Significant Remote Contingencies

The ACMA has \$nil remote contingencies as at 30 June 2016 (2015: \$nil).

	Indemnities		Total	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
<b>Contingent assets</b>				
Balance from previous period	-	-	-	-
New	50	-	50	-
Re-measurement	-	-	-	-
Assets recognised	-	-	-	-
Expired	-	-	-	-
<b>Total contingent assets</b>	<b>50</b>	<b>-</b>	<b>50</b>	<b>-</b>

###### Quantifiable Assets and Liabilities

The ACMA has no contingent assets nor liabilities as at 30 June 2016 (2015: nil).

###### Unquantifiable Contingencies

The ACMA has no unquantifiable contingencies as at 30 June 2016 (2015: nil).

###### Significant Remote Contingencies

The ACMA has no remote contingencies as at 30 June 2016 (2015: nil).

#### Accounting Policy

##### Contingent Liabilities and Contingent Assets

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote.

## Australian Communications and Media Authority

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

#### 7.2 Financial Instruments

	2016	2015
	\$'000	\$'000
<b>Note 7.2A: Categories of Financial Instruments</b>		
<b>Financial Assets</b>		
<b>Loans and receivables</b>		
Cash and cash equivalents	1,708	3,375
Trade receivables	-	1
<b>Total</b>	<b>1,708</b>	<b>3,376</b>
<b>Carrying amount of financial assets</b>	<b>1,708</b>	<b>3,376</b>
<b>Financial Liabilities</b>		
<b>At amortised cost</b>		
Trade creditors and accruals	2,590	3,771
<b>Total</b>	<b>2,590</b>	<b>3,771</b>
<b>Carrying amount of financial liabilities</b>	<b>2,590</b>	<b>3,771</b>

The carrying value of financial assets and liabilities is a reasonable approximation of fair value.

#### Accounting Policy

##### Financial Assets

The only category of financial assets held by the ACMA is "loans and receivables".

These financial assets are not interest bearing, and are recognised and derecognised upon trade date.

##### Loans and Receivables

Loans and other receivables that have fixed or determinable payments, that are not quoted in an active market are classified as "loans and receivables". Loans and receivables are measured at amortised cost using the effective interest method less impairment.

##### Impairment of Financial Assets

Financial assets are assessed for impairment at the end of each reporting period.

Financial assets held at amortised cost - if there is objective evidence that an impairment loss has been incurred for loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount is reduced by way of an allowance account. The loss is recognised in the Statement of Comprehensive Income.

##### Financial Liabilities

The only financial liabilities in the ACMA are "other financial liabilities":

Financial liabilities are recognised and derecognised upon trade date.

##### Other Financial Liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs. These liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

## Australian Communications and Media Authority

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

#### Note 7.2B: Net Gains or Losses on Financial Assets

Trade receivables are short term and non-interest bearing. There is no finance income or expense from these assets.

#### Note 7.2C: Fair Value of Financial Instruments

All financial assets and liabilities are short term trade receivables and payables, the carrying amount of which are a reasonable approximation of fair value.

#### Note 7.2D: Credit Risk

The ACMA is exposed to minimal credit risk as financial assets consist solely of cash and trade receivables. The maximum exposure to credit risk is the risk that arises from potential default of a debtor. This amount is equal to the total amount of trade receivables (2016: nil and 2015: \$1,000). The ACMA has assessed the risk of the default on payment and has allocated \$nil (2015: \$nil) to an impairment allowance account.

The ACMA manages its credit risk by restricting the provision of goods and services on credit to pre-approved credit clients only. Credit limits granted to approved clients are re-assessed at least annually to ensure that the ACMA is not exposed to unacceptable credit risk.

The ACMA holds no collateral to mitigate against credit risk.

#### Credit quality of financial instruments not past due date or individually determined as impaired

	<b>Not past due nor impaired 2016 \$'000</b>	<b>Not past due nor impaired 2015 \$'000</b>	<b>Past due or impaired 2016 \$'000</b>	<b>Past due or impaired 2015 \$'000</b>
<b>Financial assets</b>				
Cash and cash equivalents	1,708	3,375	-	-
Trade receivables	-	1	-	-
<b>Total</b>	<b>1,708</b>	<b>3,376</b>	<b>-</b>	<b>-</b>

#### Ageing of financial assets that were past due date but not impaired in 2016

	<b>0 to 30 days \$'000</b>	<b>31 to 60 days \$'000</b>	<b>61 to 90 days \$'000</b>	<b>90+ days \$'000</b>	<b>Total \$'000</b>
<b>Financial assets</b>					
Cash and cash equivalents	-	-	-	-	-
Trade receivables	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### Ageing of financial assets that were past due date but not impaired in 2015

	<b>0 to 30 days \$'000</b>	<b>31 to 60 days \$'000</b>	<b>61 to 90 days \$'000</b>	<b>90+ days \$'000</b>	<b>Total \$'000</b>
<b>Financial assets</b>					
Cash and cash equivalents	-	-	-	-	-
Trade receivables	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Australian Communications and Media Authority NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

### Note 7.2E: Liquidity Risk

The ACMA's financial liabilities are trade creditors and accruals. The exposure to liquidity risk is based on the notion that the ACMA will encounter difficulty in meeting its obligations associated with financial liabilities. This is highly unlikely as the ACMA is appropriated funding from the Australian Government and the ACMA manages its budget funds to ensure it has adequate funds available to meet payments as they fall due. In addition, the ACMA has policies in place to ensure timely payment is made when they fall due and has no past experience of default.

### Maturities for non-derivative financial liabilities in 2016

	Within 1 year \$'000	between 1-2 years \$'000	between 2-5 years \$'000	Total \$'000
<b>Financial Liabilities</b>				
Trade creditors and accruals	2,590	-	-	2,590
<b>Total</b>	<b>2,590</b>	<b>-</b>	<b>-</b>	<b>2,590</b>

### Maturities for non-derivative financial liabilities in 2015

	Within 1 year \$'000	between 1-2 years \$'000	between 2-5 years \$'000	Total \$'000
<b>Financial Liabilities</b>				
Trade creditors and accruals	3,771	-	-	3,771
<b>Total</b>	<b>3,771</b>	<b>-</b>	<b>-</b>	<b>3,771</b>

### Note 7.2F: Market Risk

The ACMA holds basic financial instruments that do not expose ACMA to market risks including currency risk, other price risk and interest rate risk.

## Australian Communications and Media Authority Notes to and forming part of the financial statements

### 7.3 Administered Financial Instruments

	2016	2015
	\$'000	\$'000
<b>Note 7.3A: Categories of Financial Instruments</b>		
<b>Loans and receivables</b>		
Cash and cash equivalents	1,175	603
Goods and services receivables	37	433
Fees, charges and other revenue receivables	37,090	53,434
<b>Total</b>	<b>38,302</b>	<b>54,470</b>
<b>Carrying amount of financial assets</b>	<b>38,302</b>	<b>54,470</b>

#### **Note 7.3B: Net Income and Expense on Financial Assets**

All loans and receivables are short term and non-interest bearing. There is no income or expense from these assets (2015: nil).

#### **Note 7.3C: Net Income and Expense on Financial Liabilities**

All financial liabilities are short term and non-interest bearing. There is no income or expense from financial liabilities (2015: nil).

#### **Note 7.3D: Fair Value of Financial Instruments**

All financial assets and liabilities are short term trade receivables and payables the carrying amounts of which are reasonable approximation of fair value.

## Australian Communications and Media Authority Notes to and forming part of the financial statements

### Note 7.3E: Credit Risk

The ACMA is exposed to minimal credit risk as loans and receivables are cash and trade receivables. The maximum exposure to credit risk is the risk that arises from potential default of a debtor. This amount is equal to the total amount of trade receivables (2016: \$37,169 million and 2015: \$53,888 million). The ACMA has assessed the risk of the default on payment and has allocated \$0.042 million in 2016 (2015: \$0.013 million) to an impairment allowance account. The ACMA manages its credit risk by restricting the provision of goods and services on credit to pre-approved credit clients only. Credit limits granted to approved clients are re-assessed at least annually to ensure that the ACMA is not exposed to unacceptable credit risk. The ACMA holds no collateral to mitigate against credit risk.

	Not past due nor impaired		Not past due nor impaired	Past due or impaired	
	2016	\$'000		2015	\$'000
Loans and receivables					
Cash and cash equivalents	1,175		603	-	
Other receivables	37,017		53,862	152	26
<b>Total</b>	<b>38,192</b>		<b>54,465</b>	<b>152</b>	<b>26</b>
<b>Ageing of financial instruments not past due date or individually determined as impaired</b>					
	0 to 30	31 to 60	61 to 90	90+	Total
	days	days	days	days	
	\$'000	\$'000	\$'000	\$'000	\$'000
Loans and receivables	37,017	73	37	42	37,169
Other receivables	37,017	73	37	42	37,169
<b>Ageing of financial assets that were past due date but not impaired for 2016</b>					
	0 to 30	31 to 60	61 to 90	90+	Total
	days	days	days	days	
	\$'000	\$'000	\$'000	\$'000	\$'000
Loans and receivables	53,862	9	4	13	53,888
Other receivables	53,862	9	4	13	53,888

## **Australian Communications and Media Authority Notes to and forming part of the financial statements**

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### **Note 7.3F: Liquidity Risk**

The ACMA's financial liabilities are predominately revenue received in advance. The exposure to liquidity risk is based on the notion that the ACMA will encounter difficulty in meeting its obligations associated with financial liabilities. This is highly unlikely as when the ACMA receives the funds, they are remitted to the Consolidated Revenue Fund (CRF) and are available to be drawn down when required. In addition, the ACMA has policies in place to ensure timely payments are made when they are due and has no past experience of default. The ACMA has no derivative financial liabilities in either the current or prior financial year.

### **Note 7.3G: Market Risk**

The ACMA holds basic financial instruments that are non-interest bearing and have no exposure to market risks.



## Australian Communications and Media Authority Notes to and forming part of the financial statements

### 7.4 Fair Value Measurement

The following tables provide an analysis of assets and liabilities that are measured at fair value. The remaining assets and liabilities disclosed in the statement of financial position do not apply the fair value hierarchy.

The different levels of the fair value hierarchy are defined below.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

#### Accounting Policy

ACMA engaged the Australian Valuation Solutions (AVS) to conduct a detailed external valuation of all non-financial assets at 30 June 2016 and has relied upon those outcomes to establish carrying amounts. An annual assessment is undertaken to determine whether the carrying amount of the assets is materially different from the fair value. Comprehensive valuations are carried out at least once every three years. AVS has provided written assurance to ACMA that the models developed are in compliance with AASB 13 Fair Value Measurement.

The methods utilised to determine and substantiate the unobservable inputs are derived and evaluated as follows:

#### Adjusted Market Transactions

ACMA controls assets with restrictions that limited marketability. Reference has been made to available sales evidence together with other relevant information related to local economic, property zoning and property market conditions. AVS has utilised significant professional judgement in determining the fair value measurements.

#### Physical Depreciation and Obsolescence

Assets that do not transact with enough frequency or transparency to develop objective opinions of value from observable market evidence have been measured utilising the Depreciated Replacement Cost approach. Under the Depreciated Replacement Cost approach the estimated cost to replace the asset is calculated and then adjusted to take into account physical depreciation and obsolescence. Physical depreciation and obsolescence has been determined based on professional judgement regarding physical, economic and external obsolescence factors relevant to the asset under consideration. For all Leasehold Improvement assets, the consumed economic benefit / asset obsolescence deduction is determined based on the term of the associated lease.

ACMA's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

**Australian Communications and Media Authority  
Notes to and forming part of the financial statements**

**Note 7.4A: Fair Value Measurements. Valuation techniques and Inputs Used**

	2016		2015		Valuation Technique(s) and Inputs Used
	\$000	\$000	\$000	\$000	
<b>Non-financial assets</b>					
Land	7,125	6,950	2 & 3		<b>Market Approach:</b> This approach seeks to estimate the current value of an asset with reference to recent market transactions involving identical or comparable land assets. <b>Inputs:</b> Prices and other relevant information generated by market transactions involving land assets were considered. Significant professional judgement has been utilised.
Buildings on freehold land	212	195	2 & 3		<b>Depreciated Replacement Cost:</b> The amount a market participant would be prepared to pay to acquire or construct a substitute asset of comparable utility, adjusted for physical depreciation and obsolescence. <b>Inputs:</b> Current prices for substitute assets. Physical depreciation and obsolescence has been determined based on professional judgement regarding physical, economic and external obsolescence factors relevant to the building assets under consideration.
Leasehold improvements	16,855	17,414	3		<b>Depreciated Replacement Cost</b> <b>Inputs:</b> Current costs per square metre of floor area relevant to the location of the asset. Physical depreciation and obsolescence has been determined based on the term of the associated lease.
Other property, plant and equipment	4,596	4,513	2 & 3		<b>Market Approach:</b> This approach seeks to estimate the current value of an asset with reference to recent market transactions involving identical or comparable assets. <b>Inputs:</b> Prices and other relevant information generated by market transactions involving plant and equipment assets were considered. Physical depreciation and obsolescence has been determined based on professional judgement regarding physical, economic and external obsolescence factors relevant to the assets under consideration.
<b>Total non-financial assets</b>	<b>28,788</b>	<b>29,072</b>			
<b>Total fair value measurements of assets in the statement of financial position</b>	<b>28,788</b>	<b>29,072</b>			

**Notes**

No non-financial assets were measured at fair value on a non-recurring basis as at 30 June 2016. ACMA's assets are held for operational purposes and not held for the purposes of deriving a profit. The current use of all non-financial assets is considered their highest and best use. There were no transfers between levels 1 and 2 for recurring fair value measurements during the year.

**Australian Communications and Media Authority  
Notes to and forming part of the financial statements**

**Note 7.4B: Reconciliation for recurring Level 3 fair value measurements**

**Recurring Level 3 fair value measurements - reconciliation for assets**

	Non-financial assets									
	Land		Buildings on freehold land		Leasehold improvements		Other property, plant and equipment		Total	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000		
<b>Opening balance</b>	-	-	195	209	17,415	19,694	-	-	17,610	19,903
Total losses recognised in net cost of services <sup>1</sup>	-	-	(14)	(14)	(2,485)	(2,356)	-	-	(2,499)	(2,370)
Total gains recognised in other comprehensive income <sup>2</sup>	-	-	31	-	427	-	-	-	458	-
Purchases	-	-	-	-	1,499	77	-	-	1,499	77
Transfers into Level 3 <sup>3</sup>	6,880	-	-	-	-	-	3,470	-	10,350	-
Transfers out of Level 3 <sup>4</sup>	-	-	-	-	-	-	-	-	-	-
<b>Closing balance</b>	<b>6,880</b>	<b>-</b>	<b>212</b>	<b>195</b>	<b>16,856</b>	<b>17,415</b>	<b>3,470</b>	<b>-</b>	<b>27,418</b>	<b>17,610</b>

**Notes**

<sup>1</sup>These losses are presented in the Statement of Comprehensive Income under Depreciation and Amortisation and Write Down and Impairment of Assets.

<sup>2</sup>These gains are presented in the Statement of Comprehensive Income under Other Changes in Asset Revaluation Reserves.

<sup>3</sup>There have been transfers of land and other property, plant and equipment assets into level 3 during the year. This is due to; significant professional judgement being utilised to determine fair value for the land assets; and a change in the valuation technique from a market approach to a depreciated replacement cost approach for the other property, plant and equipment assets.

<sup>4</sup>There have been no transfers out of Level 3.

## Australian Communications and Media Authority

### Notes to and forming part of the financial statements

#### 8. Other Information

##### 8.1 Reporting Outcomes

###### Note 8.1A: Major Classes of Departmental Expense, Income, Assets and Liabilities by Outcome

	Outcome 1	
	2016	2015
	\$'000	\$'000
<b>Expenses</b>		
Employee benefits	55,916	61,783
Suppliers	26,254	26,366
Depreciation and amortisation	11,322	10,035
Write-down and impairment of assets	76	1,653
<b>Total expenses</b>	<b>93,568</b>	<b>99,837</b>
<b>Income</b>		
Revenue from government	82,867	89,233
Sale of goods and rendering services	60	251
Other revenue	770	2,177
Other gains	83	83
<b>Total own-source income</b>	<b>83,780</b>	<b>91,744</b>
<b>Assets</b>		
Cash and cash equivalents	1,708	3,375
Trade and other receivables	23,466	24,180
Land and buildings	24,192	24,559
Infrastructure, plant and equipment	4,625	4,513
Intangibles	26,695	28,615
Other non-financial assets	1,678	1,819
<b>Total assets</b>	<b>82,364</b>	<b>87,061</b>
<b>Liabilities</b>		
Suppliers	5,249	6,096
Other payables	2,616	3,663
Employee provisions	18,447	18,818
Other provisions	2,493	2,560
<b>Total liabilities</b>	<b>28,805</b>	<b>31,137</b>

**Australian Communications and Media Authority**  
**Notes to and forming part of the financial statements**

**Note 8.1B: Major Classes of Administered Expenses, Income, Assets, and Liabilities by Outcome**

	Outcome 1	
	2016	2015
	\$'000	\$'000
<b>Expenses</b>		
Subsidies	-	-
Write-down and impairment of assets	1,062	19
<b>Total</b>	<b>1,062</b>	<b>19</b>
<b>Income</b>		
Other taxes	635,997	615,655
Sale of goods and rendering services	5,916	2,926
Fees and fines	37,265	38,931
Other non-taxation revenue	3,345	3,436
Sale of assets	152,769	2,128,228
<b>Total</b>	<b>835,292</b>	<b>2,789,176</b>
<b>Assets</b>		
Cash and cash equivalents	1,175	603
Taxation receivables	176,112	190,165
Receivables	37,127	53,867
Other financial assets	-	453
<b>Total assets</b>	<b>214,414</b>	<b>245,088</b>
<b>Liabilities</b>		
Other payables	96,623	162,221
<b>Total liabilities</b>	<b>96,623</b>	<b>162,221</b>

## Glossary

3G	<b>third generation mobile network technology</b> Mobile telecommunications systems that can provide global mobile communications and support multimedia applications.
4G	<b>fourth generation mobile network technology</b> Enhancements to mobile telecommunications systems that increase the usable data rate to allow the delivery of data-intensive applications such as high-resolution video.
ABC	<b>Australian Broadcasting Corporation</b> Free-to-air national broadcaster of ABC radio and television channels, as well as the internet services ABC Online, ABC Broadband and DIG internet radio. The ABC is funded by the Australian Government.
ACCAN	<b>Australian Communications Consumer Action Network</b> Australia's peak body for consumer representation in communications.
ACCC	<b>Australian Competition and Consumer Commission</b> Commonwealth regulatory body with responsibilities derived from the <i>Trade Practices Act 1974</i> .
ACMA	<b>Australian Communications and Media Authority</b> Commonwealth regulatory authority for broadcasting, online content, radiocommunications and telecommunications, with responsibilities under the <i>Broadcasting Services Act 1992</i> , the <i>Radiocommunications Act 1992</i> , the <i>Telecommunications Act 1997</i> and related Acts. Established on 1 July 2005 following a merger of the Australian Communications Authority and the Australian Broadcasting Authority.
AIISI	<b>Australian Internet Security Initiative</b> An initiative developed by the ACMA that provides daily reports to Australian internet service providers (ISPs) identifying recent instances of 'compromised' (infected) IP addresses on their networks.
AMC	<b>Australian Maritime College</b> Provides marine radio operator certification and examination services on behalf of the ACMA.
ANAO	<b>Australian National Audit Office</b> Office responsible for financial and performance audits of Commonwealth departments and authorities.
ALIA	<b>Australian Libraries and Information Association</b>
AP	<b>accredited person</b> Appropriately qualified persons who issue frequency assignment certificates for apparatus licences and interference impact certificates for spectrum licences.
AP scheme	<b>Accredited persons scheme</b> A market-based solution for frequency coordination and device registration.
ASL	<b>Average staffing level</b> The average number of employees receiving salary or wages over the financial year, with adjustments for casual and part-time employees to show the full-time equivalent.
AWQ	<b>Australian Waters Qualification</b> Australian waters-only marine radio qualification.
bandwidth	In the internet industry, bandwidth refers to the capacity of a connection to carry information; in radiocommunications, it is the amount of radiofrequency spectrum used for a particular function.
broadband	Describes a class of internet access technologies, such as ADSL, HFC cable and Wi-Fi, offering a data rate significantly higher than narrowband services. These services are usually 'always on' and do not tie up a telephone line exclusively for data.
BSB	<b>broadcasting services bands</b> Parts of the radiofrequency spectrum dedicated to broadcasting services.

CA	<b>Communications Alliance</b> Australia's peak communications industry organisation that promotes the growth of the Australian communications industry and the protection of consumer interests.
carrier	The holder of a telecommunications carrier licence in force under the <i>Telecommunications Act 1997</i> .
CCF	<b>Consumer Consultative Forum</b> Assists the ACMA to perform its consumer-related functions.
CIS	<b>critical information summary</b> Document from a service provider with clear information about products, plans and services for telecommunications consumers.
CPRs	<b>Cabling Provider Rules</b> Rules to support telecommunications cabling industry self-regulation.
CSC	<b>Customer Service Centre</b> The ACMA's single point of contact for customer enquiries.
CSG	<b>Customer Service Guarantee</b> Standard providing for financial compensation to customers where requirements set out in the CSG Standard are not met.
CSP	<b>carriage service provider</b> Person supplying or proposing to supply services to the public using carrier networks.
CTS	<b>Children's Television Standards</b> Standards designed to provide access for children (aged <14 years) to quality television programs made specifically for them. The standards regulate timing and scheduling of children's programs and content of adjacent programming.
datacasting	A service that delivers content in the form of text, data, speech, music or other sounds, visual images or any other form or combinations of forms, where delivery uses the BSB.
DNCR	<b>Do Not Call Register</b> An Australian Government program administered by the ACMA to allow Australian numbers to be registered to opt out of receiving most unsolicited marketing calls or faxes (with limited exemptions for public interest organisations).
DoCA	<b>Department of Communications and the Arts</b> Federal government department developing and delivering communications policy and programs. Previously Department of Communications.
ECP	<b>Emergency Call Person</b> The Telecommunications (Emergency Call Persons) Determination 1999 specifies the operators of the emergency call services. Telstra is the ECP for 000 and 112.
ECSAC	<b>Emergency Call Service Advisory Committee</b> Formerly the Emergency Services Advisory Committee. Advises on emergency services matters.
ESO	<b>emergency service organisation</b> Organisation providing an emergency service, such as police, ambulance or fire brigade.
fixed-line phone	A term used to describe the delivery of voice services over the PSTN network. Does not typically refer to VoIP phone services.
FLRN	<b>freephone and local rate number</b> Telephone numbers commencing with the digits 180 (freephone) and 13 (local rate).
Free TV Australia	Industry body that represents all of Australia's commercial free-to-air television licensees. Responsible for developing and reviewing the Commercial Television Industry Code of Practice.
GHz	<b>gigahertz</b> One billion hertz (where one hertz is the measurement of frequency equal to one cycle of electromagnetic radiation per second).
GSM	<b>global system for mobile communications</b> The widely used European digital cellular network standard.

GSM-R	System based on the GSM standard that provides communication and control for railway traffic and signals.
HF	<b>high frequency</b> Radiofrequency spectrum in the 3–30 MHz frequency range.
ICT	<b>Information and Communication Technology</b>
INHOPE	<b>International Association of Internet Hotlines</b> A network whose member hotlines work together with the goal of identifying and removing online child sexual abuse content worldwide.
IoT	<b>Internet of Things</b> The interconnection of many devices and objects utilising internet protocols that allows them to collect and exchange data.
IPND	<b>Integrated Public Number Database</b> Database of information about customers of telecommunications services in Australia, arranged by number, for all carriers and carriage service providers.
ISP	<b>internet service provider</b> Service provider offering internet access.
ITU	<b>International Telecommunication Union</b> United Nations agency that coordinates international telecommunications matters.
ITU-R	<b>ITU—Radiocommunication Sector</b> ITU body dealing with international radiocommunications matters.
kHz	<b>kilohertz</b> One thousand hertz (see also GHz).
LAP	<b>licence area plan</b> A legislative instrument setting out the licence area and technical specifications for existing and proposed services.
LED	<b>light-emitting diode</b> A two-lead semiconductor light source.
low-impact facilities	Communications facilities that are considered to have a low impact on their environment. They include underground cabling, small radiocommunications antennas and dishes, in-building subscriber connections and public payphones. The <i>Telecommunications Act 1997</i> provides carriers with immunity from state and territory planning laws for the installation of 'low-impact' facilities.
LPON	<b>low-power open narrowcasting</b> Radiocommunications class licence type authorising radio services operating at very low power outputs in the frequency range 87.5–88.0 MHz.
LTE	<b>long-term evolution</b> A standard for high-speed wireless communication for mobile phones and data terminals.
MHz	<b>megahertz</b> One million hertz (see also GHz).
the minister	<b>Minister for Communications and the Arts</b> Minister responsible for the ACMA and its governing legislation.
MNP	<b>mobile number portability</b> Portability for mobile phone numbers. See <i>number portability</i> .
NAC	<b>Numbering Advisory Committee</b> ACMA committee established to advise on numbering matters.
narrowband	A class of telecommunications services such as dial-up internet access that offer data rates of 64 kbit/s or lower.
NATA	<b>National Association of Testing Authorities</b> Australia's national laboratory accreditation authority that recognises and promotes facilities competent in specific types of testing, measurement, inspection and calibration.



NBN	<b>national broadband network</b> Australia's national wholesale-only, open-access data network.
NBN Co	<b>NBN Co Limited</b> Wholly owned Australian Government company, created to design, build and operate Australia's new broadband network.
NRF	<b>Network Reliability Framework</b> Requirement on Telstra from January 2003 to provide regular reports to the ACMA on the reliability of its fixed-line services, and to remediate the network in areas with particularly poor performance.
NRS	<b>National Relay Service</b> Translation service between voice and non-voice telephone users providing access to the standard telephone service for people with communication impairment. Relays voice, modem or telephone typewriter communications.
number portability	Arrangements allowing customers to transfer from one telecommunications service provider to another without changing their number.
the Office	<b>Office of the Children's eSafety Commissioner</b> Established as an independent statutory office within the ACMA, the Office leads online safety advice and education for the Australian Government and operates a complaints system so Australian children and young people can report serious cyberbullying.
OSCWG	<b>Online Safety Consultative Working Group</b> Advice forum attended by key representatives from industry, government and non-government organisations, providing opportunity for the Children's eSafety Commissioner to consult on issues that contribute to improving the safety of Australian children online.
PBS	<b>Portfolio Budget Statements</b> Informs Senators and Members of Parliament of the proposed allocation of resources to government outcomes by agencies within the relevant portfolio.
payphone	Public telephone where calls may be paid for with coins, phone cards, credit cards or reverse charge facilities.
PCA	<b>priority compliance area</b>
portability	See <i>number portability</i> .
pre-selection	Offers customers choice and supports competition by enabling competing operators to use the networks of other carriers to access their customers.
priority assistance	Service for people with a diagnosed life-threatening medical condition entitling them to faster connection and fault repair of their fixed-line telephone service.
RPF	<b>Regulator Performance Framework</b> Developed to measure the efficiency and effectiveness with which regulators undertake their roles and, in particular, their impact on regulated entities. The RPF consists of six KPIs that cover common core regulatory activities.
SBS	<b>Special Broadcasting Service</b> Free-to-air national radio and television broadcasting service providing multilingual and multicultural programs that inform, educate and entertain all Australians and, in doing so, reflect Australia's multicultural society. The SBS Online service also provides additional multilingual content through the internet.
SES	<b>Senior Executive Service</b>
SID	<b>Spam Intelligence Database</b> Designed and built in-house, SID is the ACMA's high-performance spam analysis system, capable of processing hundreds of thousands of spam email messages per day. SID analyses all components of an email and stores the data in such a way that it can be easily searched, categorised and linked to data from other emails with similar characteristics.
SMS	<b>short message service</b> Mobile telecommunications data transmission service that allows users to send short text messages to each other using the mobile handset keypad.

spam	Unsolicited commercial electronic messages sent to email, mobile phone and instant messaging accounts.
spectrum	The span of electromagnetic frequencies used in communications systems.
smartnumbers	Specified freephone (1800) or local rate (13 or 1300) numbers that are considered desirable because they can be translated to a phoneword or have a memorable pattern.
subscription television	Service providing access, for a fee, to television channels transmitted using cable, satellite or terrestrial microwave.
SVOD	<b>subscription video on demand</b> Provides users with unlimited access to a wide range of video-on-demand content that can be viewed at any time, for a flat monthly fee.
TCP Code	<b>Telecommunications Consumer Protections Code C628:2015</b> Code of conduct for the telecommunications industry in Australia providing consumer safeguards for mobile, landline and internet customers.
TIO	<b>Telecommunications Industry Ombudsman</b> Industry-funded independent dispute resolution service for consumers who are unable to resolve individual complaints with their carriers and carriage service providers.
TLAP	<b>television licence area plans</b> Planning instruments for television broadcasting services, specifying and allotting channels to particular providers of television services and determining the characteristics.
trigger event	Relates to commercial regional radio licences and includes a transfer of a licence; or formation of a new registrable media group which includes a regional commercial radio broadcasting licence; or change of controller of a registrable media group which includes a regional commercial radio broadcasting licence.
Triple Zero (000)	Phone number that provides access to emergency services organisations.
UHF	<b>ultra high frequency</b> Part of the radiofrequency spectrum between 300 and 3,000 MHz.
USO	<b>universal service obligation</b> Obligation under the <i>Telecommunications Act 1997</i> to ensure that standard telephone, payphone and prescribed carriage services are reasonably accessible to all people in Australia on an equitable basis, wherever they reside or carry on business.
VAST	<b>Viewer Access Satellite Television</b> Australian Government-funded free-to-air satellite that provides digital television to viewers in remote areas of Australia who are unable to receive digital TV through their normal TV antenna.
VHF	<b>very high frequency</b> Portion of the radiofrequency spectrum between 30 and 300 MHz.
WIA	<b>Wireless Institute of Australia</b> Provides examination services to the amateur radio community on behalf of the ACMA.
WRC	<b>World Radiocommunication Conference</b> ITU conference held every three or four years to review and amend international radio regulations.

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The background of the page is a teal-to-blue gradient with a complex geometric pattern of overlapping triangles and polygons, creating a textured, crystalline effect.

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