Australian Government | acma

Australian Government | Office of the eSafety Commissioner

ANNUAL REPORTS 2016|17

Australian Communications and Media Authority

Office of the eSafety Commissioner

Contents

Introduction

This report includes the 2016–17 annual reports for the Australian Communications and Media Authority and the Office of the eSafety Commissioner.

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.

Find out more at **www.acma.gov.au**.

Office of the eSafety Commissioner

The Office of the eSafety Commissioner (the Office) began operation on 1 July 2015. It is a national leader on issues of online safety, and promotes and supports measures to improve online safety for Australians. The Office works with industry, government and not-for-profit cybersafety organisations to provide innovative, scalable and sustainable online safety resources for children, parents, women, seniors, teachers and the wider community.

The Commissioner is a statutory office-holder established under the *Enhancing Online Safety for Children Act 2015,* amended on 23 June 2017 to be the *Enhancing Online Safety Act 2015* (EOS Act). The Act was amended to expand the Commissioner's remit to promote and enhance online safety for all Australians.

The Office operates as functionally separate from the ACMA, although the ACMA provides staff and resources to the Office to help fulfil its functions under section 67 of the EOS Act. The ACMA also provides corporate support services to the Office, purchased under an agreed cost structure.

Find out more at **www.esafety.gov.au**.

About this report

This report contains details of the ACMA's and the Office's performance for 2016–17, 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 2016–17 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 for both the ACMA and the Office.

Part 1 contains reporting information for the ACMA, including the Annual Performance Statement (APS) in Chapter 3, *Report on performance*.

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 information for both the ACMA and the Office.

Aids to access include:

> tables of contents (overarching, and at the beginning of each part and chapter)

> index

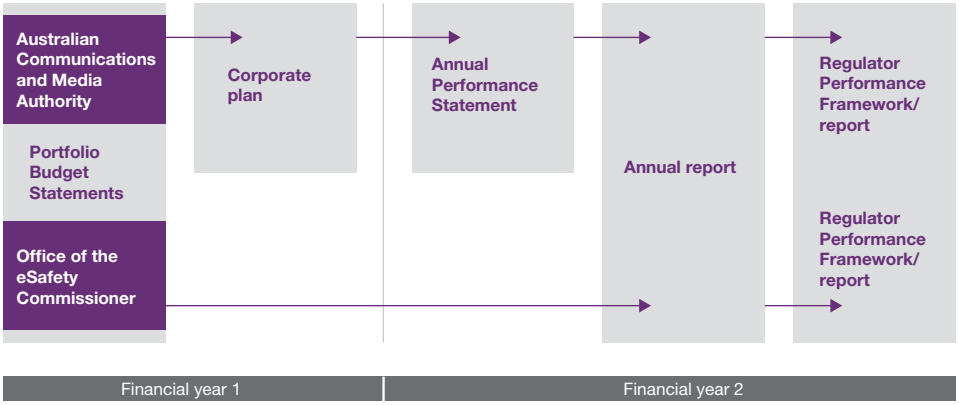
> glossary

> list of requirements (Appendix 11).

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 below.

Alignment of reporting requirements



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 included throughout this report, with a high-level summary in the APS on pages 32–48.

Performance results for the Office are reported throughout the year on its website and in its 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.

Australian Government

acma

Part 1

Australian Communications and Media Authority

annual report 2016–17

Contact details

Canberra
Red Building
Benjamin Offices
Chan Street
Belconnen ACT

PO Box 78
Belconnen ACT 2616

T +61 2 6219 5555
F +61 2 6219 5353

Melbourne
Level 32
Melbourne Central Tower
360 Elizabeth Street
Melbourne VIC

PO Box 13112
Law Courts
Melbourne VIC 8010

T +61 3 9963 6800
F +61 3 9963 6899

Sydney
Level 5
The Bay Centre
65 Pirrama Road
Pyrmont NSW

PO Box Q500
Queen Victoria Building
NSW 1230

T +61 2 9334 7700 or 1800 226 667
F +61 2 9334 7799

This report is available on the ACMA website at www.acma.gov.au/annualreport

Enquiries about this report can be emailed to the Editorial and Production Manager, info@acma.gov.au.

ISSN: 1834-0076 (print)
1834-1845 (online)

Australian Government | acma

Australian Communications and Media Authority

Level 32
The Tax Centre
680 George Street
Sydney NSW 2000

PO Box 13112
Law Courts
Melbourne VIC 8010

T +61 2 9334 7700
F +61 2 9334 7799

www.acma.gov.au

Chairman

19 September 2017

Senator the Hon. Mitch Fifield
Minister for Communications and Minister for the Arts
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 2016–17 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

(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

(iii) all reasonable measures have been taken to deal appropriately with fraud relating to the ACMA.

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

Yours sincerely

Richard Bean
Acting Chairman

communicating | facilitating | regulating

Contents

Chapter 1

The year in review

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

2016–17 was a year of review and change for the ACMA, with major initiatives set to deliver far-reaching benefits for industry and consumers.

In May 2017, the Australian Government released the findings of its ACMA Review, determining that the agency has performed its role efficiently and well since its inception in 2005. It also confirmed the continuing need for a communications and media regulator with the capacity and powers to manage change over the next decade.

It also maintains pressure on the ACMA to deliver ongoing performance improvements, with a focus on the timeliness and transparency of our decision-making, and further stakeholder engagement on compliance and enforcement issues. That's a welcome challenge.

Our *Better regulatory practice initiative*, reinstated *Forward work plan* and improved stakeholder consultation on our field operations priority compliance areas (PCAs) are examples of ACMA staff already working hard and getting results in improved regulatory practice and communication.

Other changes have been foreshadowed during the review process—appointing more Full-time Members; establishing a CEO (in conjunction with the Deputy Chair position); DoCA heading delegations to key international policy-setting forums, including the World Radiocommunication Conference; implementing our new functions and extended powers under the *Interactive Gambling Act 2001*; examining ACMA functions for possible industry self-regulation; and clarifying the respective research functions of the ACMA and DoCA. These will play out over an extended period.

The first recommendation—to transfer our longstanding and successful Australian Internet Security Initiative to the Computer Emergency Response Team Australia (CERT) within the Attorney-General's Department—has been completed. We have also been able to create a task force to start work on our increased responsibilities under the Interactive Gambling Amendment Bill 2016 within our existing resources.

Other important internal changes were the appointment in June of a new General Manager for our Corporate and Research Division, and the creation of a new Spectrum Review Implementation Branch in our Communications Infrastructure Division to deliver the recommendations of DoCA's 2015 *Spectrum Review Report*.

With spectrum a critical enabler of Australia's economic growth, the review provides a once-in-a-generation opportunity to modernise our regulatory arrangements, including:

> replacing spectrum and apparatus licences with a single new licence category that incorporates the best features of both

> simplifying processes for creating high-value spectrum licences

> introducing clearer end-of-term and tenure arrangements for long-life licences

> treating licences for broadcasting and general radiocommunications arrangements more consistently

> integrating market mechanisms into more aspects of spectrum management.

All existing licences will ultimately be replaced by new system licences or general authorisations. New ways of doing existing work (such as re-farming) will be devised, and new legislative concepts (such as licence issue schemes) must be fleshed out and put to constructive use. This will likely take several years, with significant work required even before the legislation is effected—work that is well under way.

We have also done some restructuring that will support an expanded auction work program to accelerate the reallocation of spectrum to its highest value use.

This is all in addition to the wide variety of day-to-day activities, programs, research and planning the ACMA undertakes. From satellites to submarine cables, broadcasting investigations to field operations, the Do Not Call Register to consumer telecommunications protection, we are committed to making communications work for all Australians.

The most recent edition of the communications report, our most anticipated annual research publication, paints a vivid picture of Australia's digital landscape, consumer trends and industry responses.

For example, Australians downloaded 2.2 million terabytes of data in the quarter to June 2016 alone—a 114 per cent increase on two years ago—with 92 per cent over fixed-line broadband. In the six months to May 2016, 91 per cent of adult Australians accessed the internet.

Online content viewing is firmly established, with 63 per cent of us using this platform (up from 53 per cent). Catch-up and subscription video options, particularly video content downloads, have driven data usage, rather than an increased number of plans.

The data-driven shift is reflected in the changing way we use communications services. Fixed-line telephone subscriptions continue to decline (down four per cent), while mobile phone and internet subscriptions keep increasing (up 2.6 and 4.5 per cent, respectively).

In September, we updated the *Privacy guidelines for broadcasters* to include new case studies, update references to personal information, deal with children's privacy, and clarify our approach to consent and material in the public domain.

The latest annual five-year spectrum outlook included an update on our mobile broadband strategy and planning for significant technology developments out to 2020—such as 5G and the Internet of Things. Importantly, the first of our annual detailed work plans identified milestone tasks and timing for priority spectrum management activities, while seeking deeper engagement with industry and citizens.

In November, an investigation by the Australian Federal Police, the ACMA, Victoria Police and Airservices Australia led to a Victorian man being charged with unlawful interference with air traffic control and endangering the safety of aircraft at two Victorian airports. This included one count of interference likely to endanger safety or cause loss or damage contrary to section 194 of the *Radiocommunications Act 1992*.

We also enhanced consumer safeguards for telemarketing and research calls when remaking the Telemarketing and Research Industry Standard 2007. This included giving consumers greater clarity—for example, the name of the calling company must be provided at the start of the call—and removing requirements on industry that offer little or no consumer benefit.

Applications were invited in January for the auction of spectrum licences in the 700 MHz band that had remained unsold following the 2013 digital dividend auction. This spectrum is highly valued for mobile broadband, in particular 4G services. Two companies (TPG Internet Pty Ltd and

Vodafone Hutchison Australia) bought the lots for a total of more than $1.5 billion, significantly exceeding the reserve price of $857 million. Following the auction, TPG announced its plans to build Australia's fourth mobile network.

The sale of the remaining unallocated portion of the 700 MHz digital dividend spectrum brought an important chapter in Australian economic reform to a successful close. It completed the digital dividend process begun in the 1990s, with the progressive conversion of free-to-air television from analog to digital technology enabling higher quality television reception and a significant increase in free-to-air services through multi-channeling. The use of the digital dividend spectrum by mobile carriers has resulted in a massive boost to high-speed wireless broadband in Australia.

To plan for future spectrum needs, we consulted on next steps for the 3.6 GHz band, which has been identified in Australia and internationally as an important band for the provision of 5G services. There is wide interest in this spectrum, and a highest value-use assessment was a key part of this consultation, but as always we must balance demand with the needs of existing licensees and services.

We registered a new Commercial Radio Industry Code of Practice, developed by Commercial Radio Australia. It contains robust community safeguards, including important commitments by radio licensees to accuracy and impartiality in news. It also requires advertisements to be clearly identifiable.

In May, Senator the Hon. Mitch Fifield, Minister for Communications and Minister for the Arts, announced a review of Australian and children's content, jointly conducted by the ACMA, DoCA and Screen Australia, which will seek to align production and distribution incentives with audience demand. We have a task force feeding into the review, which is due at the end of 2017.

This dovetailed neatly with two major ACMA undertakings—the release of research into consumer attitudes to local content (with an emphasis on news sources) and our successful two-day *Australian content conversation*, a conference bringing together broadcasters, producers and policy-makers to discuss the importance of Australian content, and the regulations and incentives in place to support it.

Our *Local content in regional Australia—2017 report* found that television and print media are the most preferred sources regionally, with commercial television the most trusted and the use of social media to access local news increasing significantly.

The research also helped inform one of the sessions of the *Australian content conversation*, which attracted an impressive line-up of local and international speakers from all areas of the content creation sector.

We also began the steps to make digital radio in Canberra and Darwin permanent, and to provide for digital radio in Hobart. Initial steps to move from AM to FM commercial radio in solus markets began in late 2016, with regional Western Australia a starting point.

It has been a privilege to lead the ACMA during 2016–17 and I thank the Members and staff for their dedication to our work furthering the public interest.

Richard Bean
Acting Chairman

Our year at a glance

Cybersecurity

We sent

4.2 million OBSERVATIONS OF MALWARE INFECTIONS

and **61.8 million** OBSERVATIONS OF SERVICE VULNERABILITIES TO AISI MEMBERS

Spectrum interference

We investigated

826 COMPLAINTS OF INTERFERENCE

leading to

299 ENFORCEMENT ACTIONS

We responded to

609 REPORTS OF TELEVISION RECEPTION ISSUES

Compliance investigations—spectrum

We conducted

591 COMPLIANCE INVESTIGATIONS

and undertook

482 ENFORCEMENT ACTIONS

Broadcasting investigations

We finalised

114 COMPLIANCE INVESTIGATIONS

with an average completion time of

1.3 months

Licensing

We granted **33** TELECOMMUNICATIONS CARRIER LICENCES

We issued **14,984** NEW APPARATUS LICENCES

90 NEW BROADCASTING RETRANSMISSION LICENCES

169 SPECIAL EVENT BROADCASTING LICENCES

We renewed **153,308** APPARATUS LICENCES

56 COMMERCIAL RADIO BROADCASTING LICENCES

9 COMMERCIAL TELEVISION BROADCASTING LICENCES

We varied **15** RADIO AND TELEVISION APPARATUS LICENCES

Telco consumer protection

We undertook

122 PRELIMINARY INQUIRIES

36 and concluded INVESTIGATIONS

We issued

24 FORMAL WARNINGS OR DIRECTIONS

Unsolicited communications

We sent **15,996** PHISHING SCAM ALERTS

We received **28,259** COMPLAINTS ABOUT TELEMARKETING

849,928 REPORTS AND COMPLAINTS ABOUT SPAM

We issued **5,049** WARNINGS NOTIFYING BUSINESSES OF POTENTIAL COMPLIANCE PROBLEMS

Customer Service Centre

We had

over **51,000** INTERACTIONS WITH CUSTOMERS

Chapter 2

Overview

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

Functions and responsibilities

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

The ACMA is responsible for the regulation of broadcasting, radiocommunications, telecommunications and some online content in accordance with four principal acts—the *Radiocommunications Act 1992*, *Telecommunications Act 1997*, *Telecommunications (Consumer Protection and Service Standards) Act 1999* (TCPSS Act) and *Broadcasting Services Act 1992* (BSA). 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, 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 organisational structure at 30 June 2017 is set out in Figure 2.1.

At 30 June 2017, the ACMA employed 422 staff under the *Public Service Act 1999*, most of whom are located in our offices in Canberra, Melbourne and Sydney. We also have staff located in offices in Brisbane, Hobart and Parramatta. Detailed information about our staff is provided in Appendix 2.

The Authority

At 30 June 2017, the Authority comprised the Acting Chairman, the Acting Deputy Chairman and two Part-time Members (see Table 2.1).

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

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 a broadcast executive and company director with more than 25 years experience in media and communications. A creative with a background as a multi-award-winning television, current affairs and film producer, Anita has created hundreds of hours of original content across almost all genres, and for every free-to-air network and Foxtel. Most recently, she was Managing Director of ITV Studios Australia, responsible for the local operations of this global company. Anita's work has been recognised with six AFIs/AACTAs, a Logie and various other industry awards. She is currently on the National Advisory Board of Women in Media, and has been a non-executive director on a number of not-for-profit boards, including headspace and Arts Law Centre Australia.

Part-time Member—Rosemary Sinclair

Appointed 5 August 2013 for five years

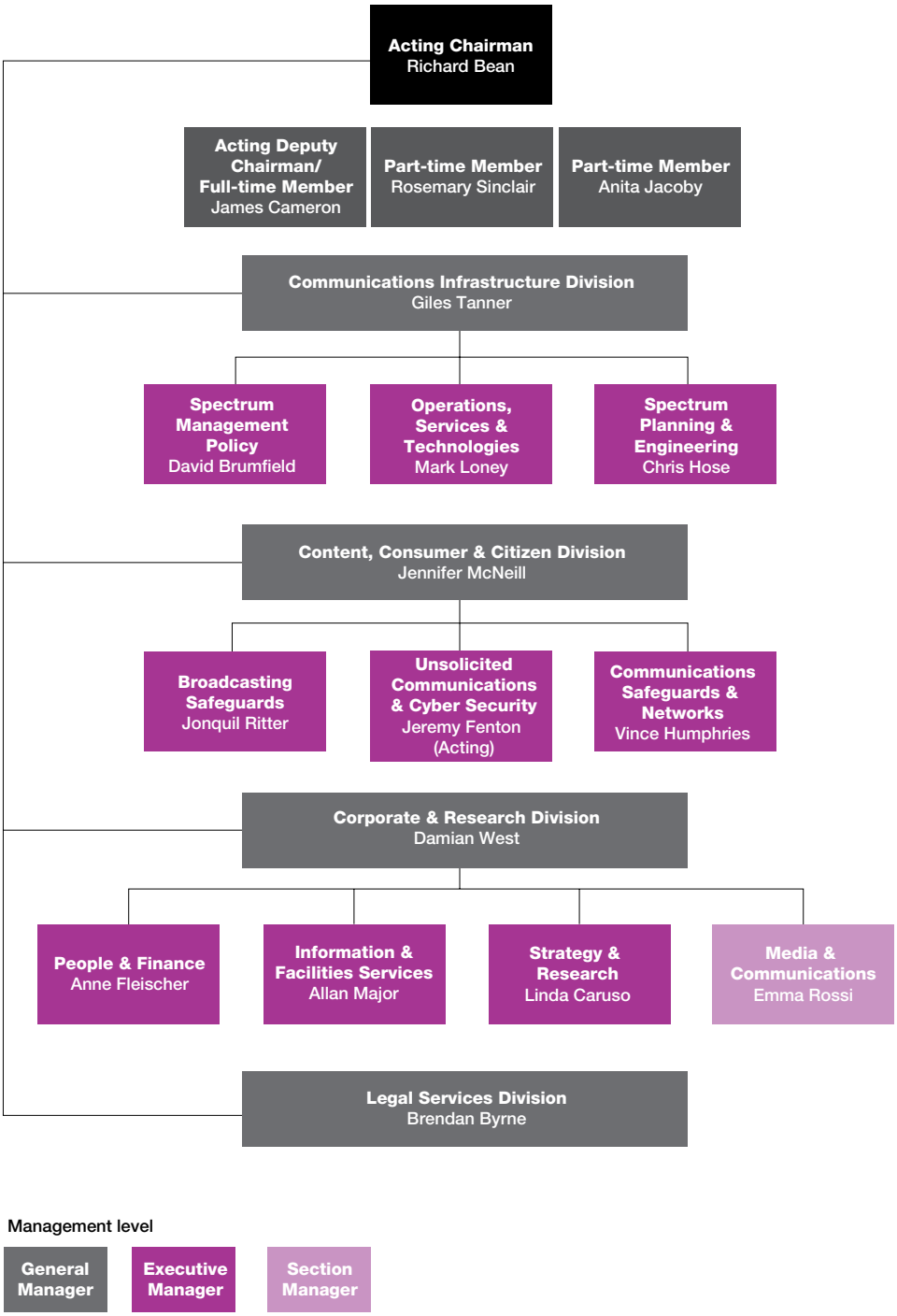
Rosemary Sinclair is CEO of Energy Consumers Australia, a company established by COAG Energy Ministers. Rosemary was a Member of the Telecommunications Universal Service Management Agency and Chair of the Regional Telecommunications Inquiry 2011–12. She was CEO of the Australian Telecommunications Users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

Table 2.1: The Authority membership, 30 June 2017

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

**In accordance with the ACMA Act, the Deputy Chair is to act as the Chair during a vacancy in the office of Chair. The Chairman of the ACMA is the accountable authority of the ACMA for the purposes of the PGPA Act.*

Figure 2.1: Organisational structure as at 30 June 2017

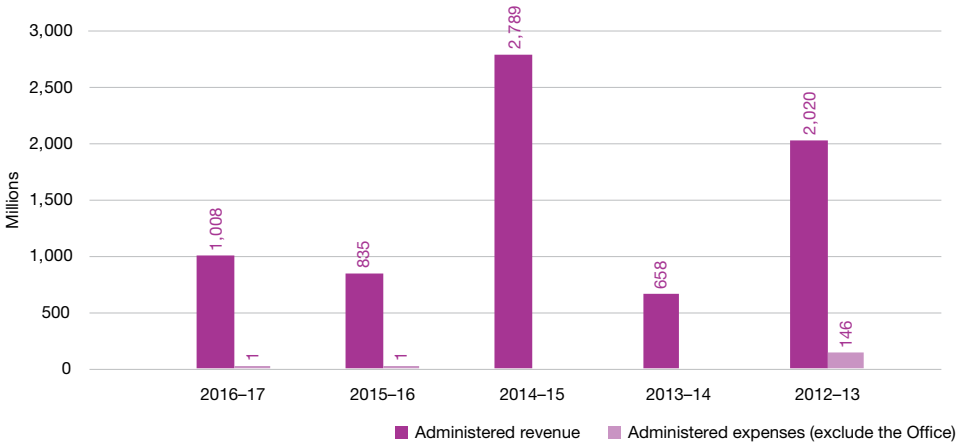


Revenue collection

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

In 2016–17, the ACMA administered $1.008 billion in revenue (2015–16: $835.27 million) and $0.890 million in associated expenses (2015–16: $1.036 million), as shown in Figure 2.2.

Figure 2.2: Revenues and expenses administered on behalf of government



Note: The Annual report 2015–16 *discussed expenses of $1.98 million; however, this included expenses for the Office, which were not related to the generation of ACMA-administered revenue items as discussed in this chapter. The comparative 2015–16 figure has been updated to exclude Office expenses.*

The administration of taxes, levies, fees and charges plays a key role in the planning, allocation and effective use of public resources.

We also recover 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 2.2 to 2.5.

Table 2.2: Resource taxes

Description	Revenue in 2015–16 ($m)	Revenue in 2016–17 ($m)
Broadcasting licence fees and datacasting charge*	127.95	(2.70)
Apparatus licence tax	231.86	163.46
Spectrum licence tax	0.70	0.77
Annual numbering charge	60.00	60.00
Sale of smartnumbers	1.75	1.83
Apparatus auctions	0.07	0.04
Reissue of 15-year spectrum licences	125.92	0.00
Digital dividend spectrum auction	26.71	527.65
Total taxes	**574.96**	**751.05**

**The rate for broadcast licence fees was set at zero per cent for the 2016–17 return period. The amount of ($2.70 m) in 2016–17 represents an overestimation of the previous year's revenue.*

Table 2.3: Cost recovery charges

Description	Revenue in 2015–16 ($m)	Revenue in 2016–17 ($m)
Annual carrier licence charge	36.74	32.62
Fee-for-service charges	3.42	3.30
Do Not Call Register charges	2.11	1.97
Total charges	**42.27**	**37.89**

Table 2.4: Industry levies

Description	Revenue in 2015–16 ($m)	Revenue in 2016–17 ($m)
Telecommunications Industry Levy (TIL)	215.49	217.74
Total charges	**215.49**	**217.74**

Table 2.5: Other administered revenue

Description	Revenue in 2015–16 ($m)	Revenue in 2016–17 ($m)
Fines and penalties	0.45	0.07
Other	1.64	1.46
Total charges	**2.09**	**1.53**

Telecommunications services funding

The process for assessing and collecting the Telecommunications Industry Levy (TIL) is dealt with under Part 2, Division 5 of the TCPSS Act. A combination of funds raised under the TIL and dedicated government funding continues to be used to meet the costs of service contracts or grants to deliver universal service obligations, the National Relay Service and delivery of emergency call services, and other public policy telecommunications outcomes (with the contracts and grants administered by DoCA).

Each carrier that held a carrier licence at any time during the 2016–17 financial year must report eligible revenue information to the ACMA by 31 October 2017.

Annual carrier licence charges

Annual carrier licence charges (ACLC) are imposed under the *Telecommunications (Carrier Licence Charges) Act 1997* on participating carriers to recover the costs of regulating the telecommunications industry incurred by the ACMA, ACCC and Australian Government. 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.

Do Not Call Register access fees

The direct costs of operating the Do Not Call Register are recovered from industry through subscription fees for accessing the register to check or 'wash' numbers.

In 2016–17, annual subscription fees for telemarketers and fax marketers washing their call lists against the register ranged from $113 (to wash up to 20,000 numbers against the register) to $127,700 (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.

The ACMA has reviewed the Do Not Call Register cost-recovery arrangements in line with the Australian Government Charging Framework. The review identified declining subscription demand, resulting in decreased access fee revenue. It also noted that the costs of operating the register have reduced in recent years. In April 2017, we consulted on a proposal to amend subscription fees to ensure neutral cost-recovery going forward. On 29 June 2017, the ACMA made the Do Not Call (Access Fees) Determination 2017, setting new subscription fees from 1 July 2017.

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, set at $60 million per annum.

CSPs are liable for the charges based on the numbers they hold on a specified census date, which is determined by the ACMA each year. The 2016–17 date was 2 April 2017.

In 2016–17, the base number charge for a 10-digit number was $0.6401320208. Using the opportunity-cost methodology applied in previous years, nine-digit numbers were charged at $6.401320208, eight-digit numbers at $64.01320208 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 2017, the ACMA had received $59.99 million of the $60 million revenue target, and was actively pursuing the outstanding amounts.

Number allocation charges

The ACMA recovers the cost of the Commonwealth's contract to provide numbering services through charges to use the Numbering System (an online number allocation system). Analysis conducted in late 2016 identified an under-recovery of the cost of the Commonwealth's contract due to fluctuations in demand for number allocations. This under-recovery required an increase in transaction charges to use the Numbering System.

Following consultation, the ACMA made the Telecommunications (Charges) Amendments Determination (No. 1) and the Telecommunications (Numbering Charges) (Allocation Charge)

Amendment Determination 2017 (No. 1) in March 2017. These instruments set numbering charges at $35 per transaction from 1 April 2017.

Submissions to the consultation proposed alternative charging models focused on providing price stability for the industry. In May 2017, the ACMA began further examination of the cost-recovery arrangements for numbering services, which is expected to conclude early in 2017–18.

Radiofrequency spectrum revenue

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, so taxes are proportional to the bandwidth and give discounts for low power.

All apparatus licence taxes, except for fixed services below 960 MHz in remote-density areas, were adjusted annually for changes in the Consumer Price Index (CPI) to compensate for the effects of inflation.

At the same time as making the adjustments for CPI, and as part of our opportunity-cost initiative, we also amended taxes relating to satellite services in the Ka-band. We consulted on the proposed changes to taxes for satellite services in August 2016 and took into account the views of submitters in amending these taxes.

Details of the apparatus licence taxes and charging arrangements are outlined in the *Apparatus licence fee schedule, April 2017*, available on the ACMA website.

Table 2.6 shows the total revenue from radiocommunications apparatus licences collected by the ACMA in 2016–17.

Table 2.6: Revenue from radiocommunications apparatus licences, 2016–17

Type of licence	Revenue in 2016–17 ($m)
Assigned licences	
Public telecommunications service	36.64
Fixed	70.78
Land mobile	74.43
Satellite*	12.93
Defence	11.41
Other	4.49
Total assigned licences	**210.68**
Non-assigned licences	*1.61*
Total	**212.29**

**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.

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 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 Radio Licence Fees Regulations 2017 and the Television Licence Fees Amendment Regulations 2017 commenced on 30 June 2017, removing the licence fees payable by Australian commercial free-to-air television and radio broadcasters for the 2016–17 financial year.

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.

Table 2.7: Comparison of 2015–16 and 2016–17 BLF and datacasting charge

	Revenue ($m)	
	2015–16	2016–17*
Radio BLF	20.54	21.13
TV BLF obligation	107.89	104.67
Less digital TV conversion rebate	(1.11)	(0.77)
Datacasting	0.63	1.1
Total	**127.95**	**126.13**

**Relates to the 2015–16 return period, collected in 2016–17.*

Regional Equalisation Plan

The government introduced a Regional Equalisation Plan (REP) rebate scheme in 2000–01 to help 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, were 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 $0.77 million for the 2015–16 return period.

Chapter 3

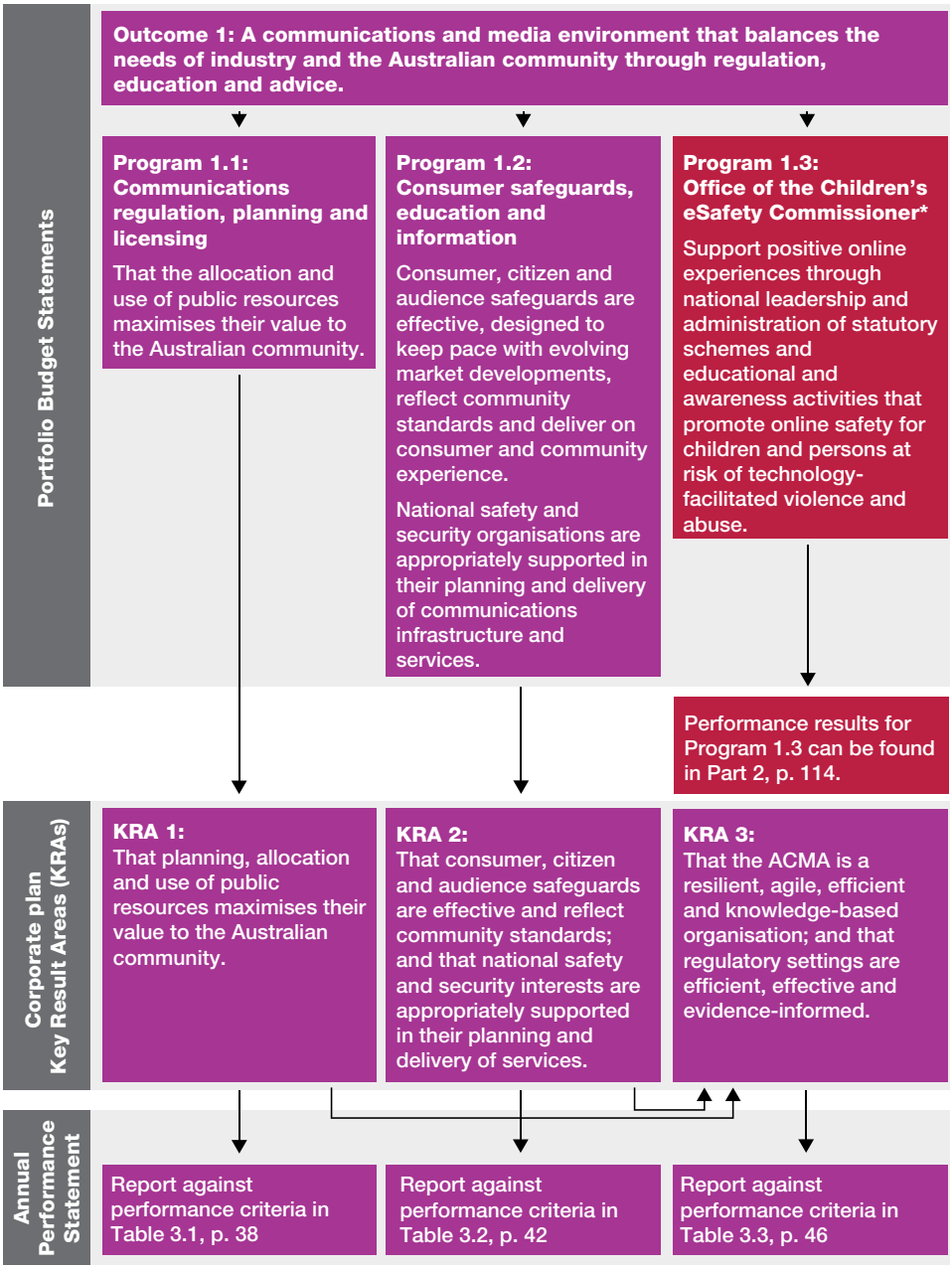
Report on performance

Chapter 3 sets out the ACMA's performance in achieving our outcomes via our Annual Performance Statement. It also includes a more detailed performance discussion structured to reflect our performance framework as described in Figure 3.1.

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. Figure 3.1 maps the alignment between the two, and outlines the criteria assessed for the ACMA's 2016–17 Annual Performance Statement in this chapter.

Figure 3.1: Relationship between the ACMA's PBS, corporate plan and APS



Note: On 23 June 2017, the Office of the Children's eSafety Commissioner became the Office of the eSafety Commissioner.

Annual Performance Statement

Introductory statement

I, Richard Bean, as the accountable authority of the Australian Communications and Media Authority, present the 2016–17 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.

Richard Bean
Acting Chairman

I, Julie Inman Grant, eSafety Commissioner, present the following information in relation to the Office of the eSafety Commissioner. In my opinion, this information accurately reflects the performance of the Office of the eSafety Commissioner in the 2016–17 financial year.

Julie Inman Grant
eSafety Commissioner

Entity purpose

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

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 our 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

Outcome 1: A communications and media environment that balances the needs of industry and the Australian community through regulation, education and advice

The media and communications landscape the ACMA oversees is a fundamental component of contemporary Australia's transition into a digital, internet-enabled economy and society. In 2016–17, we delivered key activities sustaining communications regulation, planning and licensing, and the provision of consumer safeguards, education and information. This contributed to the ability of government, industry, citizens and consumers to effectively engage with media and communications.

Outcomes we delivered in 2016–17 continued to 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 addressing deeper reform and regulatory cost savings.

Program 1.1: Communications regulation, planning and licensing

The ACMA met all performance targets for *Program 1.1: Communications regulation, planning and licensing*. Against KRA 1 of our corporate plan, we undertake a range of work that aims to deliver the objectives of Program 1.1. These corporate plan targets that contribute to the overarching PBS targets for this program have all been met, partially met or are ongoing (see Table 3.1).

The ACMA is the custodian of two public assets—radiofrequency spectrum and telephone numbers. A key challenge is the ongoing digital transformation of the economy, which drives the changing uses and value of spectrum and particular number ranges. Against this background, we aim to maximise the value of the public assets for all Australians.

Key outcomes in 2016–17 of this work are outlined below.

Making public resources available for industry use

The effective allocation and use of public resources (radiofrequency spectrum and numbers) is critical to Australia's future economic growth, and the wellbeing, safety, and security of its citizens. In 2016–17, we:

> Included our mobile broadband strategy in the five-year spectrum outlook (FYSO) for the first time, acknowledging the importance of the mobile broadband work program. The FYSO continues to be a key mechanism for the ACMA to communicate our spectrum management activities and priorities, and to engage with stakeholders.

> Provided input to the exposure draft of the Radiocommunications Bill 2017, which will replace the *Radiocommunications Act 1992*. We expect that processes to develop new radiocommunications legislation and its implementation will continue to inform and shape our work program over the next few years.

> Sold the remaining unallocated portion of the 700 MHz digital dividend for more than $1.5 billion, to TPG Internet Pty Ltd and Vodafone Hutchison Australia. This spectrum is highly valued for mobile broadband; in particular, 4G services. Following the auction, TPG announced its plans to build Australia's fourth mobile network.

> Evolved our priority compliance area program, which applies a risk-based methodology to strategically address high-risk compliance issues, by incorporating stakeholder engagement as a lens to assess compliance risk.

Effectively managing public resources

The ACMA's public resource management functions cover the allocation and issue of spectrum, broadcasting and telecommunications licences as well as telephone numbers. In 2016–17, we:

> Continued work to facilitate industry-managed numbering.

> Completed the review of pricing arrangements for the Ka-band (satellite).

> Saw an investigation by the ACMA, the Australian Federal Police, Victoria Police and Airservices Australia lead to a Victorian man being charged with unlawful interference with air traffic control and endangering the safety of aircraft at two Victorian airports.

Program 1.2: Consumer safeguards, education and information

The ACMA met or partially met the performance targets for *Program 1.2: Consumer safeguards, education and information.* Against KRA 2 of our corporate plan, we undertake a range of work that aims to deliver the objectives of Program 1.2. Some corporate plan targets that contribute to the overarching PBS targets for this program were met, partially met or are ongoing. We did not meet three other targets, while one no longer applies as it relates to a function for which we no longer have responsibility (see Table 3.2).

We work to enable innovation in markets, allow competition to flourish and encourage investment by creating regulatory arrangements that are stable and predictable. Consumer, citizen and audience safeguards must be effective, designed to keep pace with evolving market developments, reflect community standards, and deliver on consumer and community experience.

Key outcomes in 2016–17 of this work are outlined below.

Improved efficiency in managing high transactional volumes

In managing high and, in some cases, a steadily increasing volume of transactions, we have continued to identify and implement process improvements across key areas, to reduce transactional processing times for industry and citizens, and better administer our regulation.

In 2016–17, we:

> Dealt with 99 per cent of spam and 98 per cent of telemarketing complaints within 15 days, exceeding our target of 90 per cent. This was despite a 59 per cent increase in spam complaints and reports, and a 23 per cent increase in complaints about telemarketing. In response to increases in complaint and report numbers, we are implementing process improvements and a new priority compliance area approach for unsolicited communications in 2017–18.

> Issued a total of 5,049 compliance warnings to identified Australian entities undertaking potentially non-compliant marketing activity and engaged in direct escalated engagement with 521 entities in response to compliance warnings. We received no further consumer complaints alleging non-compliance for 71 per cent of the businesses issued with a warning.

> Targeted our formal regulatory interventions at areas of potentially serious non-compliance in relation to unsolicited communications. We finalised five investigations, which resulted in enforcement outcomes including one formal warning and one infringement notice.

> Saw continued year-on-year improvement in investigation time frames. In 2016–17, the average time taken to complete broadcasting investigations was 1.3 months, while 100 per cent of investigations were completed within six months—an improvement from 97.5 per cent in 2015–16 and 92.5 per cent in 2014–15.

Streamlining regulation and engaging in regulatory review and advice

We continually review the design, administration and implementation of our regulatory program to ensure it is fair, consistent, measurable and relevant. During the reporting period, our regulation reform program achieved a reduction in regulatory costs of $8.2 million. In 2016–17, we:

> Remade the Telemarketing Industry Standard—the Telecommunications (Telemarketing and Research Calls) Industry Standard 2017 contains enhanced consumer protections on what information call recipients must receive at the beginning of telemarketing calls and what information must be provided if consumers call telemarketers back.

> Facilitated the sunsetting of 16 instruments. Of these, three instruments were automatically repealed, and we revoked and replaced 13 instruments prior to their sunset date.

> Registered revised versions of the:

  > Connect Outstanding Industry Code—expected to speed up broadband connections in circumstances where the previous occupant of premises has failed to cancel their service

  > Handling of Life Threatening and Unwelcome Communications Code—expected to reduce unwelcome communications to helplines

  > Commercial Radio Industry Code of Practice 2017.

Corporate support activities

The ACMA met or partially met all but one of the performance targets from our corporate plan KRA 3 (see Table 3.3). In KRA 3, we undertake a range of work that aims to support the activities and outcomes described in the PBS and corporate plan KRAs 1 and 2.

Our intention is to be a resilient, adaptive, efficient and knowledge-based organisation. This enables us to ensure that regulatory settings are efficient, effective and evidence-informed, and support activities that help to make communications and media work in the public interest.

Key outcomes in 2016–17 of this work are outlined below.

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

We have continued to pass on to industry cost reductions achieved from streamlining our activities. In 2016–17, we 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. We amended 22 instruments, achieving a total reduction of $8.2 million in regulatory costs.

Improvements in accountability and enhancements in performance reporting

Achieving our purpose through regulation, education and advice also requires us to improve accountability and enhance performance reporting. In 2016–17, we:

> Published our first annual Regulator Performance Framework (RPF) self-assessment report in December 2016, which demonstrated we are meeting the requirements of the RPF KPIs and achieving results through better administration and well-designed regulatory frameworks.

> Integrated the RPF into our broader corporate performance reporting activities, as well as our continuous improvement efforts. RPF reporting informed the development of the annual program for our Better Regulatory Practice Initiative (BRPI). The BRPI facilitates a transparent dialogue between the ACMA and our stakeholders, allowing us to embed our feedback mechanisms in a more structured and systematic way. It implements a rolling set of annual priorities, which are available publicly on the ACMA website.

Better use of communications channels for education and advice

We 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. In 2016–17, we:

> Held the two-day *Australian content conversation,* in conjunction with DoCA and Screen Australia, which brought together key stakeholders from the Australian production industry, content distributors such as broadcasters, as well as funding, policy and regulatory bodies. This dynamic forum focused on Australian content, the changing ways people access and engage with content, and the effect of government interventions on screen industries.

> Held three tune-ups with industry stakeholders on radiocommunications compliance matters.

> Issued 12 separate scam alerts via the acmadotgov Facebook and Twitter accounts, warning Australian consumers about phishing, malware, SMS or telemarketing scams.

> Undertook several successful consumer campaigns dealing with telemarketing calls, Do Not Call Register awareness in Indigenous communities and unexpected mobile content charges.

> Produced key research to support changes to the Interactive Gambling Act, inform developments for the Triple Zero service, and provide evidence to support our regulatory and compliance activities.

Program 1.3: Office of the Children's eSafety Commissioner[1]

Program 1.3 from the ACMA's PBS outlines performance targets that relate solely to the work of the Office of the eSafety Commissioner. As an independent statutory body, the Office reports on performance against these targets in its own annual report. All 2016–17 PBS targets were met. Performance information is contained in Part 2, *Office of the eSafety Commissioner annual report 2016–17*.

The ACMA—looking ahead

> In 2017–18, we will continue working closely with DoCA on implementing recommendations of the Spectrum Review and Spectrum Pricing Review. We expect that processes to develop new radiocommunications legislation and its implementation will significantly inform and shape our work program over the next few years.

> We will also be working to implement the recommendations of the ACMA Review, which has ongoing implications for our regulatory functions. The review provided a strong positive endorsement of our performance and acknowledged the challenges facing the media and telecommunications industries, recognising the complex technology and commercial issues of the sectors the ACMA regulates.

> As part of our implementation of the review recommendations, from 1 July 2017 responsibility for the Australian Internet Security Initiative (AISI) shifted from the ACMA to the Attorney-General's Department (AGD).

> In 2017–18, we will also work with Communications Alliance as it progresses a proposal to manage telecommunications numbering. This follows the introduction of legislative amendments in March 2017 to allow the minister to specify a person as the numbering scheme manager. The ACMA would not manage numbering if the minister specifies a numbering scheme manager.

> The ACMA has been contracted by the Gold Coast 2018 Commonwealth Games Corporation (GOLDOC) to provide spectrum planning, frequency coordination, licensing and interference management services for the April 2018 event.

> In response to the 59 per cent increase in unsolicited complaints and reports, we will be implementing a range of new activities, including adopting priority compliance areas for regulatory focus, and undertaking new education and awareness-raising initiatives.

[1] On 23 June 2017, the Office of the Children's eSafety Commissioner became the Office of the eSafety Commissioner.

Results

Results have been assessed as:

MET—target outcomes achieved or exceeded in 2016–17

ONGOING—target outputs achieved in 2016–17, program outcomes ongoing

PARTIALLY MET—majority of target outcomes achieved in 2016–17

NOT MET—major target outcomes not achieved in 2016–17.

Table 3.1: Performance criteria and results for Outcome 1, Program 1.1

Communications regulation, planning and licensing	
Planning and licensing of spectrum use, and measures to minimise unacceptable interference, promote the effective use of radiofrequency spectrum **Targets:** > The ACMA monitors international developments and Australian industry and government spectrum requirements and objectives, including by leading Australian participation in preparations for the 2019 World Radiocommunication Conference, undertaking measures to implement the government's Spectrum Review, and conducting conferences and seminars. > The ACMA reviews planning and allocation arrangements for spectrum in consultation with stakeholders, including by publishing a five-year spectrum outlook and work program, and holding spectrum auctions where appropriate. > The ACMA allocates 90 per cent of new apparatus licences within published time frames. > Management of unacceptable interference is efficient and informed by a priority compliance program developed in consultation with industry.	**Source of criterion: PBS program 1.1, p. 104**
Corporate plan targets that work towards meeting the PBS targets	**Source of criterion: KRA 1, pp. 10–11**

Participation in international spectrum and coordination harmonisation by attending and contributing to relevant preparatory meetings leading up to the 2019 World Radiocommunication Conference (WRC-19)

The ACMA managed a total of eight Australian delegations to meetings of the ITU Radiocommunication Sector Study Groups and Working Parties in Switzerland and Canada in preparation for WRC-19.

We also led a delegation of six to the first meeting of the Asia-Pacific Telecommunications Preparatory Group (APG) for WRC-19 (APG19-1) held in Chengdu, China, 26–28 July 2016.

See p. 53 for more detail.

Communications regulation, planning and licensing

Corporate plan targets that work towards meeting the PBS targets	Source of criterion: KRA 1, pp. 10–11

Contributions to and implementation of spectrum reform processes are effective; ACMA advice and support for the government's spectrum and spectrum pricing reviews meet the time frames set by government

The ACMA is working closely with DoCA on implementing Spectrum Review recommendations. In 2016–17, we provided detailed advice to DoCA on a large range of spectrum management issues and published information to support its release of an exposure draft of the Radiocommunications Bill 2017 (to replace the *Radiocommunications Act 1992*).

See pp. 52, 97 for more detail.

Undertake stakeholder engagement and consultation on the planning, allocation and use of spectrum, including by publication of updates to FYSO, the mobile broadband work program and holding topic-specific seminars, where appropriate

The *Five-year spectrum outlook 2016–20*, including an updated mobile broadband work program, was published in October 2016. An enhanced format reflected the Spectrum Review's recommendation that we publish an Annual Work Program.

We held a spectrum tune-up on 18 July 2016 to update industry on our current spectrum planning projects and ongoing spectrum management activities.

See pp. 49–50 for more detail.

Spectrum planning, allocation and pricing arrangements to maximise public value are effective and efficient, including:

> ***Commence consultation on the review of 1.5 GHz band by 30 September 2016***—a discussion paper (dealing with the review of 3.6 GHz as well as 1.5 GHz) was released on 20 October 2016 for comment by 9 December 2016 (post WRC15); 72 submissions were received and are being considered. The decision to bring forward the 3.6 GHz work for inclusion with the 1.5 GHz review, in response to increasing domestic interest, meant the earlier time frame for release of the 1.5 GHz review only was impracticable.

> ***Completion of 900 MHz band review by 31 December 2016***—consultation on reconfiguration of the 900 MHz band closed in February 2017. The misalignment between the number of incumbent licensees and the number of blocks in a 4G-optimised band means that achieving the reconfiguration in the 900 MHz band is a complex process. All options for reform require careful ACMA consideration, which delayed completion of the band review beyond the original target of 31 December 2016. A final decision is expected in the second quarter of 2017–18.

> ***Commencement of the implementation of 803–960 MHz band review by 30 September 2016***—while implementation work began prior to September 2016, an implementation team was only formally established in October. A communications strategy has since been developed to communicate with affected stakeholders.

> ***Licensees in the 400 MHz band meet the requirements of milestones 2 and 3 in metropolitan and regional areas***—licensees are meeting the milestone requirements.

> ***Implement government policy for the allocation of remaining spectrum in the 700 MHz band***—we allocated the remaining spectrum in the 700 MHz band in April 2017, with both lots sold for a total of more than $1.5 billion.

See pp. 34, 49–50 for more detail.

Communications regulation, planning and licensing

Corporate plan targets that work towards meeting the PBS targets	Source of criterion: KRA 1, pp. 10–11

Regularise digital radio licences in Canberra and Darwin

In May 2017, we enabled the rollout of digital radio in regional Australia by approving final digital radio channel plans allowing for the permanent licensing of digital radio in Canberra, Darwin and Hobart. The commercial radio industry is currently conducting a trial of digital radio services in Darwin and Canberra, and it is expected we will continue to renew these trials until they can be transitioned to permanent licensing arrangements. Statutory time frames mean the permanent licensing process may take a further 12 months.

See p. 52 for more detail.

AM to FM conversion continues in markets determined from industry consultation

In March 2017, licence area plan variations were finalised permitting AM to FM conversion in Exmouth, Karratha, Paraburdoo, Port Hedland and Tom Price. A revised policy on AM to FM conversions for commercial radio broadcasting licensees was published in April 2017 following extensive consultation. The revised policy will permit further conversions in solus markets, with work on further markets to continue in 2017–18.

See p. 51 for more detail.

Completion of 400 MHz band arrangements by 2019

Implementation of new arrangements in the 400 MHz band began in 2011 and will be completed in 2019. Over that period, services in the band are progressively required to comply with new planning and technical requirements in accordance with published milestones. Harmonising government spectrum use in the 400 MHz band enables states and territories to establish or improve the interoperability of communications services used by police, fire, ambulance and other emergency services, who will be better able to communicate both with other services in the same state or territory and with those in different states or territories.

See pp. 50, 58 for more detail.

90 per cent of interference management activities completed within published time frames

In 2016–17, interference complaints were resolved on average within 33 days, which exceeds the published KPI of 45 days. Our interference management regime takes a balanced approach that is proportionate to the types of risk being managed. This gives us the flexibility to respond efficiently to emerging risks and complaints of interference.

See p. 56 for more detail.

Interference Compliance and Enforcement Program is efficient and informed by a priority compliance area (PCA) program developed in consultation with industry

Development of the 2016–17 PCAs was informed by stakeholder engagement, including the *Shaping our technical priorities tune-up* held in March 2017, as well as the previous year's RadComms conference. The PCAs were published in July 2016. The PCA program applies a risk-based methodology to strategically address high-risk compliance issues in a coordinated manner.

See p. 58 for more detail.

Communications regulation, planning and licensing

Administering licensing and number allocation arrangements promotes efficiency, innovation and competition in the Australian telecommunications industry

Source of criterion: PBS program 1.1, p. 104

Target:

> Administration of numbering allocation and licensing arrangements is efficient; allocation of 90 per cent of licences is within statutory time frames and the numbering provider meets 100 per cent of contractual milestone.

Corporate plan targets that work towards meeting the PBS target

Source of criterion: KRA 1, pp. 10–11

CPI adjustment of apparatus licence tax is completed by April

The CPI adjustment, which is necessary to compensate for the effects of inflation, was completed, with the new legislative instruments taking effect on 5 April 2017.

See p. 28 for more detail.

Allocation of 90 per cent of new apparatus licences allocated within required time frames

We allocated 99 per cent of new apparatus licences within 90 days, exceeding the target of 90 per cent within 90 days. A total of 14,984 new apparatus licences were issued.

See p. 63 for more detail.

Telephone numbering provider meets milestone of 99 per cent of numbering allocation applications processed within five seconds

ZOAK Solutions processed more than 99 per cent of numbering allocation applications within five seconds in each month of 2016–17.

See p. 61 for more detail.

Administration of numbering allocation and licensing arrangements is efficient; numbering provider meets 100 per cent of contractual milestones

From August 2015, the majority of the ACMA's number allocation and administrative functions have been provided by ZOAK Solutions under contract. During 2016–17, ZOAK met all its contractual obligations for the provision of these services.

See p. 61 for more detail.

Administration and management of existing spectrum licensing and arrangements are effective and efficient; including update of low interference potential devices class licence completed by 30 June 2017

In 2016–17, a number of frequency coordination arrangements were updated, including:

> VHF High Band paging services

> land mobile services to support harmonised government spectrum in-area arrangements in the 400 MHz band

> single frequency fixed links in the 845–849 MHz band to support our review of the 803–960 MHz band.

The low interference potential devices class licence was not updated in 2016–17. This class licence is varied on a regular basis after public consultation on any proposed changes; however, as it was only made in 2015 and varied in May 2016, it did not warrant updating in 2016–17.

See pp. 53, 58 for more detail.

Table 3.2 Performance criteria and results for Outcome 1, Program 1.2

Consumer safeguards, education and information	
That there is compliance and enforcement of telecommunications safeguards and unsolicited communications consumer protections to minimise the adverse impacts on the economy and society, and manage consumer and industry risks **Targets:** > The ACMA completes 100 per cent of telecommunications compliance investigations within an average of six months. > Do Not Call Register services are available for at least 99 per cent of their scheduled hours. > The ACMA completes 90 per cent of complaints about unsolicited communications within 15 days. > The ACMA completes 100 per cent of unsolicited communications investigations within an average of eight months. > The ACMA facilitates the efficient review of telecommunications operational codes to ensure effective operation. All operational codes are registered within two months of receipt.	**Source of criterion: PBS program 1.2, p. 106**
Corporate plan targets that work towards meeting the PBS targets	**Source of criterion: KRA 2, pp. 14–16**
100 per cent of telecommunications compliance investigations completed within an average of six months We completed 41 investigations into compliance with telecommunications safeguards, including safeguards for consumers; 93 per cent of these were within the target time frame. The average time taken to complete an investigation was four months. A small proportion of the telecommunications compliance investigations completed in 2016–17 involved previously untested obligations or complex analysis of significant amounts of data, resulting in the duration of these investigations exceeding six months.	
Facilitate the efficient review of telecommunications operational codes to ensure effective operation. Decision to register all operational codes made within two months of receipt In 2016–17, we considered three codes for registration—NBN Access Transfer Code, Connect Outstanding Industry Code, and Handling of Life Threatening and Unwelcome Communications Code. Of these, the decision to register one was made within two months, another in two months and two days, and the third within three months. See pp. 35, 87 for more detail.	
90 per cent of complaints about unsolicited communications completed within 15 days 98 per cent of complaints about unsolicited communications were completed within 15 days, exceeding the 90 per cent target. See pp. 35, 76 for more detail.	
100 per cent of unsolicited communications investigations completed within an average of eight months Five investigations were completed in 2016–17 in an average time of 8.6 months; this time frame was due to their complex nature. See p. 78 for more detail.	

Consumer safeguards, education and information

Corporate plan targets that work towards meeting the PBS targets	Source of criterion: KRA 2, pp. 14–16

Do Not Call Register services are available for at least 99 per cent of its scheduled hours.

The Do Not Call Register is operated under a contract by Salmat Digital Pty Ltd. During 2016–17, Salmat met its contractual obligations. Register services (website, washing service and contact centre) were available for more than 99 per cent of its scheduled hours in 2016–17.

See p. 76 for more detail.

That there is compliance and enforcement of broadcasting standards to manage consumer and industry risks, and provide effective consumer safeguards

Source of criterion: PBS program 1.2, p. 106

Targets:

> The ACMA engages effectively with industry on its compliance decision-making principles with the provision of published investigation reports and regularly updated investigation concepts papers.

> The ACMA completes 100 per cent of broadcasting compliance investigations within an average of six months. The ACMA facilitates the efficient review of broadcasting industry codes to ensure effective regulatory frameworks and that standards are representative of community values.

Corporate plan targets that work towards meeting the PBS targets	Source of criterion: KRA 2, pp. 14–16

Engage effectively with industry on ACMA compliance decision-making principles, with the provision of published investigation reports and regularly updated investigation concepts papers

In September 2016, an update of the *Privacy guidelines for broadcasters* was released to help broadcasters and members of the public better understand the operation of the privacy provisions in the various broadcasting codes of practice.

In March–April 2017, the ACMA engaged with industry to enhance their understanding of the compliance requirements for broadcasting political matter and election advertisements.

In June 2017, three *Investigation concepts* papers were reviewed, updated and republished.

Facilitate the efficient review of the commercial radio industry codes to ensure effective operation and that standards are representative of community values

Commercial Radio Australia reviewed the *Codes of Practice and Guidelines 2013* during the reporting period, and the ACMA registered a new code, which became effective in mid-March 2017. An ACMA sub-committee worked with representatives of Commercial Radio Australia to facilitate an efficient, robust and rigorous process.

See p. 81 for more detail.

100 per cent of broadcasting compliance investigations completed within an average of six months

We completed 114 broadcasting investigations, all within six months. The average time taken to complete an investigation in 2016–17 was 1.3 months, improving on the 2015–16 average of 1.6 months.

See pp. 81–2 for more detail.

Consumer safeguards, education and information

Promoting a secure online environment for internet providers, critical infrastructure providers and other organisations

Target:

> 99 per cent of notifications of malware infections and vulnerabilities are made to Australian Internet Security Initiative partners within 24 hours.

Source of criterion: PBS program 1.2, p. 106

Corporate plan targets that work towards meeting the PBS target

Source of criterion: KRA 2, pp. 14–16

99 per cent of notifications of malware infections and vulnerabilities are made to AISI partners within 24 hours

100 per cent of malware infection reports were issued within 24 hours of us receiving the underlying data, exceeding our target.

See p. 86 for more detail.

N/A ***AISI member survey is completed in 2019***

On 1 July 2017, responsibility for the AISI program shifted from the ACMA to the AGD. As a result, we will not be responsible for completing the 2019 AISI member survey, as outlined in our *Corporate plan 2016–17*.

In partnership with industry, working to improve the performance of Australia's emergency call service, ensuring the security and reliability of critical infrastructure, and facilitating collaboration between law enforcement, industry and government stakeholders

Targets:

> The ACMA will support law enforcement, emergency services and national security organisations including through meetings of the Emergency Call Service Advisory Committee (ECSAC) and the Australia–New Zealand Emergency Communications Working Group (NECWG-A/NZ).

> Facilitation of emergency call service obligations is efficient, with 100 per cent of investigations into compliance and other activities completed within an average of six months.

Source of criterion: PBS program 1.2, p. 106

Corporate plan targets that work towards meeting the PBS targets

Source of criterion: KRA 2, pp. 14–16

Facilitation of emergency call service obligations is efficient, with 100 per cent of post-complaint investigations into compliance and other activities completed within an average of six months

The ACMA received three complaints and enquiries about the Triple Zero service. All of these related to handling of calls by emergency service organisations (ESOs) rather than the Emergency Call Person, and were referred to the relevant ESO without any formal investigation by the ACMA within four days. No post-complaint investigations into compliance with emergency service obligations were undertaken in 2016–17.

See p. 90 for more detail.

Consumer safeguards, education and information

Corporate plan targets that work towards meeting the PBS targets	Source of criterion: KRA 2, pp. 14–16

Undertake effective stakeholder consultation on current and emerging telecommunications matters via the Consumer Consultative Forum and by liaising with relevant government agencies, and industry and consumer representative bodies

The Consumer Consultative Forum (CCF) met twice, while CCF consumer representatives also met separately on several occasions to discuss issues of particular interest, with these discussions informing the agenda of the wider CCF meetings.

We provided submissions to the Productivity Commission's review of the Universal Service Obligation and the DoCA review of consumer representation in the telecommunications industry.

We made contributions to the industry reviews of the Connect Outstanding Industry Code and the NBN Access Transfer Code.

See pp. 69, 75, Appendix 1 for more detail.

Implement ACMA Review recommendations in line with government time frames

In May 2017, the Australian Government released the findings of its ACMA Review, and we are now in the process of responding to the recommendations. This is an ongoing program of work, with activities expected to be implemented over a multi-year window.

The first review recommendation to be completed was the transfer, at the end of the reporting period, of the AISI (including program resources and staff) to the AGD. This was effected on 1 July 2017.

See pp. 37, 86 for more detail.

100 per cent of interactive gambling complaints and investigations are completed within an average of six months

We received and responded to seven valid complaints, four of which dealt with prohibited internet gambling content hosted overseas and three with internet gambling content hosted in Australia. We are able to investigate complaints about prohibited internet gambling content hosted overseas. Three of these complaints were investigated in an average of two months, exceeding our six-month target. The other complaint was about content that had been investigated in a previous financial year.

See p. 87 for more detail.

Continuous improvement and revision of KPIs, reflecting more valuable and specific targets for future performance reporting

We worked to improve our performance data and reporting to enhance accountability and transparency to stakeholders. This was illustrated in the publication of our first annual self-assessment under the RPF. We developed and revised our performance measures as part of the implementation of the RPF reporting framework, and integrated the RPF into our broader corporate performance reporting activities. RPF reporting also informed the development of the annual program for our Better Regulatory Practice Initiative.

See pp. 36, 93–4 for more detail.

Undertake research to enhance the ACMA's evidence base; research projects focused on telemarketing, cybersecurity, regional broadcasting local content and interactive gambling completed by 30 June 2017

We undertook a range of research projects to inform our understanding of:

> developments in the illegal offshore gambling market and in data-driven marketing practices, to inform our investigation and compliance work

> consumer and audience experiences of telemarketing, the migration to the NBN, telecommunications customer service, and the availability and consumption of regional local content.

See p. 96 for more detail.

Consumer safeguards, education and information	
Corporate plan targets that work towards meeting the PBS targets	Source of criterion: KRA 2, pp. 14–16

Support law enforcement, emergency services and national security organisations, including through meetings of the Emergency Call Service Advisory Committee (ECSAC) and the Australia–New Zealand Emergency Communications Working Group (NECWG-A/NZ)

ECSAC met twice to discuss priority issues affecting the operation of the emergency call service. We also participated in two meetings of NECWG-A/NZ.

We revised regulatory rules on checking the identity of prepaid mobile customers, in order to improve their effectiveness and efficiency.

We handled referrals from AGD of 13 carriers or carriage service providers for failing to comply with obligations to submit interception capability plans or amended data retention implementation plans. Twelve complied, while the 13th surrendered its carrier licence.

See p. 90 for more detail.

Table 3.3: Performance criteria and results for support activities under Outcome 1, Program 1.1 and Program 1.2

Corporate support activities	
The following measures do not fall under a specific PBS target but instead relate to corporate plan targets	Source of criterion: KRA 3, pp. 19–20

Complete performance reporting requirements within required time frames

We met all our reporting obligations under the PGPA Act. Our *Corporate plan 2016–17* was published on 29 August 2016 and our first Annual Performance Statement was tabled in our *Annual report 2015–16* on 13 October 2016. We published our first performance assessment report under the RPF on 8 December 2016, fulfilling our responsibilities for 2015–16 under the RPF framework.

See pp. 91, 93, 135 for more detail.

Revise performance reporting mechanisms to address changes to PGPA Act reporting requirements, and implement risk management strategy to meet time frames for 2016 and 2017 reporting requirements

We are working to build our performance reporting capability. This includes realigning activities and implementing new ways of providing quantitative and qualitative performance updates.

We have applied the requirements of the ACMA Risk Management Framework to ensure timely delivery.

See pp. 91, 135 for more detail.

Revise performance measures to improve quantitative and qualitative reporting in 2017–18 performance reporting by March 2018

We have taken steps through a process of detailed business planning to improve both quantitative and qualitative reporting. A new platform for the collection of this information is being rolled out across the ACMA.

Corporate support activities

The following measures do not fall under a specific PBS target but instead relate to corporate plan targets	Source of criterion: KRA 3, pp. 19–20

Implement workforce planning and capability strategy objectives, including:

> ***development of staffing number estimates by December 2016***

> ***implementation of options to further enable internal job agility***

We undertook workforce adjustments as part of workforce planning in 2016–17 and reduced staffing numbers to be more affordable and in line with APS work level requirements. The staffing targets were met by December 2016.

We are working to improve the agility of our staff to meet changing organisational and government priorities, including starting the identification and management of critical roles utilising the Talent Pool.

See p. 138 for more detail.

Implement workforce planning and capability strategy objectives by 30 June 2018

Workforce strategies have been identified and endorsed. We continue to work with business lines to identify resourcing requirements and to support a flexible and agile workforce, with APS staffing levels appropriate to the level of work. This is ongoing and will be fully operational by 30 June 2018.

See p. 138 for more detail.

Commence migration of ICT services to support implementation of an initial phase of cloud migration in line with agency strategy by 30 June 2017

December 2016 was the first step in our cloud migration, as we engaged with an external partner to supply resources under an Infrastructure-as-a-Service model. We will continue network preparation, service verification and cloud service evaluation during 2017–18.

Implement cloud migration strategy by 30 June 2018, principally:

> ***delivery of a Software as a Service (SaaS) migration for core desktop services***

> ***Infrastructure as a Service (IaaS) deployment to complete the consolidation and replacement of end-of-life IT infrastructure***

> ***Platform as a Service (PaaS) arrangement to maintain the corporate website in the future***

As at 30 June 2017, we have a number of cloud-supported solutions in place, including our HR, recruitment and call centre systems.

See p. 95 for more detail.

Implementation of ICT service delivery review outcomes commences 1 January 2018

Work will begin in 2017–18.

Implement 100 per cent of ACMA-wide CRM system by 2019–20

Phase one of the Consolidate 2 Cloud project delivered an IaaS-hosted Dynamics 365 platform. During 2017–18, all CRM modules will be migrated onto the new platform and the current on-premises CRM 2011 environment will be decommissioned.

See p. 95 for more detail.

Publish update of the international operational plan by September

We published our 2016–17 international operational plan on 28 October 2016. The plan is an annual prioritisation process, highlighting the key international engagement activities undertaken each financial year. Delays in budget and business planning processes meant that finalisation of the operational plan was deferred until October 2016.

Corporate support activities

The following measures do not fall under a specific PBS target but instead relate to corporate plan targets	Source of criterion: KRA 3, pp. 19–20

ACMA Customer Service Centre resolves 95 per cent of customer enquiries within three working days

95 per cent of enquiries to the Customer Service Centre were resolved within three working days.

See p. 92 for more detail.

Implement customer experience and business process improvements by June 2017

In response to recommendations in the 2016 customer satisfaction survey, we implemented several customer experience and business process improvements. These included trialling new end-to-end reporting arrangements, launching an improved customer online enquiry portal and initiating work to improve usability of the ACMA website.

In February 2017, we contracted Woolcott Research and Engagement to repeat the 2016 customer satisfaction research and used the previous results as benchmarks to evaluate the performance and trends for the Customer Service Centre. We are using these results to further improve customer satisfaction.

See p. 92 for more detail.

Commence preparation for 2016 ITU World Telecommunication Standardization Assembly (WTSA) by 2016

There were four regional preparatory meetings held in the lead-up to WTSA-2016, in which we led the Australian delegation. The final preparatory meeting was in August 2016.

Development of ACMA 2018–22 International Engagement Strategy commences 1 July 2017 to facilitate international collaboration

Planning for the development of the 2018–22 international engagement strategy has started, and work on developing the new strategy is due to begin in the second half of 2017–18.

Publish updated research**acma* program by August

The annual update to the research**acma** program was published on 4 August 2016.

Research published in accordance with the research**acma** program

We released 10 research reports under the research**acma** program, but did not finalise all projects outlined for 2016–17. This was because evolving strategic priorities redirected resources from lower priority projects to support significant government and organisational priorities, including:

> four significant pieces of research to inform the implementation of new provisions under the Interactive Gambling Act

> research to understand consumer awareness and understanding of the Triple Zero emergency call service

> research to inform the *Australian content conversation*

> research to support the announced Australian and Children's Screen Content Review.

We anticipate delivering the remaining research reports in 2017–18.

See p. 96 for more detail.

ACMA contributes to meeting portfolio regulation reform targets

To support better-targeted regulation, we 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 a reduction of $8.2 million in regulatory costs while maintaining key consumer safeguards.

See p. 93 for more detail.

Communications regulation, planning and licensing

This section reflects the ACMA's performance against key deliverables for PBS program 1.1 and corporate plan KRA 1 targets.

Spectrum management and technical regulation

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

The ACMA's 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.

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.

We are responding to the spectrum implications of current and anticipated future growth in demand for mobile broadband capacity, particularly for 5G mobile broadband services.

During 2016–17, our spectrum management initiatives included:

> publishing the *Five-year spectrum outlook 2016–20* (FYSO), with a particular focus on 5G and the Internet of Things (IoT)

> updating the ACMA's mobile broadband work program, and including it in the FYSO for the first time

> allocating residual lots (spectrum licences) in the 700 MHz band

> releasing a consultation paper to further progress consideration of the future uses of the 1.5 and 3.6 GHz bands

> consulting on an appropriate re-farming mechanism and reform timetable for the 890–915 MHz/935–960 MHz band

> releasing a new version of the Australian Radiofrequency Spectrum Plan, effective 1 January 2017

> contributing to implementation of the government's spectrum management and pricing reviews, including publishing supporting material for the consultation on new spectrum legislation, participating in stakeholder workshops and providing advice to DoCA

> beginning AM to FM conversions of commercial radio broadcasting services in regional Australia

> conducting 23 consultations on spectrum-related matters, including proposed changes, variations and amendments to regulatory arrangements and planned band reviews

> starting rollout of digital radio in regional markets determined with industry consultation.

700 MHz band

In October 2016, the minister announced the government would make 2x15 MHz of unallocated spectrum licences in the 700 MHz band available by auction to support mobile broadband services across Australia.

Following the announcement, the ACMA undertook a range of processes to bring that spectrum to market, culminating in an auction in April 2017:

> TPG Internet Pty Ltd secured 2x10 MHz for $1,260,161,000 (equivalent to $2.75/MHz/pop)

> Vodafone Hutchison Australia Pty Limited secured 2x5 MHz for $285,907,000 (at the reserve price of $1.25/MHz/pop).

The spectrum is highly valued for mobile broadband; in particular, 4G services. It will enable industry to meet increasing demand for high-speed wireless broadband.

Mobile broadband strategy

A critical component of the ACMA's mobile broadband strategy—the mobile broadband work program—was updated in October 2016 and released as part of the *Five-year spectrum outlook 2016–20*. We will continue to update the strategy and work plan on an annual basis.

We have continued to progress mobile broadband-related work; notably, the reviews of the 1.5 GHz and 3.6 GHz bands, and the 900 MHz band.

1.5 GHz and 3.6 GHz bands

In October 2016, we initiated the first investigation stage of the 1.5 GHz and 3.6 GHz bands by releasing the consultation paper *Future use of the 1.5 GHz and 3.6 GHz bands*. Submissions to this paper closed on 8 December 2016.

In June 2016, we also released a consultation package on next steps for the future of the 3.6 GHz band, which included:

> *Future use of the 3.6 GHz band—Options paper*

> *Future use of the 3.6 GHz band—Highest value use assessment: Quantitative analysis*

> *Future use of the 1.5 GHz and 3.6 GHz bands—Summary of and response to 3.6 GHz submissions.*

A spectrum tune-up on the future use of the 3.6 GHz band early in the next reporting period will inform stakeholders of the issues and options available for this band, and provide an opportunity for direct feedback on the consultation package or any other relevant issues.

900 MHz band

In December 2016, we released the consultation paper *Reconfiguring the 890–915/935–960 MHz band*. This paper continued the investigation into the most appropriate methods to potentially reconfigure the 900 MHz 'GSM' band to enable transition to the most efficient and valuable available technologies (3G and 4G mobile telecommunications).

400 MHz band

In 2016–17, the ACMA continued to facilitate transition in the 400 MHz band through a suite of planning, policy and pricing initiatives.

Harmonising government spectrum use 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. Emergency services will be better able to communicate both with other services in the same state or territory and with services in different states or territories.

Implementation of new arrangements in the 400 MHz band began 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 and concluded on 1 January 2017. This marked the conclusion of the harmonisation of spectrum for government services in these high-density areas.

January 2017 also saw the completion of the implementation phase of the second milestone in regional Australia. This completed the harmonisation of spectrum for government use and also facilitated potential use of new and emerging technologies in the 450–470 MHz frequency range.

The additional spectrum capacity made available by implementing changes in the 400 MHz band has made for progressive and orderly use of the band in the high-density areas of Sydney/Wollongong, Melbourne/Geelong and Brisbane/Gold Coast. As the demand for spectrum continues to grow, there is a risk of spectrum congestion re-emerging over the next few years. To address this risk, we have implemented opportunity costing initiatives and continue to monitor congestion in high-density areas to inform consideration of whether further opportunity costing initiatives are warranted. We are reviewing our monitoring framework in light of feedback from industry.

We continue to work closely with state and territory governments as well as industry participants and representative organisations on smooth 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.

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 one TLAP variation for regional Queensland. We also varied the TLAP for Melbourne on two occasions to change the cessation date for the allotment of frequencies for the Melbourne community television broadcasting service. In December 2016, the cessation date was varied from 31 December 2016 to 30 June 2017. In June 2017, the cessation date was extended to 31 December 2017. This was consistent with the two six-month extensions of the transmitter licences for this service determined by the minister.

Radio licence area plans

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

Over the reporting period, we consulted on variations to six radio LAPs.

AM to FM conversion in selected regional areas

During 2016–17, the ACMA, in consultation with industry, proceeded with the necessary planning and approvals to facilitate conversion of the transmission of commercial radio services from the AM to the FM band across 31 radio licence areas in regional Australia. The initiative is restricted to 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. In March 2017, we approved the first tranche of AM–FM conversions in Remote Western Australia (Exmouth, Paraburdoo, Tom Price), Karratha and Port Hedland.

In April 2017, we published:

> a revised approach on AM to FM conversions for commercial radio broadcasting licensees that will permit conversions of commercial radio broadcasting services in single licensee markets

> a provisional work program for the prioritisation of AM–FM conversions agreed to by industry.

Digital radio

Since 2015, the ACMA has been working closely with the radio industry to plan for the rollout of digital radio to regional areas of Australia. In December 2016, we published a set of planning principles that the ACMA and industry are using to plan the indicative allotment of digital radio frequencies on a region-by-region basis. The principles were based on 12 months of detailed technical studies we conducted in collaboration with industry through the joint government and industry Digital Radio Planning Committee.

The regional frequency allotment plans will be used to inform the Digital Radio Channel Plans, which we must make for each licence area before licensing of digital radio transmitters may commence. In May 2017, we made Digital Radio Channel Plans for Canberra and Darwin, and amended the plan for Hobart. We also consulted on a draft plan for the Gold Coast, which is expected to be finalised by the end of 2017.

Digital radio is currently operating in Canberra and Darwin under scientific trial transmitter licences. It is expected the ACMA will continue to renew these licences until they can be transitioned to digital radio multiplex transmitter licensing arrangements during 2017–18.

Spectrum Review

In 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. Throughout 2016–17, we provided detailed advice to DoCA on a large range of spectrum management issues to support its release of an exposure draft of the Radiocommunications Bill 2017 (to replace the *Radiocommunications Act 1992*).

We published five papers providing supporting material to the DoCA consultation on the exposure draft of the Radiocommunications Bill 2017, on the following topics:

> the licensing system

> annual work program

> interference management

> equipment rules

> accreditation.

We also established a formal program governance structure to oversee and integrate the work of implementing the review and new legislation in coming years.

Five-year spectrum outlook

The *Five-year spectrum outlook 2016–20* was released in October 2016. The FYSO underpins the ACMA's engagement with stakeholders on the progress and prioritisation 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.

For the 2016 FYSO, we adopted an enhanced format reflecting the Spectrum Review's recommendation that the ACMA publish an Annual Work Program. It also incorporates our mobile broadband work plan for the first time.

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 2016–17, including those supporting VHF paging services and single frequency fixed services in the 800 MHz band. We also developed arrangements to implement the ITU WRC-15 resolution on earth stations in motion.

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 20 Australian delegations to international radiocommunications meetings, in which 31 Australian discussion papers were presented.

Key meetings led by the ACMA include:

> an Australian delegation of six to the first meeting of the Asia–Pacific Telecommunity (APT) Conference Preparatory Group for WRC-19 (APG19-1), held in Chengdu, China, from 26–28 July 2016

> two Australian delegations to the 20th and 21st meetings of the APT Wireless Group (AWG), held in Bangkok, Thailand, from 6–9 September 2016 and 3–7 April 2017

> eight Australian delegations to meetings of the ITU Radiocommunication Sector Study Groups and Working Parties in Switzerland and Canada.

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 894 publications for proposed foreign satellite networks, requesting further coordination (where necessary) with foreign administrations 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.

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.

The ACMA supported the New South Wales Government's jamming trial at Lithgow Correctional Centre 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.

We considered a further trial of mobile phone jammers at the Goulburn Correctional Complex and made a determination in August 2016 to support the Goulburn trial. This trial will allow stakeholders to assess the interference risk of a mobile phone jammer in a correctional facility in a medium-density area.

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 2016–17, we were contracted to provide services for:

> Australian Motorcycle Grand Prix, Phillip Island, 21–23 October 2016

> Australian Formula One Grand Prix, Melbourne, 23–26 March 2017.

Commonwealth Games

The Gold Coast 2018 Commonwealth Games Corporation (GOLDOC) has contracted the ACMA to provide spectrum planning, frequency coordination, licensing and interference management services for the Games being held in April 2018. We are conducting pre-Games inspections of venues and the surrounding communications environment to anticipate any potential radiofrequency interference issues. We are also helping with the assignment and licensing of the Games' radiocommunications services. The primary goal is to facilitate continuity of service for all Games spectrum users. Examples include broadcast, timing and scoring and other critical wireless communications applications, including team communications requirements.

Our focus will be on operational efficiency, with the following key objectives to:

> secure adequate spectrum of appropriate quality as reasonably possible

> communicate simply and clearly to GOLDOC Games spectrum users the rules for spectrum use in Australia, and specifically at the Games

> assess and assign spectrum requirements accurately and in good time, and manage the demand appropriately to ensure a fair distribution of this finite resource

> distribute (license) the available resource simply and clearly, and in good time, to meet spectrum user needs

> minimise the risk of service disruption through preventive actions

> maintain continuity of service by achieving rapid resolution of disruption caused by interference.

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 radiocommunications standards compliance and product labelling arrangements.

The laboratory also assisted with investigations carried out by the ACMA, and federal and state police services. This included preparing 11 evidentiary certificates, 37 spectrum impact assessments and 17 technical assessment reports, with the subsequent issue of 54 test reports of radiocommunications device compliance.

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.

Cabling regulation

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

> monitoring and enforcing compliance with cabling regulatory requirements

> supporting greater cabling industry self-regulation.

The Telecommunications Act gives us 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.

In 2016–17, we received 47 complaints about customer cabling compliance, which resulted in five warning notices for non-compliance being issued. This is an increase on the 12 complaints received in 2015–16. All of these complaints concerned customer cabling as the Telecommunications Cabling Provider Rules 2014 (CPRs) do not regulate NBN cabling.

Cabling provider registration scheme

The 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 2017, there were 73,306 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.

Complaints of interference

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 risks.

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.

Radiocommunications interference

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

Ongoing priorities for interference management include:

> mobile repeaters—substantial interference to mobile telecommunications 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.

Table 3.4: Radiocommunications interference compliance, 2014–15 to 2016–17

Action type	Number of actions		
	2014–15	2015–16	2016–17
Radiocommunications interference complaints	847	621	486
Advice notices issued	96	86	31
Warning notices issued	478	334	226

Table 3.5: Compliance investigations, 2014–15 to 2016–17

Action type	Number of actions		
	2014–15	2015–16	2016–17
Investigations	256	463	591
Advice notices issued	4	7	5
Warning notices issued	219	375	473
Infringement notices issued	17	18	4
Prosecutions commenced	3	3	0

Domestic systems interference

Domestic systems interference (DSI) encompasses interference to the reception of domestic free-to-air broadcast television and radio services. Complaints about DSI have declined over the past three years.

Table 3.6: DSI diagnostic tasks, 2014–15 to 2016–17

Action type	Number of actions		
	2014–15	2015–16	2016–17
DSI complaints	486	473	340
Warning notices issued	18	36	21
Advice notices issued	45	41	21

Television reception

The ACMA's strategy is to manage TV reception problems by educating viewers about the importance of having an optimised antenna system for reliable reception. We employ a range of measures to inform and help affected viewers and, when necessary, to support broadcasters and mobile carriers. This includes:

> providing general and specific information on our TV reception hub, www.acma.gov.au/tvreception

> making available the mySwitch website, https://myswitch.digitalready.gov.au, which allows viewers to check TV coverage at their individual street address and provides current advice on reception issues affecting particular locations. The mySwitch site receives 50,000 hits per month

> providing public information for awareness-raising, including participating 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 on a case-by-case basis, to inform and offer advice about issues in the affected areas.

Table 3.7: TV reception issues and number of actions, 2015–16 to 2016–17

Action type	Number of actions 2015–16	Number of actions 2016–17
All TV reception enquiries	1,093	609
Public responses	225	137
Ministerial responses	52	22

Viewer Access Satellite Television service

The Viewer Access Satellite Television (VAST) service provides a government-funded alternative reception option for individual households unable to receive adequate digital television services from existing terrestrial transmission sites.

In the reporting period, we:

> received and investigated 207 complaints

> issued 207 directions to the scheme administrator to grant VAST access to the complainants.

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 is also used to collect evidence to support policy, planning and licensing decisions, and to monitor TV reception quality over time in communities with reported TV reception difficulties.

In 2016–17, the spectrum monitoring network supported the resolution of the radiocommunications cases listed in Table 3.4 and was also used to support priority compliance areas and investigations.

2016–17 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 unacceptable interference to 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. During 2016–17, the PCA program took the next step in its evolution, with stakeholder engagement a key focus.

The PCAs for 2016–17 focused on three areas:

> compliance in the harmonised government spectrum (HGS) within the 400 MHz band

> customer cabling

> interference management.

Compliance in the HGS within 400 MHz

This PCA responds to the unacceptable level of risk from unlicensed services operating in the 400 MHz band, particularly in the HGS. It focuses compliance resources on unlicensed operation in this band so that government services can transition into the band with a manageable interference risk.

We used a number of regulatory and non-regulatory approaches to achieve this aim, including:

> stakeholder engagement and communications strategies targeted at major users, industry groups and suppliers of differential GPS systems

> presenting at five industry conferences/events

> working cooperatively with industry peak bodies, particularly the Surveying and Spatial Sciences Institute (SSSI), to develop and widely communicate the differential GPS compliance message

> developing transportable monitoring kits to capture over 10,000 hours of monitoring data and spectrum intelligence, including over 5,000 hours from regional Australia.

Table 3.8: HGS PCA activities conducted by state, 2016–17

PCA activities	National	Qld	NSW & ACT	Vic.	SA & NT	WA	Tas.	Total
Awareness activity	12	1	13	9	0	7	0	**42**
Compliance investigation	0	35	59	115	18	23	7	**257**
Signal monitoring	0	4	27	10	2	1	1	**45**
Radiocommunications interference	0	0	1	1	0	0	0	**2**
Site audit	0	0	0	6	0	0	0	**6**
Total	**12**	**40**	**100**	**141**	**20**	**31**	**8**	**352**

Customer cabling compliance

This PCA was designed to:

> identify the level of customer cabling compliance in multi-dwelling and single-premises constructions in both domestic and industrial/commercial sites

> gather data to inform future cabling regulatory policies and processes

> develop targeted communications strategies

> respond effectively to cases of non-compliance.

The customer cabling PCA was implemented through three components in 2016–17:

> An online industry survey of 4,637 registered cabling providers to gain a direct understanding of industry's perceptions of customer cabling compliance.

> Field-based cabling inspections—we performed 178 field inspections of construction sites that included housing, commercial buildings, and low- and high-rise buildings. The inspections focused on non-compliance with the Wiring Rules and cabling provider registration requirements, including relevant competencies. We issued 40 warning notices and 17 advice notices for non-compliance.

> Investigation of complaints from the public—we received 47 complaints about customer cabling (compared with 12 in 2015–16). Of these, we investigated 12 and issued five warning notices for non-compliance.

Interference management

The ACMA's Interference Management Principles have been in place since 2004. Since then, there have been significant changes in industry, technology and spectrum management, notably a dramatic increase in the use of mobile broadband services, including the allocation of additional spectrum bands and the widespread deployment of 4G (LTE) services by mobile carriers.

During 2015–16, we began discussions with industry to seek their feedback on interference matters. Throughout 2016–17, we extended our stakeholder engagement activities to discussions with suppliers, radiocommunications licensees and relevant stakeholders about the role of industry and the ACMA in managing interference. These activities have paved the way for proposed consultation on a review of the Interference Management Principles in 2017–18.

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

> number allocations.

Management and allocation of the various licences is undertaken across several different licensing regimes specified under a range of different legislation. We keep informed about different allocation methods.

Key highlights for 2016–17 include:

> facilitating industry-managed numbering

> completing the review of pricing arrangements for the Ka-band (satellite).

Numbering reform activities

The ACMA is working closely with Communications Alliance as it progresses a proposal for industry to manage telecommunications numbering. On 29 March 2017, the Communications Legislation Amendment (Deregulations and Other Measures) Bill 2017 was introduced into parliament. If enacted, the Bill would allow the minister to specify a person as the numbering scheme manager.

Numbering Advisory Committee

The ACMA works closely with representatives of users of numbers in formulating and administering numbering policy. The consultative arrangements established for our Numbering Advisory Committee (NAC) help to achieve this. The NAC met once during 2016–17, with the main issues for discussion being a proposed transition to industry-managed numbering and cost-recovery arrangements. See Appendix 1 for membership details of the NAC.

Number portability

Number portability allows a customer to retain their local, mobile or inbound number when changing from one CSP or carrier network to another.

The Numbering Plan, together with the Local Number Portability, Mobile Number Portability and Inbound Number Portability codes, specifies the rules, operational procedures and timelines for carriage service providers in the delivery of number portability.

During 2016–17, the ACMA responded to 138 enquiries about local, mobile and inbound number portability from industry and consumers. Approximately a third of these enquiries related to consumers being unable to retain their local number as they migrated their fixed-line service to the NBN. Further work on this problem will continue into 2017–18.

In December 2016, Asian Pacific Telecommunications Pty Ltd (Aptel) applied for an exemption from certain local number portability obligations in Part 2 of Chapter 10 of the Numbering Plan. On 28 April 2017, the ACMA granted Aptel an exemption from local number portability obligations in sections 109 and 111 of the Numbering Plan until 31 August 2017, for local services supplied on specified number ranges.

Number allocation arrangements

Since August 2015, the majority of the ACMA's number allocation and administrative functions have been provided by ZOAK Solutions under contract. During 2016–17, ZOAK met all its contractual obligations for the provision of these services.

The Numbering System maintains a register of numbers allocated to CSPs and numbers that have been permanently transferred from one CSP to another. This register is also used to administer the annual numbering charge (ANC).

Number supply is reviewed on a regular basis. As at 30 June 2017, a sufficient supply of numbers is available for the medium to long term.

Numbering transactions

During 2016–17, the ACMA allocated 8,396,701 numbers to CSPs (see Table 3.9). Twenty-six CSPs were allocated numbers, with some being allocated multiple number types.

Table 3.9: Quantity of numbers allocated by number type during 2016–17

Type of number	CSPs allocated numbers	Quantity of numbers allocated
Geographic	14	7,020,800
Digital mobile	6	1,340,000
Mobile network codes	7	7
International signalling point codes	1	1
Interconnection and routing code	4	4
Premium rate	5	84
Freephone and local rate	8	35,805
Total numbers allocated		**8,396,701**

During 2016–17, CSPs surrendered 2,632,256 numbers. Table 3.10 shows the numbers surrendered by number type. There were also 232,009 permanent transfers of numbers between CSPs. Table 3.11 shows the numbers transferred by number type. Seventeen CSPs surrendered numbers, while four transferred numbers. Some CSPs transferred or surrendered multiple number types.

Table 3.10: Quantity of numbers surrendered by number type during 2016–17

Type of number	CSPs surrendering numbers	Quantity of numbers surrendered
Geographic	3	1,996,400
Digital mobile	4	620,000
Premium rate	6	90
Freephone and local	6	15,766
Total numbers surrendered		**2,632,256**

Table 3.11: Quantity of numbers transferred by number type during 2016–17

Type of number	CSPs transferring numbers	Quantity of numbers transferred
Geographic	2	132,000
Mobile	1	100,000
Premium rate	1	9
Total numbers transferred		**232,009**

smartnumbers transactions

During 2016–17, the enhanced rights of use (EROU) to 4,931 smartnumbers were allocated to users of the Numbering System, while the EROU to 2,875 smartnumbers were cancelled due to the absence of an active service on the number. Numbering System users traded the EROU to 2,993 smartnumbers among themselves.

Broadcasting licensing

In 2016–17, the ACMA:

> issued 29 transmitter licences for commercial radio and television services

> issued 90 broadcasting retransmission licences

> varied 15 radio and television apparatus licences

> issued 169 special-event broadcasting licences for radio and television services.

In measuring the ACMA's performance against our KPIs for the allocation of apparatus licences, broadcasting apparatus licences are counted with other radiocommunications apparatus licences. See *Apparatus licensing* on page 63 for more information.

Temporary community broadcasting licences

Temporary community broadcasting licences are allocated for a maximum 12-month licence period. During 2016–17, we allocated 95 temporary licences. As at 30 June 2017, there were 97 temporary licences—including two licences that were allocated in the previous reporting period but commenced in the current reporting period.

Community radio broadcasting licences

During the reporting period, we renewed 58 community radio broadcasting licences, four of which were remote Indigenous broadcasting services.

Of these, one Brisbane community radio broadcasting licensee, Family Radio Limited, had its licence renewed in September 2016, after giving the ACMA enforceable undertakings to ensure ongoing community participation at the station.

In December 2016, we approved the transfer of the 5UV community radio broadcasting licence, held by the University of Adelaide, to Educational Broadcasters Adelaide Inc. (EBA). The university represented the educational community interest in the Adelaide RA1 licence area; in approving the transfer we were satisfied that, under EBA, this community would continue to participate in the operations and programming of the service.

There were 360 community radio broadcasting licences at 30 June 2017, of which 72 were remote Indigenous broadcasting services.

Commercial radio broadcasting licences

During 2016–17, we renewed 56 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 2017, there were 274 commercial radio broadcasting licences.

Commercial television broadcasting licences

During 2016–17, we renewed nine commercial television broadcasting licences.

As at 30 June 2017, there were 69 commercial television broadcasting licences.

Community television broadcasting licences

There were 49 community television broadcasting licences at 30 June 2017, of which 48 were remote Indigenous broadcasting services. The other service was in Melbourne, which has been extended to 31 December 2017. The Brisbane service ceased broadcasting in February 2017.

Three remote Indigenous community television broadcasting licences were surrendered during the reporting period.

Community television trial

During 2016–17, we extended community television trials in Adelaide and Perth for a further six-month period, from 1 January to 30 June 2017. Following the minister's decision in June 2017 to grant a further six-month extension of access to broadcast spectrum for community television broadcasters in Melbourne, Adelaide and Perth, we extended community television trials in Adelaide and Perth for a further six-month period from 1 July 2017 to 31 December 2017.

Radiocommunications licensing

Apparatus licensing

In 2016–17, the ACMA allocated 99 per cent of new apparatus licences within 90 days, exceeding the target of 90 per cent.

New and renewed licences

In the reporting period, 14,984 new apparatus licences were issued, compared with 14,511 apparatus licences issued in 2015–16.

Also during 2016–17, 153,308 licences were renewed. The total number of apparatus licences is 160,234, an increase on the previous year (see Table 3.12).

Table 3.12: Apparatus licences, 2014–15 to 2016–17

Licence type	30 June 2015	30 June 2016*	30 June 2017
Aeronautical	2,294	2,217	2,298
Aircraft	11	12	11
Amateur	15,293	15,129	15,144
Broadcasting	8,440	8,195	8,360
Defence	78	78	78
Earth	696	594	635
Earth receive	673	570	589
Fixed	43,382	42,470	42,868
Fixed receive	1,011	1,004	996
Land mobile	71,169	71,198	72,154
Major coast receive	17	17	17
Maritime coast	3,432	3,325	3,346
Maritime ship	7,057	6,557	6,261
Outpost	3,413	3,041	2,861
PTS	574	369	658
Radiodetermination	3,165	3,139	3,222
Scientific	694	384	391
Space	83	100	88
Space receive	255	264	257
Total	**161,737**	**158,663**	**160,234**

**Apparatus licence numbers for 30 June 2016 have been updated to correct a processing error that affected the numbers previously reported for that year.*

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.

The ACMA held allocation exercises in August 2016, November 2016 and May 2017.

During the reporting period, we allocated an additional 108 LPON licences and raised revenue of $51,027.

Spectrum licensing

Expiring spectrum licences

The ACMA has completed the reissue process for spectrum licences in the 2 GHz band, which concludes the current spectrum licence reissue program.

Table 3.13 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 3.13: 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)^
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)	Reissued	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.*
^GSM-R is a system based on the GSM standard that provides communication and control for railway traffic and signals.

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*, page 67.

Telecommunications licensing

Carrier licensing

The ACMA granted 33 carrier licences in 2016–17, all within the statutory 20-day time frame. This compares with 31 licences issued in 2015–16. Four carrier licences were surrendered and three were cancelled as a consequence of the corporation holding the licences being deregistered by the Australian Securities and Investments Commission. As at 30 June 2017, there were 276 licensed carriers in Australia.

We issued eight nominated carrier declarations and revoked two. As at 30 June 2017, there were 90 nominated carrier declarations in force. We also issued six trial certificates during 2016–17, compared with four in the previous reporting period.

Carriers' powers and immunities

In 2016–17, the ACMA responded to 63 enquiries and received three complaints from local councils, carriers, solicitors, landowners or members of the public about matters related to carriers' powers to enter land and install facilities (covered by Schedule 3 to the Telecommunications Act and the Telecommunications Code of Practice 1997). We completed one preliminary assessment about an alleged contravention of the code and one investigation into an alleged contravention of Schedule 3, finding no breaches had occurred. One further preliminary assessment will continue into 2017–18.

Table 3.14: Carriers' powers and immunities—enquiries and complaints received by the ACMA, 30 June 2013 to 30 June 2017

	2012–13	2013–14	2014–15	2015–16	2016–17
Enquiries	75	72	25	17	63
Complaints	1	0	0	1	3
Total	**76**	**72**	**25**	**18**	**66**

Mobile phone base station deployment

The planning and installation of mobile phone radiocommunications infrastructure is subject to industry code C564:2011 *Mobile Phone Base Station Deployment*.

Under the 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, we may decide to investigate the matter, make preliminary enquiries of the respondent and/or carrier to decide whether to investigate the matter or decide not to investigate the matter.

We have the power to issue formal warnings and directions to carriers to comply with the code. We do not have the power to direct a carrier to remove or relocate its facility.

In 2016–17, we responded to 35 enquiries and received 12 objections under the industry code. Over the same period, we concluded six preliminary assessments. While no breaches were found, we raised a number of potential process improvements with carriers and the Mobile Carriers Forum. A further six preliminary assessments will continue into 2017–18.

Table 3.15: Industry code enquiries and objections received by the ACMA, 30 June 2013 to 30 June 2017

	2012–13	2013–14	2014–15	2015–16	2016–17
Enquiries	25	23	29	10	35
Objections	3	2	0	48	12
Total	**28**	**25**	**29**	**58**	**47**

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.

At the end of the reporting period, one request for an additional submarine cable protection zone was under consideration.

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 2016–17, we:

> Granted one non-protection zone (NPZ) permit for the installation of a submarine cable located off the north-west coast of Australia. The cable will provide additional connectivity for oil and gas extraction and processing operations nearby.

> Granted one submarine cable protection zone (PZ) installation permit for installation of a new international cable to connect Australia and the United States, with landings proposed in New Zealand, New Caledonia and American Samoa.

> Approved four separate requests to extend the duration of existing PZ and NPZ installation permits for an international cable between Perth (via the Perth PZ) and Singapore. In addition to delays in finalising international regulatory approvals, recent changes to the ownership arrangements of the cable operator necessitated these requests for extension.

> Approved two PZ installation permit extension requests for separate proposals to install international cables between Perth (via the Perth PZ), Indonesia and Singapore.

> Approved two other PZ installation permit extension requests for a proposal to install a cable landing in Sydney via the Southern Sydney PZ. The cable operator is revising plans for this cable to include installation of another cable to connect Sydney with Perth via Australia's southern coastline.

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. APs now undertake the majority of frequency assignment activity for the Australian radiocommunications sector.

In 2016–17, APs registered 143,624 devices operated under spectrum licences, and the total number of APs increased from 55 to 64 (see Table 3.16) with the accreditation of nine new APs. With the percentage of assignment activity performed by APs continuing to grow—increasing by one per cent in 2016–17 (see Table 3.17)—the AP scheme is considered to be operating effectively.

Table 3.16: Number of APs, 30 June 2013 to 30 June 2017

30 June 2013	30 June 2014	30 June 2015	30 June 2016	30 June 2017
39	41	47	55	64

Table 3.17: Assignments registered, 2012–13 to 2016–17

	2012–13	2013–14	2014–15	2015–16	2016–17
Frequency assignments registered by APs	19,040 80%	20,230 83%	23,733 88%	19,478 96%	24,965 97%
Frequency assignments performed by the ACMA	4,627 20%	4,198 17%	3,275 12%	734 4%	711 3%

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 3.18 shows activity levels for the AMC's last two financial years (January–December).

Table 3.18: Marine radio operator certification and examination services—activity levels, 2015 and 2016

	2015	2016
Total applications received		
Long Range Operator Certificate of Proficiency (previously known as the Marine Radio Operators Certificate of Proficiency)	3,532	3,460
Short Range Operator Certificate of Proficiency (previously known as the Marine Radio Operators VHF Certificate of Proficiency)	1,795	1,687
Marine Satellite Communications Certificate	22	57
Total handbook sales		
Marine Radio Operators Handbooks	2,770	2,349
Marine Radio Operators VHF Handbooks	2,208	2,065

Source: Office of Maritime Communications Annual Performance Report, 1 January to 31 December 2016.
Note: A transcription error was identified in the 2015 figures for the Marine Radio Operators Certificate of Proficiency and Marine Radio Operators VHF Certificate of Proficiency. For this reason, the figures differ slightly from the ACMA Annual report 2015–16.

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 2016–17, the WIA conducted 1,039 amateur examinations. Table 3.19 shows the number of amateur certificates of proficiency issued based on the results of these examinations.

The WIA also made 1,018 recommendations on call sign allocation. The ACMA allocated 857 call signs based on these recommendations and approved 57 call sign changes.

Table 3.19: Amateur certificates of proficiency issued, 2015–16 and 2016–17

Certificate level	Certificates issued	
	2015–16	2016–17
Foundation	397	312
Standard	125	88
Advanced	115	86
Total	**637**	**486**

Source: Wireless Institute of Australia Annual Performance Report, June 2017.

Consumer safeguards, education and information

This section reflects the ACMA's performance against key deliverables for PBS program 1.2 and corporate plan KRA 2 targets.

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 2016–17 included:

> Implementing a priorities-focused program for our telecommunications consumer protection compliance and education activities.

> Completing 97 per cent of telecommunications investigations relating to the Telecommunications Consumer Protections Code (TCP Code) within the target time frame of six months. The average time for completing these investigations was 3.4 months. One complex case took longer than six months to complete.

> Conducting a tracking survey on the effectiveness of changes to the TCP Code and other outcomes of the ACMA's *Reconnecting the Customer* inquiry.

> Releasing a consumer guide on unexpected mobile content charges.

> Providing submissions to the Productivity Commission's review of the Universal Service Obligation (USO), the DoCA review of consumer representation in the telecommunications industry and an independent review of the Telecommunications Industry Ombudsman (TIO).

TCP Code

The TCP Code provides safeguards for consumers of telecommunications services and products in the following areas:

> provision of information to consumers, advertising, selling practices, contracting with consumers, dealing with consumers with different needs and customer service

> billing

> credit and debt management

> changing suppliers

> complaints-handling.

The ACMA proactively encourages and monitors telecommunications providers' compliance with the TCP Code. We also commission consumer research to assess the effectiveness of specific consumer protection provisions of the TCP Code.

We initiate preliminary inquiries to assess whether it is likely a particular provider is non-compliant with certain provisions of the TCP Code. In some cases, where potential breaches of the code are identified, we give providers an opportunity to promptly address our concerns and minimise ongoing consumer detriment. The ACMA may commence a formal investigation under Part 26 of the Telecommunications Act and take enforcement action where there are indications of significant consumer detriment, systemic non-compliance or a resistance by the provider to comply.

During the reporting period, the main focus areas of our compliance and enforcement activities were complaints-handling practices, new requirements for compliance registration and attestation, advertising, critical information summaries and unauthorised customer transfers.

The key TCP Code-related compliance activities undertaken in 2016–17 are set out below.

Inquiries and investigations about TCP Code compliance

In 2016–17, we initiated 122 preliminary inquiries into provider compliance with the TCP Code and concluded 36 investigations into non-compliance. Details of the type and outcome of investigations about compliance with the TCP Code are at Appendix 5.

TCP Code compliance registration and attestations

A variation to TCP Code compliance and monitoring requirements in March 2016 introduced the requirement for providers to register with Communications Alliance, an industry body representing the Australian telecommunications industry. The registration was required to be made by May 2016, or one month after a provider first acquired customers.

In 2016–17, we issued two formal warnings and five directions to providers for failing to register with Communications Alliance.

The variation also introduced new requirements for submission of compliance attestations to Communications Compliance Ltd. Smaller providers (those with fewer than 3,000 services in operation) were required either to lodge their attestations by 29 April 2016 or submit a notice deferring lodgement to 1 September 2016. Larger providers were required to lodge their compliance attestations on this latter date.

During the reporting period, we issued six directions and 14 formal warnings to providers who failed to lodge compliance attestations.

Advertising

In 2016–17, we assessed 27 advertisements for telecommunications offers from 23 providers for compliance with the advertising provisions of the TCP Code. We found 67 per cent of the advertisements complied with the TCP Code.

We initiated preliminary inquiries into the advertising practices of nine providers; engagement with these providers to ensure compliance with the TCP Code will continue into 2017–18.

Critical information summaries

In 2016–17, we assessed 111 offers from 79 providers in a review of critical information summaries (CISs) for telecommunications offers. The review focused mainly on NBN telecommunications offers due to the significant growth in the number of new providers in this market sector and the acceleration of the NBN rollout.[2]

Of these providers, 61 per cent appeared to have compliant CISs. No CIS appeared to be available for four per cent of telecommunications offers. See Table 3.20 for the results of this assessment and a similar assessment in 2015–16.

We initiated 43 preliminary inquiries into providers whose compliance with CIS requirements was in doubt. Additionally, we conducted investigations into two providers, ultimately directing them to comply with the TCP Code's CIS requirements.

[2] These related to providers retailing NBN services, not to NBN Co Limited itself.

Table 3.20: CIS annual comparisons, 2015–16 and 2016–17

	2015–16	2016–17
Number of providers assessed	47	79
Number of offers assessed	92	111
CIS immediately compliant	75%	61%
CIS contains some content or formatting deficiencies	23%	35%
No CIS available	2%	4%

Complaints-handling

In 2016–17, we began 18 preliminary inquiries into the complaints-handling practices of providers selling NBN and mobile services. Three providers were further investigated for potential non-compliance with the complaints-handling requirements of the TCP Code. Following a finding that one of the providers had breached code provisions for complaints management and record-keeping, we directed it to comply with the relevant code provisions. Two investigations will continue into 2017–18.

Customer transfer

In 2016–17, we began one investigation into a provider's compliance with the customer transfer provisions of the TCP Code. The investigation will continue into 2017–18.

Billing

In 2016–17, we initiated one preliminary inquiry into the billing practices of a provider for an inappropriate reference to the ACMA imposing a fee.

A further investigation was initiated into the direct debit arrangements of another provider. This investigation will continue into 2017–18.

Provision of information for consumers

In 2016–17, we initiated two preliminary inquiries into the provision of consumer information by providers. Under the TCP Code, a provider must ensure that any information provided or made available to a consumer is clear, accurate, free of material omission, relevant, current and timely.

The preliminary inquiries related to the provision of information on mobile outages and the cessation of existing internet service for migration to the NBN.

Review into financial hardship provisions in the TCP Code

The ACMA worked with Communications Alliance to implement recommendation 108 from the Victorian Royal Commission into Family Violence. The Commission recommended enhancements to the TCP Code to facilitate better access to financial hardship programs for victims of domestic violence. To support this work, we have liaised with other sectors to which similar recommendations by the Royal Commission apply, in order to share approaches to implementation.

In June 2017, Communications Alliance began a process to vary the TCP Code to address elements of the Royal Commission's recommendation.

Mobile premium services

The Mobile Premium Services Code (MPS Code) gives consumers using mobile premium services protections on informed purchasing, billing information and complaints-handling.

During the reporting period, Communications Alliance began a review of the MPS Code. Proposed changes include additional flexibility for providers in their handling of complaints. As at 30 June 2017, a public consultation on the proposed MPS Code changes was underway.

In 2016–17, we conducted a review of the register of content providers and aggregators supplying mobile premium services to ensure the data kept in the register is accurate and complete. We are working with Communications Alliance to improve register maintenance so that up-to-date information about premium SMS short codes is available to consumers on the 19SMS website.

International Mobile Roaming Standard

To help minimise bill shock from international roaming, the International Mobile Roaming (IMR) Standard requires providers to give consumers information about roaming costs when overseas and allow them to opt out of roaming services. It also requires providers to offer their customers spend management tools to help them manage expenditure while travelling overseas.

During the reporting period, we worked with a major mobile provider to improve its IMR activation messaging to customers, in order to achieve compliance with new requirements introduced to the IMR Standard in May 2016.

TIO scheme

Telecommunications consumer safeguards require that carriers and eligible CSPs join and comply with the TIO scheme under the TCPSS Act. The TIO 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 ensuring industry compliance with the TIO scheme.

TIO scheme membership

In 2016–17, the TIO referred four companies to the ACMA for failing to join the TIO scheme. Our inquiries resulted in three companies joining the TIO scheme. An investigation into the fourth company will continue in 2017–18.

Additionally, after further investigation into a referral received from the TIO in 2014–15, we concluded that particular company was not required to join the TIO scheme.

TIO scheme compliance

In 2016–17, we received two referrals from the TIO for non-compliance with the TIO scheme.

We issued a direction to one provider to comply with section 132 of the TCPSS Act, under which it must comply with a decision issued by the TIO. The direction was reaffirmed by the ACMA after the provider sought a reconsideration of the direction. Consideration of one referral will continue in 2017–18.

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. During the reporting period, we received three applications from suppliers requesting such an exemption; in July 2016 and March 2017, two of these applications were granted. A register of providers granted exemptions in previous years is available on the ACMA website. The third application was not granted and the supplier subsequently joined the TIO scheme.

Universal service obligation

The USO is specified in Part 2 of the TCPSS Act. It requires Telstra, as the Primary Universal Service Provider, 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 the ACMA does not directly monitor USO delivery, we do monitor related aspects of compliance with the USO regime through the Customer Service Guarantee (CSG) and Payphone Performance Benchmarks, and report on these matters in our annual communications report. See *Payphone performance* and *Customer Service Guarantee* below.

USO review

During the reporting period, we provided two submissions to the Productivity Commission's review into the future requirements for USO in an evolving telecommunications market.

The first submission outlined our role in the existing USO regime, highlighted relevant research and proposed a set of design principles to assist the Productivity Commission's considerations. The second submission focused on the provision of voice in the satellite footprint, transitional issues and considerations for a new consumer safeguards framework.

The Productivity Commission's final report on the USO was tabled in parliament on 19 June 2017.

Payphone performance

In October 2016, we completed our assessment of Telstra's compliance against the Telecommunications Universal Service Obligation (Payphone Performance Benchmarks) Instrument (No. 1) 2011 for the period 1 July 2015 to 30 June 2016. We determined that Telstra met the required benchmarks.

Customer Service Guarantee

In October 2016, we completed our assessment of the compliance of qualifying CSPs against the Telecommunications (Customer Service Guarantee – Retail Performance Benchmarks) Instrument (No. 1) 2011 and Telecommunications (Customer Service Guarantee) Record-Keeping Rules 2011. The benchmarks and record-keeping rules applied to Telstra, Optus, iiNet and Dodo for the 2015–16 period. Each of 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 285 in 2015–16 to 268 in 2016–17 (see Table 3.21). The impact of each exemption depends on the particular circumstances, varying in duration and the number of services affected.

Table 3.21: Mass service disruption notices, by carrier/CSP

Carrier	No. of notices 2015–16	No. of notices 2016–17
Telstra	60	59
iiNet	58	50
Optus	60	59
M2 Group*	50	58
Foxtel	57	42
Total	**285**	**268**

**M2 Group Ltd exemption notifications include iPrimus, Dodo, Commander, Eftel, aaNet, ClubTelco and engin exemptions. In February 2016, M2 Group Ltd merged with Vocus Communications Limited and assumed the Vocus name while keeping the customer-facing brands of Dodo, Commander, engin and iPrimus.*

Network Reliability Framework

Under the Network Reliability Framework (NRF), Telstra must give the ACMA 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 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 2016–17 and granted three 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 2016–17, Telstra reported 2,327 Level 3 contraventions, for which we approved all submitted remediation plans.

In 2016–17, we agreed to exercise regulatory forbearance in circumstances where Telstra was unable to meet its level 2 and 3 obligations because its network assets had been transferred to NBN Co. This is contingent on Telstra meeting certain conditions and will be reviewed at the beginning of 2017–18.

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 20 complaints about priority assistance in 2016–17, all of which were resolved through communication with the complainants and Telstra.

Promoting consumer awareness and industry education

The ACMA conducts awareness-raising activities to help consumers better understand the safeguards and risks associated with particular communications services or applications.

We also undertake educational activities to promote industry compliance with telecommunications regulations. This may involve contacting individual providers to draw their attention to regulatory requirements or to address specific compliance concerns especially for new providers. At a broader level, we advise industry of the outcomes of our compliance monitoring activities and investigations, alert providers to new regulatory requirements, and provide general industry guidance.

In this reporting period, our focus education areas were direct carrier billing (a practice that allows content bought via a mobile device to be billed to the associated mobile account), the TCP Code, and outages and service disruptions. In accordance with these focus areas, we published information for consumers on:

> avoiding unexpected mobile content charges

> transferring between providers

> dealing with mobile network outages.

We also published information for industry on newly introduced obligations under the TCP Code.

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 telecommunications issues that affect consumers.

During the reporting period, consumer representatives joined regulators and industry bodies at two meetings, in November 2016 and May 2017, to discuss topics including:

> consumers' experience when migrating to the NBN, including concerns with NBN satellite services

> third-party charges on telecommunications bills

> the impact of inequitable access to telecommunications services in rural, regional and remote Australia

> telemarketing and other unsolicited communications matters

> the emergence of 5G mobile services.

Membership of the CCF is listed in Appendix 1.

Unsolicited communications

The ACMA is responsible for a suite of unsolicited communications safeguards, including providing the Do Not Call Register, and promoting industry compliance with the *Do Not Call Register Act 2006* (DNCR Act), Telecommunications (Telemarketing and Research Calls) Industry Standard 2017 (Telemarketing Industry Standard), Fax Marketing Industry Standard 2011 (Fax Marketing Industry Standard) and *Spam Act 2003* (Spam Act).

The DNCR Act, Spam Act and industry standards place obligations on businesses and other entities that conduct telemarketing, e-marketing and fax marketing activities for commercial purposes. The Telemarketing Industry Standard also places obligations on entities conducting research by telephone. Our focus is on fostering industry compliance with these obligations, and providing education and raising awareness to enable citizens and industry to protect themselves from harms.

We seek to achieve this through a range of compliance, enforcement and education activities. We receive complaints and reports about telemarketing, fax marketing and spam from citizens and intelligence from industry. Intelligence is assessed to determine the risk and seriousness of consumer harm, and the type of intervention required.

We also undertake ongoing stakeholder engagement and international liaison and cooperation.

Key highlights for 2016–17 include:

> Remaking the Telemarketing Industry Standard—the new Telecommunications (Telemarketing and Research Calls) Industry Standard 2017 contains enhanced consumer protections on the information that must be provided to call recipients at the beginning of telemarketing calls and what information must be provided if consumers call telemarketers back.

> Exceeding the target for the Do Not Call Register to be available to citizens and industry for more than 99.5 per cent of its scheduled operating hours.

> Dealing with 99 per cent of spam and 98 per cent of telemarketing complaints within 15 days—exceeding our target of 90 per cent, in an environment where spam complaints and reports increased by 59 per cent, and telemarketing complaints by 23 per cent.

> Issuing 5,049 compliance warnings to identified Australian entities engaging in potentially non-compliant marketing activity (a 23 per cent increase on the 4,103 issued last year). We also engaged in direct escalated engagement with 521 entities in response to compliance warnings.

> Receiving no further consumer complaints about non-compliance for 71 per cent of the businesses issued with a compliance warning.

> Targeting our formal regulatory interventions at areas of potentially serious non-compliance—finalising five investigations that resulted in enforcement outcomes including issuing one formal warning and one infringement notice. We also began eight investigations.

> Entering into a Memorandum of Understanding (MoU) with the Canadian Radio-television and Telecommunications Commission to facilitate sharing of compliance and investigation intelligence.

Do Not Call Register

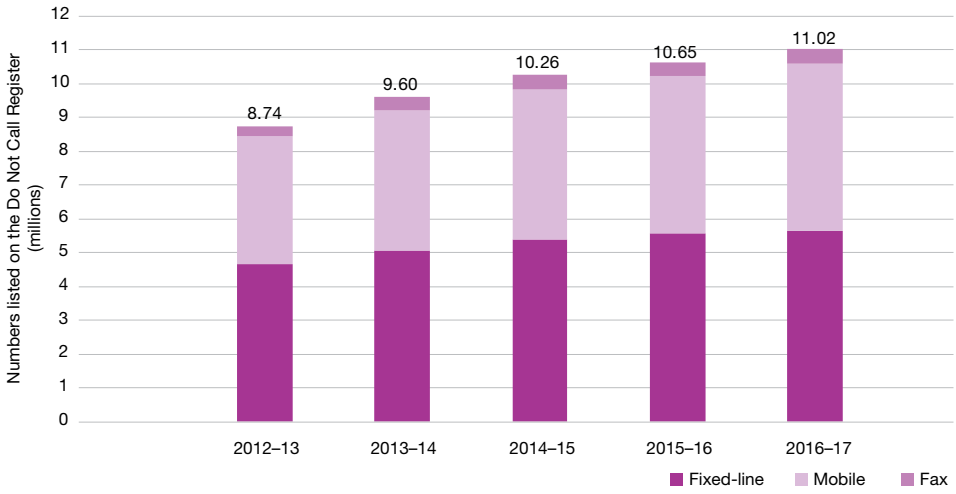
The Do Not Call Register is operated under contract by Salmat Digital Pty Ltd. The register provides easy-to-use channels for consumers to register, check or remove their numbers, while also providing self-service options for marketers to efficiently access the number-checking ('washing') service and their accounts.

During 2016–17, Salmat met its contractual obligations. Specifically, the register, washing service and contact centre were all available for more than the required 99.5 per cent of scheduled operating hours.

At 30 June 2017, there were 11.02 million numbers on the register. This comprised 5.65 million fixed-line numbers, 4.94 million mobile numbers and 426,000 fax numbers (see Figure 3.2).

In 2016–17, 375,994 fixed-line, mobile and fax numbers were added to the register. Of this increase in registrations, 76.9 per cent were mobile numbers. Nearly 840 million numbers were washed against the register by 1,022 marketers.

Figure 3.2: Fixed-line, mobile and fax numbers listed on the Do Not Call Register, 2012–13 to 2016–17



Unsolicited communications complaints

Citizens can make complaints to the ACMA about calls, faxes, emails and SMS they receive that might contravene the legislation.

Multiple channels are provided for the public to make complaints and seek information about protections, as well as for businesses to find out and engage with us about their compliance obligations. These include phone, online, email or letter.

Citizens are also encouraged to report email and SMS to the ACMA for intelligence purposes.

All complaints and reports to the ACMA about alleged non-compliance are important as they are used to identify emerging trends and/or threats, and to determine applicable compliance actions and interventions.

In 2016–17, consumers made:

> 28,259 complaints to us about unsolicited telemarketing and fax marketing (a 23 per cent increase on last year). Of these complaints, 98 per cent were actioned within 15 days, exceeding the performance target.

> 849,928 complaints and reports to us about spam received (a 59 per cent increase on last year). Of the actioned complaints, 99 per cent were completed within 15 business days, exceeding the performance target.

In response to this increase in complaints and reports, in 2017–18 we will be implementing a range of new activities, including adopting priority compliance areas for regulatory focus, and undertaking new education and awareness-raising initiatives.

Table 3.22: Complaints and reports about unsolicited communications, 2015–16 and 2016–17

Activity	2015–16	2016–17
Email and SMS complaints	1,737	2,389
Email and SMS reports	532,210	847,539
Total Spam Act	**533,947**	**849,928**
Telemarketing complaints	23,014	28,197
Fax marketing complaints	45	62
Total DNCR Act and related industry standards	**23,059**	**28,259**

Unsolicited communications compliance, enforcement and education

The ACMA adopts a graduated and strategic risk-based approach to unsolicited communications compliance and enforcement. Most identified cases of potential non-compliance are addressed without the need for formal interventions such as investigation.

Where intelligence from complaints and reports indicates that an entity may have breached the DNCR Act, Spam Act or relevant industry standards, we make direct contact with them in the first instance, issuing a compliance warning to alert them to any potential issues and providing an opportunity for voluntary compliance.

In 2016–17, we issued 5,049 compliance warnings about potential breaches of the spam and telemarketing safeguards (2,769 for the Spam Act, and 2,280 for the DNCR Act and related industry standards). Additionally, 521 businesses initiated contact with us to confirm their compliance obligations in response to warnings received, while we received no further complaints about non-compliance for 71 per cent of the businesses issued with a compliance warning.

Should we have reason to suspect any non-compliance is systemic, widespread and/or involves serious harm, more formal interventions may be considered, including making preliminary inquiries or conducting an investigation under Part 26 of the Telecommunications Act.

Table 3.23: Risk-based graduated compliance activities and enforcement outcomes, 2015–16 and 2016–17

Activity	2015–16	2016–17
Spam compliance warnings	2,412	2,769
Telemarketing compliance warnings	1,691	2,280
Investigations commenced	12	8
Investigations finalised	13	5
Formal warnings	3	1
Enforceable undertakings	1	0
Infringement notices	3	1
Federal Court proceedings	1	0

During 2016–17, we finalised five investigations under Part 26 of the Telecommunications Act. Two of these investigations raised complex issues relating to affiliate marketing networks and arrangements. The investigations resulted in the issuing of two infringement notices and helped to set compliance expectations for various participants using affiliate networks.

Education and awareness-raising activities

In 2016–17, we engaged in a range of targeted educational and stakeholder activities, to help businesses meet their compliance obligations and consumers protect themselves. This included:

> undertaking a comprehensive consumer-focused social media campaign on the register and telemarketing safeguards, to coincide with the remaking of the Telemarketing Industry Standard

> providing compliance information on the Telemarketing Industry Standard to 54,000 registered charities via the Australian Charities and Not-for-profits Commission

> updating consumer protection and compliance information on the ACMA and Do Not Call Register websites

> contacting 2,939 organisations that were the subject of consumer complaints to help them improve their compliance

> issuing 15 consumer scam alerts, one of which reached more than 810,000 social media users

> publishing three blogs on issues that are the subject of complaints and investigations, to educate and encourage businesses engaging in telemarketing and emarketing to comply.

Industry and consumer alerts

We receive reports of email and SMS spam from a number of different sources into our Spam Intelligence Database (SID), which helps us administer our compliance responsibilities under the Spam Act. This data is also used to identify scam 'phishing' activities—the use of electronic messages to acquire personal or financial information from users through impersonation of often well-known organisations. Common targets of phishing activity are government agencies (such as the Australian Taxation Office, the Australian Federal Police and Australia Post), financial institutions and major brands.

We completed a major rebuild and enhancement of the SID in 2016–17 to facilitate more efficient administration of the Spam Act and to more rapidly identify phishing scams. As a consequence of the enhancements, we anticipate more automation of previously manual processes to underpin compliance work, as well as a greater ability to provide meaningful data to other government agencies and business. Necessary risk mitigation during the enhancement process saw a reduction in the number of phishing alerts issued compared to 2015–16.

In 2016–17, a monthly average of 1,333 phishing notifications was sent to industry and government partners, with the following trends noted:

> fewer reported phishing attacks directly targeting major Australian financial institutions from October 2016 to June 2017

> increasing use of SMS communications for phishing campaigns, often supported by fake replications of mobile banking websites and other sophisticated online forms.

During the year, we issued a number of consumer alerts through social media channels, warning about emerging phishing scams involving the use of well-known companies or brands, with the potential for widespread harm. The most successful of these alerts reached over 810,000 social media users.

International cooperation

Recognising that unsolicited communications do not respect national borders and can originate anywhere, we actively pursue international cooperation. We engage with members of the Unsolicited Communications Enforcement Network (UCENet—formerly known as the London Action Plan) to exchange and share information about market intelligence and regulatory best practice. We provide the ACMA-developed SID and associated expertise to key overseas regulators as well as logistical support to UCENet.

We are signatories to a multilateral MoU with members of UCENet, the pre-eminent international network of regulatory and enforcement authorities. In May 2017, we signed an MoU with the Canadian Radio-television and Telecommunications Commission (CRTC).

We expect our continuing focus on building international relationships to further facilitate the exchange of information to enhance compliance and enforcement outcomes.

Broadcasting safeguards

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

Key highlights for 2016–17 include:

> The *Australian content conversation*—a two-day conference held in conjunction with DoCA and Screen Australia in May 2017. Opened by the minister, it was a dynamic forum focused on Australian content, the changing ways people access and engage with content, and the effect of government interventions on screen industries. Attendees included content regulators from Australia and abroad, academics, policy experts and representatives from all avenues of content production and distribution in Australia.

> The conference followed the government's announcement on 6 May 2017 of a review of Australian and children's screen content.

> Continued year-on-year improvement on investigation time frames—in 2016–17, the average time taken to complete broadcasting investigations was 1.3 months, down from 1.6 months in 2015–16 and 2.6 months in 2014–15. This year, 100 per cent of investigations were completed within six months, an improvement from 97.5 per cent in 2015–16 and 92.5 per cent in 2014–15.

> Leveraging off our *Contemporary community safeguards* inquiry, Commercial Radio Australia completed a review of the *Codes of Practice and Guidelines 2013* and submitted it to the ACMA. We registered the new code on 9 March 2017 and it came into effect on 15 March 2017. It contains robust community safeguards across a range of areas.

Ownership and control

We monitor and investigate 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 (Broadcasting Reform) Bill 2017:

> 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

> 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).

The Bill is currently under consideration.

Notifications of changes in control

Under the BSA, licensees, publishers and persons assuming control are obliged to notify the ACMA of changes in control of regulated media assets; namely, commercial radio broadcasting licences, commercial television broadcasting licences and associated newspapers. We maintain a public register of these notifications and an up-to-date public database of regulated media assets

and their controllers. These resources ensure that information about control of regulated media assets is available to members of the public.

In the reporting period, we received notifications about seven events that affected the control of media operations. This was fewer than in previous years. These notifications of change of control affected:

> 24 commercial television broadcasting licences

> 94 commercial radio broadcasting licences

> 12 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 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.

Prior approval

During the reporting period, we received no applications under section 67 for prior approval of breaches of the statutory control rules, or under section 61AJ or 61AMC for unacceptable media diversity situations or unacceptable three-way control situations.

Temporary breaches of the 'two to a market' statutory control rule for commercial radio licences and associated directorship limitations in the Sydney RA1 licence area, for which we had granted prior approval, were not rectified within the time specified in this prior approval. The breaches were resolved within four months of the end of the approval period via an asset sale conducted in accordance with an enforceable undertaking.

Broadcasting compliance

Code reviews

Commercial Radio Australia began a review of the Commercial Radio Codes of Practice and Guidelines 2013 during the last reporting period. We registered the new Commercial Radio Code of Practice 2017 on 9 March 2017 and it commenced on 15 March 2017.

Broadcasting investigations in 2016–17

The numbers of complaints and investigations into broadcasters' compliance with codes of practice, licence conditions and standards related to the BSA are provided in Table 3.24. Details of breach and non-breach findings by category of broadcasting service are in Appendix 4.

Table 3.24: Broadcasting complaints and investigations for commercial, national, subscription and community broadcasters, and datacasters, 2016–17

Written complaints and enquiries received	**1,028**
Written complaints and enquiries actioned within time frame of seven days	**99.5%**
Investigations completed*	**114**
Investigations resulting in breach findings^	64
Investigations of compliance with codes of practice	7
Investigations of compliance with BSA, licence conditions or standards	57
Investigations resulting in non-breach findings	50
Investigations of compliance with codes of practice	42
Investigations of compliance with BSA, licence conditions or standards	8
Investigations completed within time frame of three months	**107**
Investigations completed within time frame of six months	**114**
Average time for completion of investigations	**1.3 months**

**A total of 120 investigations were completed between 1 July 2016 and 30 June 2017, including six investigations that were concluded (withdrawn prior to decision).*
^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. 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 commence 120 investigations and declined to investigate 78 complaints. In 2015–16, we exercised our discretion to investigate 149 complaints and declined to investigate 65 complaints.

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.

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 causes additional obligations to apply to a regional commercial radio licence.[3] During the reporting period, there was one trigger event affecting two regional commercial radio licences; neither of those licences 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 2015–16 financial year from trigger event-affected licensees showed a high level of compliance with their local content plans. Of the 132 reports provided to the ACMA by trigger event-affected licensees, 128 reported compliance with their approved plans. Of the remaining four, two were resolved with no further action.

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. The investigations found that in both cases the licensee was not in breach of this requirement and no further action was taken.

Investigations—local news and information, and local presence

There were no complaints received by the ACMA 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

In the reporting period, we conducted no investigations into the anti-siphoning provisions.

We dealt with 10 complaints or enquiries about the availability of sports programs on free-to-air television.

Australian content

All metropolitan commercial television broadcasting licensees reported meeting primary channel (55 per cent) and non-primary channel (1,460 hours) transmission quotas for Australian content in 2016.

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 73 per cent local programming, the Nine Network an average of 72 per cent and Network Ten an average of 65 per cent.

In 2016, all three networks met the 1,460 hours quota for non-primary channels:

> Seven Network averaged 4,163 hours

> Nine Network averaged 2,365 hours

> Network Ten averaged 2,707 hours.

One regional licensee, Territory Television Pty Ltd, operated by the Nine Network in Darwin, failed to broadcast the minimum hours of Australian content on non-primary channels. The licensee agreed to broadcast an additional 207.5 hours in 2017 (the amount equal to its shortfall in 2016).

[3] 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.

Broadcasting Services (Australian Content) Standard 2016

During 2016–17, the ACMA investigated 23 regional licensees' compliance with the Broadcasting (Australian Content) Standard 2016.

We found the 23 regional licensees failed to provide minimum levels of first-release Australian content in the sub-quotas required by the standard. Ten licensees, operated by the WIN Network, were found to have not met the minimum 250 points of Australian drama in 2016, while 14 licensees operated by WIN and Southern Cross Austereo failed to broadcast adequate levels of children's (C) and C drama programs.

No further action was taken, as we were satisfied that non-compliance was attributable specifically to the changes in primary affiliation arrangements with metropolitan licensees that took effect from 1 July 2016. We were also satisfied that regional audiences were not affected by the change, as they received the same content as their metropolitan counterparts.

Children's Television Standards 2009

In 2016, 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 33.5 hours (26.5 hours in 2015)

> Nine Network licensees averaged 32 hours (32 hours in 2015)

> Network Ten licensees averaged 26.5 hours (26.5 hours in 2015).

Children's and preschool programs

During 2016–17, we assessed 34 applications for classification of children's and preschool (P) programs (see Table 3.25). One children's program was refused classification, as it did not satisfy four of the CTS criteria for the purpose of classification as a P program.

Thirty-three program assessments were completed within 60 days of us receiving a completed application.

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

Table 3.25: Children's and preschool program classification, 2015–16 and 2016–17

	2015–16		2016–17	
	Applications granted classification	Applications refused classification*	Applications granted classification	Applications refused classification*
Children's programs	7	0	9	0
Children's programs—drama	6	1	15	0
Provisional—children's	5	0	4	0
Provisional—preschool	1	0	1	1
Preschool programs	8**	0	4	0
Total	**27**	**1**	**33**	**1**

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 2015–16 information is available for this annual report.

For the 2015–16 compliance period, six licensees, five channel providers and two pass-through providers supplied 28 eligible drama channels.

All participants met their expenditure obligations for this period, reporting an expenditure on new eligible Australian drama of $51.23 million (aggregated). Of that amount, $15.44 million was nominated to acquit the expenditure shortfall for 2014–15.

Industry compliance results for the current and previous periods are shown in Table 3.26.

Table 3.26: NEDE scheme compliance, 2011–12 to 2015–16

	2011–12	2012–13	2013–14	2014–15	2015–16
	$million				
NEDE obligation	28.82	33.41	28.57	31.28	32.79
Expenditure on new eligible drama	24.38	13.70	36.81	36.43	51.23
Expenditure nominated to make up previous year's NEDE shortfall	6.81	6.41	25.76	18.06	15.44
Expenditure nominated towards current year's NEDE obligation	22.53	6.42	10.14	12.47	27.21
Remaining obligation to be acquitted in the following financial year	6.41	25.76	18.06	15.44	2.44

Captioning

Captions give people who are deaf or hearing-impaired access to television services. The annual compliance reports indicated a high level of compliance with the captioning target requirements during the 2015–16 reporting period:

> 92 out of 95 free-to-air commercial and national television broadcasting services each achieved between 99.86 per cent and 99.99 per cent captioning on their primary channels (6 am to midnight), compared to the 100 per cent captioning target for this period.

> The captioning shortfalls of 22 free-to-air services—approximately 1.7 hours per service—were disregarded as they were solely caused by significant unforeseen technical or engineering difficulties. However, the shortfalls of another 70 free-to-air services—approximately 1.5 hours per service per year—could not be disregarded for these reasons. Consequently, 70 free-to-air services breached the captioning target for 2015–16.

> The remaining three free-to-air services exceeded their reduced captioning target of 90 per cent each. These three services had target reduction orders in place for the year on the grounds of unjustifiable hardship.

> Approximately 99.4 per cent of subscription television services (651 out of 655) met their annual captioning target requirements. During the year, captioning services were provided on 449 subscription television services (or 94 distinct subscription television channels)—as the same channels provided by different licensees are treated as different services under the captioning legislation.

> Four subscription television services (involving four distinct channels) breached their captioning target because of administrative and procedural issues.

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

We have 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 2016–17, we approved 67 applications for exemption orders (for 67 separate subscription television services) and four applications for target reduction orders (for four separate subscription television services).

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 3.27: Exemption orders and target reduction orders, 2016–17

Application type	Approved	Refused	Financial year in which the ACMA received applications
Exemption order	67	0	2016–17
Target reduction order	4	0	2016–17

Statutory review of captioning rules

The ACMA was required, before 31 December 2016, to conduct a review of the captioning rules in the BSA. We received 24 submissions during the public consultation period and provided the report to the minister in April 2017. The report was tabled in parliament on 19 June 2017.

Cybersecurity

The ACMA's online security programs involve sharing information with private, public and not-for-profit sector partners to address risks and threats affecting citizens and business.

Australian Internet Security Initiative

The Australian Internet Security Initiative (AISI) is a voluntary public–private partnership whereby daily reports are sent to AISI members (principally ISPs) of malware infections and vulnerable services occurring on their networks.

During 2016–17:

> Fourteen new malware types/variants were added to AISI reports. For the first time, this included a significant number of reports of Mirai malware targeting IoT devices, peaking at 96,000 reports in December 2016. Mirai infect routers, webcams, printers and digital video recorders using weak or default passwords.

> The number of AISI partners remained at 146 at 30 June 2017—over 95 per cent of Australian residential internet services are estimated to be covered by these participants.

> An average of 169,005 vulnerable or open services was reported to AISI members per day.

> An average of 11,587 malware infections was reported per day.

> All malware infection reports were issued to partners within 24 hours of the ACMA receiving the underlying data.

> One new service vulnerability type was introduced and reported through the AISI.

In May 2017, the government recommended, as part of its Review of the ACMA, that the AISI be transferred to the AGD as part of the whole-of-government cybersecurity strategy. The recommendation was implemented in conjunction with the AGD and took effect at the end of the reporting year.

Interactive gambling complaints

The ACMA assists in administering the *Interactive Gambling Act 2001* (IGA), along with DoCA and the Australian Federal Police (AFP). Interactive gambling services are predominantly provided over the internet and operate in a global market. The IGA makes it an offence to provide or advertise certain interactive gambling services to Australians.

We investigate complaints about internet gambling content hosted outside Australia. If it is found to be prohibited, we refer the content to the AFP and notify accredited family-friendly filter providers.[4] We don't investigate complaints about internet gambling content hosted in Australia, but we may refer the complaint to the AFP.

In 2016–17, we received 283 complaints and enquiries about the IGA, and conducted:

> three investigations into overseas-hosted URLs—all resulted in breach findings and were notified to accredited family-friendly filter providers and the AFP

> three preliminary assessments of Australian-hosted URLs—none of which were referred to the AFP.[5]

One complaint dealt with prohibited internet gambling content hosted overseas that had been investigated in a previous financial year and referred to the AFP.

One investigation into an overseas-hosted URL referred to the AFP in the previous financial year resulted in a successful prosecution.

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. In the reporting period, we continued to 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 law enforcement agencies to improve the identity-checking arrangements for prepaid mobile services.

Key highlights in 2016–17 include:

> revising and making new regulatory arrangements to improve the effectiveness and efficiency of the identity-checking requirements for prepaid mobile services

> registering a new version of the Communications Alliance Handling of Life Threatening and Unwelcome Communications Code, which included specific rules for phone companies to follow when dealing with unwelcome calls made to helplines such as Lifeline

> holding two meetings of the Emergency Call Service Advisory Committee

> updating the rules that allow researchers and directory publishers access to limited information in the IPND.

---

[4] In accordance with the code of practice registered under the IGA.

[5] Under section 20(3)(a) of the IGA, the ACMA must not investigate a complaint about Australian-hosted content. However, we may, if we consider it warranted, refer the complaint to the AFP.

Supporting law enforcement and national security agencies

Reasonably necessary assistance

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.

During the reporting period, the AGD did not refer any carriers or CSPs to the ACMA for enforcement action for refusing to provide an agency with reasonably necessary assistance.

Lodgement of annual interception capability plan

Under sections 196 and 197 of the *Telecommunications (Interception and Access) Act 1979*, carriers and nominated CSPs must lodge an interception capability plan by 1 July each year with the Communications Access Co-ordinator (CAC) in the AGD.[6] The ACMA's role is to enforce this obligation.

During the reporting period, the AGD referred 10 carriers to us for enforcement action. Of these referrals:

> nine carriers submitted their interception capability plans to the CAC following our request that they comply with their legislative obligations

> the remaining carrier surrendered its carrier licence.

Data retention

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.

During the reporting period, the AGD referred three CSPs to us for enforcement action for failing to submit an amended data retention implementation plan to the AGD. Following contact from us, the three CSPs provided the amended plans as required.

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 CSP compliance with their IPND-related regulatory obligations to improve the quality, accuracy and completeness of IPND data.

In 2016–17, we pursued potential compliance issues with 20 CSPs, of whom 16 took steps to improve the quality of the customer data they provide to the IPND Manager. We are seeking further information from the remaining four CSPs. We also monitored enforceable undertakings given by three different CSPs to address non-compliance with IPND requirements under the Telecommunications Act. One of the enforceable undertakings ended in May 2017.

[6] Nominated CSPs are CSPs covered by a declaration in force under subsection 197(4) of the Telecommunications (Interception and Access) Act.

IPND scheme

The IPND scheme allows us to authorise access to the IPND for the purposes of conducting permitted research and publishing public number directories.

In March, we remade the IPND scheme and introduced new rules to allow researchers more efficient access to limited IPND information. Under the new rules, we can now also authorise a recognised research industry body to manage access to limited IPND information on behalf of its members, in controlled circumstances. Access to limited IPND information is only permissible for the purpose of research on health, electoral or government policy topics. No access is allowed for research with a primarily commercial purpose.

These initiatives were implemented following extensive consultation with industry to develop the new arrangements.

Identity-checking requirements for prepaid mobile phone services

The regulatory arrangements for identity checks for prepaid mobile services were established to inhibit the use of anonymous prepaid mobile services, so that law enforcement and national security agencies could gain accurate information and evidence about users, should they need to do so.

In April 2017, we revised the Telecommunications (Service Provider – Identity Checks for Prepaid Mobile Carriage Services) Determination to enable mobile providers to more efficiently meet the identity-checking requirements for prepaid mobile services. The determination includes new rules that:

> make it simpler for mobile providers to supply prepaid mobile services to people in emergency situations who are unable to return home due to natural disasters or family violence

> increase the range of credit cards that can be used for identity verification.

The new determination protects the privacy of individuals by requiring that mobile providers only obtain the minimum amount of information reasonably necessary to verify identity.

It follows an ACMA review of the regulatory arrangements and implements recommendations of the associated working group, which included government and industry representatives.

In 2016–17, we raised compliance issues with four CSPs. This included requesting information on the systems and processes they have in place for checking identity at the time of sale. As a result, all four CSPs have implemented or are implementing some modifications to their processes. One investigation under Part 26 of the Act will continue into 2017–18.

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. We can grant an exemption from the obligation to provide interception capability if, after consulting with interception agencies, we are satisfied this exemption is unlikely to create a risk to national security or law enforcement.

There was one exemption granted during 2016–17 relating to a program of trial services.

Emergency call service

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

> Telstra, for the emergency service numbers 000 and 112

> the National Relay Service provider, Australian Communication Exchange Limited, for the emergency service number 106, used by people who are deaf or have a hearing or speech impairment and who use a Teletypewriter (TTY).

Emergency Call Service Advisory Committee

We convene 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 twice in 2016–17 and provided advice on a range of matters. Details of ECSAC members are provided at Appendix 1.

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 about the appropriate use of Triple Zero. In 2016–17, there were 53,820 games played and 20,985 downloads of the app version of the game.

Emergency+ app

The Triple Zero Awareness Work Group has released versions of the Emergency+ app in Android, iOS and Windows. 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 2016–17, there were 273,559 downloads of the Emergency+ app.

Complaints and investigations about the Triple Zero service

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

New Handling of Life Threatening and Unwelcome Communications (HLTUC) Code registered

On 23 February 2017, we registered a new HLTUC Code in response to a recognition that phone companies need specific rules when dealing with unwelcome calls made to helplines. Under the new rules, phone companies will be able to suspend services to people who repeatedly make unwelcome calls—whether offensive, harassing or simply a nuisance—to helplines such as Lifeline.

Corporate support activities

This section reflects the ACMA's performance against supporting activities for key deliverables for PBS program 1.1 and 1.2, and corporate plan KRA 3 targets.

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.

Our communications with the public and stakeholders on how we deliver business processes for industry and undertake regulatory design and administration are open, responsive and transparent. We continue to invest in the capability and performance of our workforce, and the underlying infrastructure and systems that support our regulatory administration.

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 2016–17 for employee learning and development was $516,794, which 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.

We offered skill-building online resources to support staff in learning on-the-job to achieve business outcomes. To enhance collaboration and knowledge-sharing, we also introduced a new series of short interactive learning experiences called 'learning cafes'. In these sessions, staff discussed aspects of our core capabilities to learn from each other's experiences. Staff also attended a series of workshops on performance and development.

The ACMA *Corporate plan 2016–17* was released in August 2016 and covers a four-year period. It identifies our 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 2016–17 plan is available on the ACMA website.

Our fraud control arrangements form part of the Risk Management Framework and are an important component of maintaining a risk management culture. We have appropriate fraud prevention, detection, investigation, reporting, and data collection procedures and processes in place.

During 2016–17, there were two attempted incidents of external fraud. The control framework detected both incidents, which were reported to the Audit Committee for review.

In response, we initiated a full review of the Fraud Control Plan and fraud risk assessment. A new Fraud Control Plan will come into effect in 2017–18.

See also *Part 3—Management and accountability*.

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 complaints procedures. It also reflects our commitment to providing efficient, effective and relevant services delivered in an environment of mutual respect. See Table 3.28 for a summary of client service complaints and compliments during the reporting period.

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

Table 3.28: Summary of client service complaints and compliments, 2016–17

Description	Total no. of complaints*	Total no. of compliments
Courtesy and respect	0	1
Service delivery	11	21
Response time	1	7
Accessible information	0	0

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

Customer Service Centre

Our single-point-of-contact Customer Service Centre (CSC) has streamlined processes for stakeholders interacting with the ACMA. Since its establishment in 2014, 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 4,251 interactions each month, including licensing and allocation enquiries and applications. Of these, an average of 96 per cent are resolved within three working days.

In February 2017, 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 three months, and found that:

- More than half of respondents contacted the CSC about licensing (60 per cent); this was consistent across both private citizens (56 per cent) and organisations (66 per cent).
- Satisfaction levels were higher than in 2015–16:
  - licensing enquiries experienced high satisfaction levels of 87 per cent (81 per cent in 2015–16)
  - overall, 80 per cent of respondents were satisfied with the CSC and 13 per cent were dissatisfied (70 per cent satisfied and 20 per cent dissatisfied in 2015–16)
  - those who contacted the CSC by phone had higher levels of satisfaction (86 per cent) than those using other methods (80 per cent in 2015–16).
- 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.

Stakeholder survey

In 2016–17, we commissioned an external research agency to survey senior-level stakeholders on their level of engagement and satisfaction with the ACMA's performance. The results will be available in August 2017.

External stakeholder engagement

In 2016–17, our approach to media and communications continued to reflect the diverse needs of our stakeholders. We engaged with them using a range of digital platforms and marketing channels.

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

> Online content—traffic to our website grew to over 2.6 million page views, reflecting consistent interest from consumers and industry on issues like spam, TV reception, radiocommunications licensing and product labelling.

> Consultations—we conducted over 30 public consultations, and began work to increase transparency and communicate more effectively with stakeholders about our consultation processes.

> Social media—we engaged with industry and consumer stakeholders through our Facebook, Twitter, LinkedIn and Instagram communities. Regular content focused on consumer tips, updates to industry, research and scam alerts. Our most popular post reached over 810,000 Facebook users.

> Targeted e-bulletins and alerts—our email outreach portfolio continued to grow, with over 20,000 subscribers to our products. We sent over 140 targeted e-bulletins to stakeholders.

> Media engagement—we held journalist briefings and disseminated information to mainstream media, issuing 44 media releases on high-profile issues.

> Events and tune-ups—we hosted the two-day *Australian content conversation*, as well as several industry tune-ups focusing on spectrum planning, spectrum interference PCAs and spectrum reform.

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 we administer—particularly for spectrum management, telecommunications and radiocommunications standards-setting, unsolicited communications and cybersecurity, and online content.

In 2016–17, we 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, India, Kenya, the Republic of Korea, Timor Leste and Vietnam.

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 work was illustrated in the publication in December 2016 of our first annual self-assessment under the RPF. The RPF is a government initiative that requires regulators to assess their performance against key performance indicators (KPIs) designed to make their common regulatory activities more effective and efficient.

We demonstrated that we are meeting the requirements of the RPF KPIs, and are achieving results through better administration and well-designed regulatory frameworks.

We have integrated the RPF into our broader corporate performance reporting activities, as well as our continuous improvement efforts. RPF reporting informs the development of the annual program for our BPRI.

The BRPI is a scheme designed to facilitate an open and constructive dialogue between the ACMA and our stakeholders, allowing us to embed our feedback mechanisms, including input from the RPF, in a more structured and systematic way. It implements a rolling set of annual priorities that are available on the ACMA website.

To support better targeted regulation, in 2016–17 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 of $8.2 million in regulatory costs while maintaining key consumer safeguards. These included:

> making changes to pre-paid mobile identity checks and additional methods of identity verification for pre-paid services

> streamlining Telecommunications Labelling Notice (TLN) compliance requirements

> registering the Commercial Radio Code of Practice 2017

> revising and remaking the Radiocommunications (Citizen Band Radio Stations) Class Licence Variation 2017 (No. 1).

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

Sunsetting

During 2016–17, we continued the extensive and detailed work that flows from the 'sunsetting' regime in the *Legislation Act 2003* (LA). 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, 16 instruments were subject to the sunsetting regime. Of those, three instruments were automatically repealed, and we revoked and replaced 13 instruments prior to the instrument's sunset date.

Directions and legislative instruments

Section 57 of 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 during the financial year.

Between 1 July 2016 and 30 June 2017, the ACMA was given one direction under section 14 of the ACMA Act—the Radiocommunications (Spectrum Licence Allocation—Residual 700 MHz Spectrum) Direction 2016 (F2016L01929), dated 11 December 2016 and registered 13 December 2016. A copy of this direction can be accessed on the Federal Register of Legislation at www.legislation.gov.au.

The ACMA did not give any directions during the financial year under section 581 of the Telecommunications Act.

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.

Business system improvements

Refer to* Part 2—Office of the 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 new spectrum management and licensing system, implemented last year, was under a warranty period in 2016–17. A total of 63 identified issues were resolved during this period and 95 additional enhancements were also delivered.

> Consolidate 2 Cloud (C2C) Program—in line with the ACMA *Cloud roadmap*, the C2C Program has been operating since June 2016 and will see the migration of a number of business applications. The establishment of cloud data centre services was completed in June 2017, and core CRM and TechnologyOne systems will progressively move to the cloud environment.

> 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 us access to the Defence High Frequency Communications System.

> ICT service delivery enhancements—achievements included the ongoing development of infrastructure and architecture to improve the cost, reliability and agility of systems. These include:

  > implementing a new and more comprehensive IT monitoring and alerting system for fault identification and resolution, including interoperability with the building management system's monitoring environment

  > launching a pilot of a mobile desktop platform, based on a hardened Windows 10 standard operating environment, incorporating measures to address government cybersecurity mitigation strategies

  > upgrading mobile and desktop phone fleets to support the ongoing use of both services

  > upgrading backend server capacity to increase the useful life of existing server and storage infrastructure

  > refreshing ACMA-wide videoconference facilities, leveraging our current telephony platform based on Microsoft Lync 2013

  > expanding Lync meeting room deployment to provide a greater number of VC-enabled meeting rooms and avoid costly dedicated infrastructure

  > undertaking a major review of mobile telephony arrangements, consolidating all mobile accounts to one provider and implementing mobile data aggregation arrangements that have reduced our mobile service spend by 45 per cent

  > incorporating our many remote monitoring sites into our core network, including taking advantage of NBN network connections where available

  > decommissioning legacy systems, resulting in reduced agency costs including the number of support contracts, licensing and the amount of maintenance.

research**acma**

The research**acma** program provides evidence to help inform our regulatory decision-making and understand the implications of market trends, evolving 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 focus areas that inform individual projects:

> market developments

> social and economic participation

> media content and culture

> citizen and consumer safeguards

> regulatory best practice and development.

We released seven individual research reports and one snapshot as part of the 2016–17 research**acma** program.

Market developments

We undertook a range of research on developments in communications and media markets, which included the flagship communications report.

Digital lives of older Australians (August 2016)

This research snapshot explored the levels of online engagement of older Australians (those aged 65 and over). It examined various measures of digital engagement including internet access, frequency and location of internet use, as well as devices used to access the internet and activities undertaken online.

Communications report 2015–16 (November 2016)

Tabled in parliament on 30 November 2016, the *Communications report 2015–16* fulfills our 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.

Radio in the bush (May 2017)

We undertook quantitative research in 2016 to examine the role of AM radio in the contemporary communications environment, with a particular focus on the radio-listening habits of people living in remote and very remote Western Australia. The findings helped inform the design of regulatory arrangements for infill transmitters to ameliorate coverage loss that could potentially occur when moving from AM to FM radio.

Social and economic participation

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

Data-driven marketing practices—Australian industry participants' survey results (December 2016)

We commissioned a survey to examine current data-driven marketing practices and trends to provide information about contemporary market size and structure, marketing methods and channels, and marketing trends. This information helps us undertake our telemarketing compliance and investigation activities.

Telemarketing calls in Australia—consumer experience research **(March 2017)**

We conducted quantitative research in August 2016 to investigate the consumer experience of telemarketing calls in Australia. Through a better understanding of this experience, we can more effectively target and prioritise our regulatory, education, compliance and enforcement activities.

Media content and culture

We undertook research to help inform our obligations to reflect community standards in the delivery of media and communications services.

Local content in regional Australia **(May 2017)**

Local content in regional Australia—2017 report was published in May 2017 and discussed as part of the ACMA's *Australian content conversation*. The research informed our monitoring of industry regulatory obligations to provide minimum levels of local content within applicable licence areas and/or local areas, and enhanced our understanding of the availability and consumption of regional local content.

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.

Migrating to the NBN—the experience of Australian consumers **(December 2016)**

This research explored the experience of residential consumers and small to medium businesses before, during and after migration to the NBN. During the research period (November 2015 to May 2016), connections to the NBN mostly used fibre-to-the-premises (FTTP) technology. The research was used to inform our targeted telecommunications industry compliance and education priorities for 2017 and potential enhancements to the TCP Code when it is reviewed later in 2017.

Reconnecting the Customer—tracking consumer outcomes: 2016 update (RTC2) **(December 2016)**

This was the third study tracking the effectiveness of changes from the ACMA's *Reconnecting the Customer* inquiry. The information gathered from the research helps us to work with the telecommunications industry to ensure continuous improvement of customer care. It will also inform potential enhancements to the TCP Code.

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. We undertook internal research and analysis about the regulatory settings necessary to support developments in the IoT, and continued to engage with how risk informs regulatory practice to further the effectiveness of our activities as a regulator.

In response to evolving organisational strategic priorities, research was also commissioned from Analysys Mason on international spectrum management practices to inform internal work to implement Spectrum Review outcomes.

Australian Government

Office of the
eSafety Commissioner

Part 2

Office of the eSafety Commissioner annual report 2016–17

Contact details

Canberra
Red Building
Benjamin Offices
Chan Street
Belconnen ACT

PO Box 78
Belconnen ACT 2616

T +61 2 6219 5555
F +61 2 6219 5353

Melbourne
Level 32
Melbourne Central Tower
360 Elizabeth Street
Melbourne VIC

PO Box 13112
Law Courts
Melbourne VIC 8010

T +61 3 9963 6800
F +61 3 9963 6899

Sydney
Level 5
The Bay Centre
65 Pirrama Road
Pyrmont NSW

PO Box Q500
Queen Victoria Building
NSW 1230

T +61 2 9334 7700 or 1800 226 667
F +61 2 9334 7799

This report is available on the Office of the eSafety Commissioner website at www.esafety.gov.au/about-the-office/corporate-reporting

Enquiries about this report can be emailed to the Business Manager, enquiries@esafety.gov.au.

ISSN: 1834-0076 (print)
1834-1845 (online)

Office of the
eSafety Commissioner

19 September 2017

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

Dear Minister

In accordance with section 66 of the *Enhancing Online Safety Act 2015*, I am pleased to present the annual report of the activities I and my office have undertaken in the 2016–17 reporting year.

Yours sincerely,

Julie Inman Grant
Commissioner

P: 1800 880 176 **E:** enquiries@esafety.gov.au

eSafety.gov.au

Contents

Chapter 4

The year in review

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

This year, with strong bipartisan support, the eSafety Commissioner's mandate was expanded to broaden our general functions from online safety for children to online safety for *all* Australians. We changed our name to the Office of the eSafety Commissioner and our enabling legislation was also changed to the *Enhancing Online Safety Act 2015*.

I took over the Commissioner's role from Alastair MacGibbon in January 2017 after more than two decades in the private sector with Microsoft, Twitter and Adobe. Based on these experiences, I am seeking to shape the Office into a nimble, innovative agency that keeps pace with the rapidly changing technology environment and provides a laser focus on delivering compassionate and rapid citizen service.

At a personal level, the role of eSafety Commissioner represents the culmination of my life's work as both a parent and professional. I am passionate about protecting kids and other vulnerable members of our community online but I also believe in the benefits of technology. I understand the limitations of the social media platforms but also know when they can do better. We will continue to work with the major technology companies to further invest in the safety of their platforms.

In Australia, we are fortunate to have a government agency solely tasked with the goal of helping our citizens have safer, more positive experiences online. There have been calls in Ireland, the UK and the US to build a similar agency in their respective governments.

The Office seeks to stay ahead of both the technology curve and emerging online risks, but to also serve as that pragmatic voice of reason on cybersafety issues to parents and educators. We want parents to be vigilant but we don't want them running scared. We want them to understand online risks and help manage these risks effectively for themselves and their families. And, with apps, technologies and related online threats changing all the time, the guidance we provide needs to be practical, actionable and current.

There has been a tremendous amount of work done over the last 12 months. We have investigated 305 complaints about cyberbullying material—an exponential rise in complaints over previous years. On average, we have been able to respond to a complaint with our first substantive action in under four hours of receipt, even while the cases coming in have been increasingly serious and complex in nature.

In 2016–17, we welcomed Snapchat and airG into the fold as the latest social media services to become Tier 1 partners in the fight against cyberbullying. We will continue to work closely with our social media partners to ensure the rapid removal of offending material. Over time, I hope this way of working with social media companies can be extended to more effectively counter other forms of online harms, such as image-based abuse and children's exposure to online pornography.

The Office has continued to successfully roll out our national eSafetyWomen program to help frontline workers empower women to combat the serious issue of technology-facilitated abuse. One in four Australian women has experienced emotional abuse from a former or current partner, and one in six has experienced physical violence. Technology-facilitated abuse is an extension of this real-world violence, where predators will use technology to abuse, seek to control and stalk. As part of this program, we have trained more than 2,500 frontline workers and have built on our existing website content to help vulnerable women stay safer online.

We are also working to disrupt the dark global economy of online child sexual abuse material (CSAM). Our CyberReport team, which administers the Online Content Scheme, investigates the worst of this online content and refers it for takedown through our global network of partner organisations, the International Association of Internet Hotlines (INHOPE).

Our team of dedicated, tireless investigators received almost 8,000 complaints in the past year, resulting in more than 10,000 investigations being completed and over 5,000 items of CSAM being referred for takedown. It is important to remember that behind every image is a child being exploited and abused. We are not only committed to helping identify and save these victims but, by successfully executing takedowns, we are effectively halting the cycle of re-victimisation for thousands of children. The CyberReport team also works closely with law enforcement, both domestically and internationally, to support their important work by referring valuable intelligence that can help identify victims and their tormentors, culminating in the rescue of children and arrest of perpetrators.

Despite our name change, we have reinvigorated our focus on children and youth by working *with* young people to create authentic, edgy and accessible content *for* young people. We have a new youth advisor and started our own Snapchat page—we know that for our safety messages to effectively reach them, we need to be where teens are.

Since the Office began operation, our Virtual Classrooms program has reached over 100,000 students and teachers across the country, exploring the latest issues young people are dealing with and how best to manage the risks. In 2016–17, our *Rewrite Your Story* program—eight short films depicting real-life cyberbullying scenarios—was awarded two international accolades—the Gold medal at the World Media Festival in Hamburg and Bronze at the New York Festivals, and was also a winner at the Australian Directors Guild Awards.

The Office is committed to continually developing new resources and programs to help educators and parents in this space, and to help bolster young people's resilience and critical thinking skills online. This includes a popular new blog series, which has taken off globally over social media.

Our programs are informed by our understanding of the online landscape. Through our research division, we have gained rich data and important insights into the online lives of young Australians. For 45 per cent of Australian kids and teens, the biggest downside of social media is receiving nasty comments, while 36 per cent cite exposure to inappropriate or hurtful content. Findings like this allow us to identify and quantify existing issues, and provide a solid evidence base for developing solutions.

The Office has been developing an information-rich portal and online complaints tool for victims of image-based abuse. In conjunction with our new youth advisor, we have been building capacity in delivering exciting new youth and peer-to-peer programs. In partnership with the Department of Social Services, we will also soon be rolling out resources to improve the digital literacy and online safety of older Australians.

Australians deserve to feel safe and empowered to enjoy the positive benefits of the online world, while confidently managing and mitigating the risks. So we must continue to work collaboratively and effectively with our partners in industry, education, government, law enforcement and the not-for-profit sector.

For this reason, we are proud to be bringing experts across Australia together, through our stewardship of the Online Safety Consultative Working Group (OSCWG). We have re-organised the OSCWG into outputs-focused working groups so that we can learn from our partners and also support their efforts. This group will help shape and influence our work program and put us firmly on the path to a more consistent and cooperative national approach to online safety.

Much has been achieved in a short time. While the task ahead is challenging, we will meet these challenges head-on. We are committed to a proactive, pragmatic and protective approach to helping all Australians be safer online, and we intend to make continued progress across all these areas over the next year.

Julie Inman Grant
eSafety Commissioner

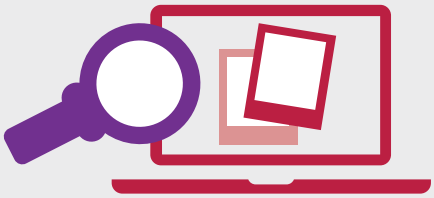
Our year at a glance

In fighting illegal content, we:

Finalised

10,119

INVESTIGATIONS



Identified

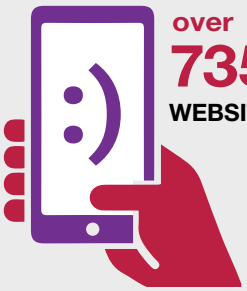
7,075

ITEMS OF PROHIBITED AND POTENTIALLY PROHIBITED CONTENT

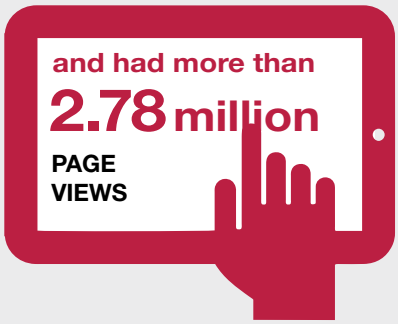
OF WHICH **72%** MET THE DEFINITION OF CHILD SEXUAL ABUSE CONTENT

In promoting online safety, we:

Hosted



over **735,000** WEBSITE VISITORS



and had more than **2.78 million** PAGE VIEWS

Provided online safety education

to over

88,000 PARTICIPANTS THROUGH OUR eSAFETY OUTREACH PROGRAM

Won

3 major awards

FOR *REWRITE YOUR STORY*, A SERIES OF 8 SHORT FILMS FOR YOUNG PEOPLE

Reached

over **8,000** SUBSCRIBERS EACH MONTH THROUGH *CYBERZINE*, OUR FLAGSHIP E-NEWSLETTER

In empowering Australian women, we:

Welcomed

over
53,000 VISITORS TO OUR
eSafetyWomen WEBSITE

and had more than
180,000 PAGE VIEWS

Trained

over
2,600 PARTICIPANTS

AT MORE THAN **150** WORKSHOPS

In combating cyberbullying, we:

Received

305
COMPLAINTS ABOUT SERIOUS CYBERBULLYING TARGETING AUSTRALIAN CHILDREN

AN INCREASE OF
63% FROM 2015–16

Referred

over
1,400
YOUNG AUSTRALIANS TO KIDS HELPLINE

Chapter 5

Overview

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

Functions and responsibilities

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

The Office is a national leader on issues of online safety, and is responsible for promoting and supporting measures to improve online safety for all Australians. 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

> supporting, encouraging, conducting and evaluating research about online safety

> advising the Minister for Communications and Minister for the Arts about online safety

> promoting online safety for people 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 people at risk of family or domestic violence

> making, on behalf of the Commonwealth, grants of financial assistance in relation to online safety for people at risk of family or domestic violence.

On 30 May 2017, the Enhancing Online Safety (Intimate Images and Other Measures) Legislative Rules 2017 conferred additional functions on the Office. This expanded the remit of the Office to include all Australians, not just Australian children, with a specific focus on people at risk of family or domestic violence, older Australians and people at risk of having intimate images of them shared without their consent.

Structure

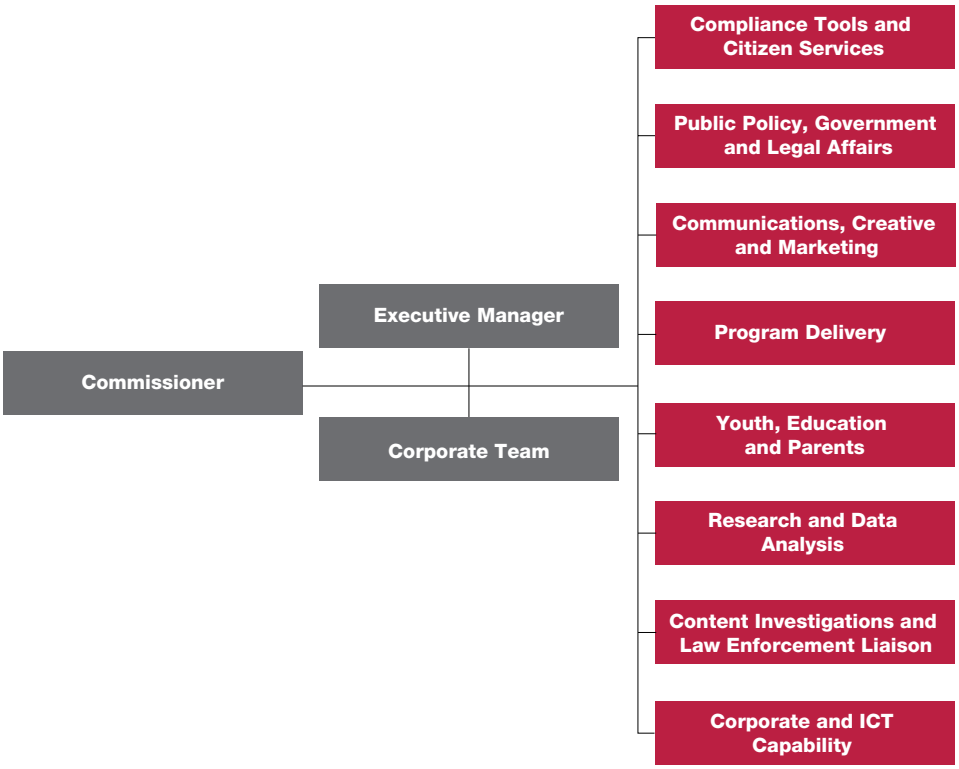
Corporate structure

The EOS Act established the Children's eSafety Commissioner as a statutory office-holder. It began operating on 1 July 2015 and on 23 June 2017 became the Office of the eSafety Commissioner. The Office is functionally separate to the ACMA. The ACMA provides corporate support services to the Office, purchased under an agreed cost structure.

The ACMA also provides staff to fulfil the functions of the Office under section 67 of the EOS Act. These staff are not under the direction of the ACMA; however, they are employed under the terms of the ACMA's Enterprise Agreement.

In 2016–17, the Office was staffed by the Commissioner, 43 ACMA staff and contractors. Staff were located in the ACMA's Sydney, Melbourne and Canberra offices.

Figure 5.1: Office of the eSafety Commissioner corporate structure, 30 June 2017



The Commissioner

Julie Inman Grant was appointed as Children's eSafety Commissioner on 23 November 2016 and she began in the role in January 2017, taking over from Acting Commissioner Andree Wright.

Ms Inman Grant has worked at the intersection of technology, public policy and online safety for 25 years. From helping to shape the first Online Safety Summit for Children in 1996 to playing an important role in developing the *Enhancing Online Safety for Children Act 2015*, she brings a wealth of experience in online safety policy.

Before commencing as the eSafety Commissioner, Ms Inman Grant was a member of the Online Safety Consultative Working Group, and has worked with Australian law enforcement to roll out programs like ThinkUKnow, the Child Exploitation Tracking System (CETS) and Computer-Facilitated Crimes against Children training.

Chapter 6

Report on performance

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

This section contains detailed analysis and results for the Office's performance against key deliverables in Outcome 1, Program 1.3:

Support positive online experiences through national leadership and administration of statutory schemes and educational and awareness activities that promote online safety for children and persons at risk of technology-facilitated violence and abuse.

CyberReport activities

CyberReport is the Office's complaints-handling arm, comprising the cyberbullying complaints scheme and the online content removal scheme. These schemes give children, parents and concerned citizens effective and accessible avenues for the removal of serious cyberbullying and prohibited content that breaches community standards.

As the Office's online call to action, CyberReport directs people who want to report content under either scheme to the appropriate channel, information and support resources.

Cyberbullying complaints scheme

The cyberbullying complaints scheme allows the reporting of activity that targets Australian children and is likely to seriously threaten, humiliate, harass or intimidate. It also encompasses:

> 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

> memorandums of understanding (MoUs) with state education departments, and the independent and Catholic schools sectors

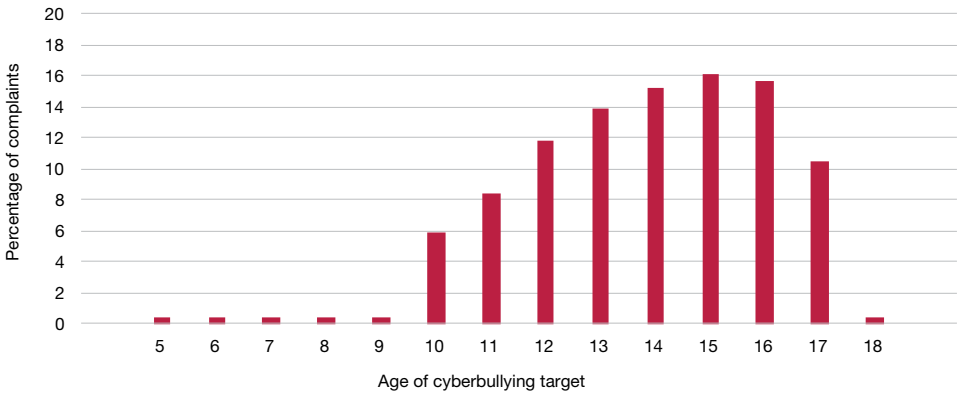
> a range of educational and informative resources to support young people and their carers in dealing with the effects of cyberbullying.

Complaints scheme data

The Office received 305 complaints about serious cyberbullying between 1 July 2016 and 30 June 2017, an increase of 63 per cent from 2015–16. On average, the Office responds to a complaint with its first action in fewer than three-and-a-half hours of receipt, down from just under seven hours in 2015–16.

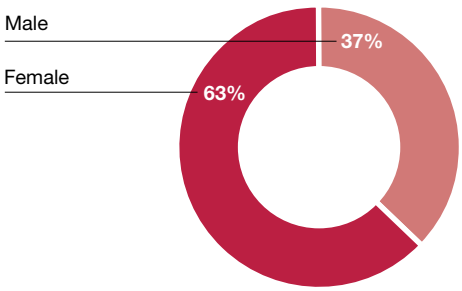
Young Australians aged between 12 and 16 are the primary targets of reported cyberbullying material, with approximately 16 per cent of the complaints received relating to children aged 11 and under (see Figure 6.1).

Figure 6.1: Target of cyberbullying material by age, 2016–17



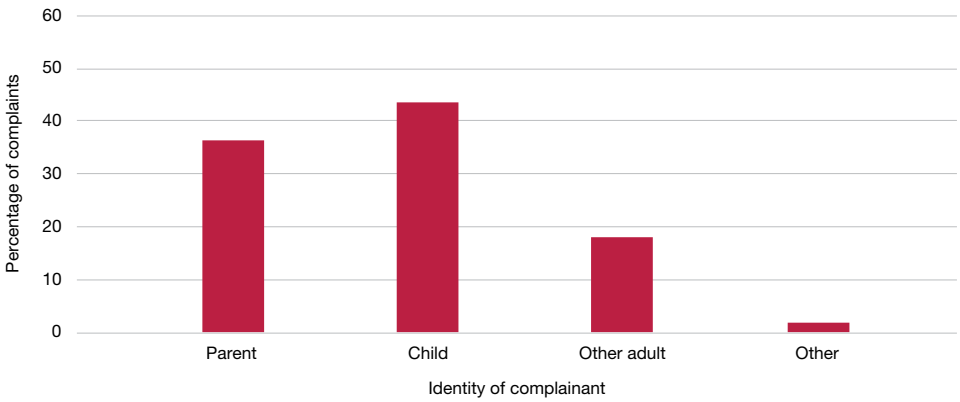
Of the complaints received, 63 per cent relate to cyberbullying material targeting females (see Figure 6.2).

Figure 6.2: Target of cyberbullying material by gender, 2016–17



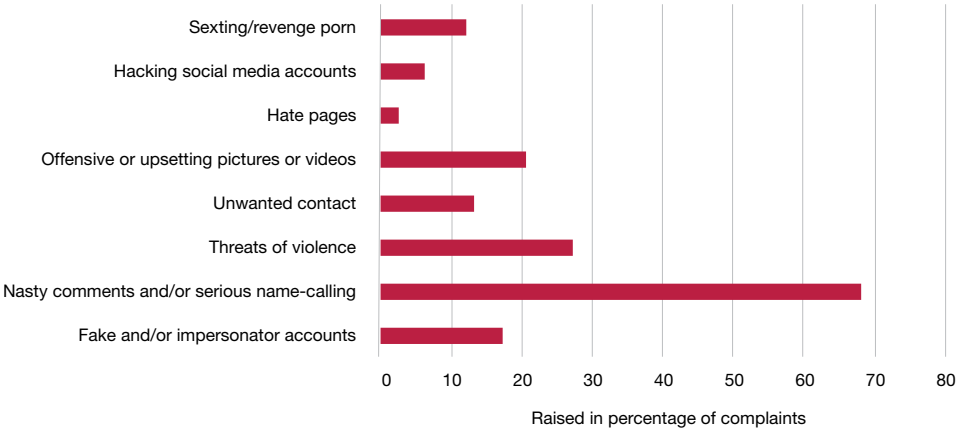
The majority of complaints to the Office are made by adults, including the parents of the child targeted by cyberbullying or another adult making the complaint on the child's behalf. However, complaints made by children increased to 44 per cent in 2016–17 (see Figure 6.3).

Figure 6.3: Identity of complainant, 2016–17



The 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 6.4 details the percentage of complaints that relate to each of the general categories.

Figure 6.4: Percentage of complaints identifying general categories of cyberbullying, 2016–17



Note: 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. It recognises Tier 1 and Tier 2 social media services for the safety measures 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 2016–17, two Tier 1 social media services—airG and Snapchat—and no Tier 2 services were declared. Throughout the reporting period, the Office worked collaboratively with social media services to see cyberbullying material removed from these platforms, often in less than a day.

Referrals to key support services

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

During the reporting period, the Office referred over 1,400 young Australians to Kids Helpline.

Where appropriate, the Office may also work with the relevant school in the resolution of a complaint, to ensure cyberbullying policies are followed and provide advice and training. Between 1 July 2016 and 30 June 2017, 13 referrals were made to schools.

Online Content Scheme

The Office operates the reporting mechanism for Australians to complain about offensive and illegal online content. It investigates reports and takes action on material 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

> instruction, incitement or promotion of crime or violence

> 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 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. See *The INHOPE network* on page 119 for more information.

The Office received 7,993 complaints in the reporting period, an increase of 49.65 per cent on 2015–16.

A single complaint may lead to multiple investigations, depending on its nature and content. During 2016–17, the Office finalised investigations into 10,119 individual items of content. Of these investigations, 7,075 items of prohibited and potential prohibited content were identified (see Table 6.1), of which 72 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. Over 99 per cent of all investigations about online content were completed within 20 business days.

A total of 7,075 overseas-hosted prohibited and potential prohibited items of internet content 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.

No final take-down notices were issued to Australian content hosts. 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 6.1 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 6.1: Prohibited/potential prohibited internet content 2016–17, 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)	0	309
X 18+ (Explicit sexual content)	0	1,138
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	494
RC 1(b) (Refused Classification content for offensive depictions/descriptions of children)	0	5,120
RC 1(c) (Refused Classification content for instruction, incitement or promotion of crime or violence)	0	13
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	1
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
Total	**0**	**7,075**

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, contributing 4,998 reports through the network in 2016–17. Team members also 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.

Promoting online safety

The Office's mandate is to be the national lead and 'one-stop-shop' for online safety information for all Australians. In addition to supporting children targeted by cyberbullying, we assist adults suffering from serious trolling. We also provide specialist resources for people at risk of technology-facilitated abuse. Education is an important focus, and the Office delivers a national online safety program that includes a wide range of cybersafety materials for schools.

Our website—www.esafety.gov.au—provides a single destination for all Australians on a broad range of online safety matters. In addition to being both the portal for online content complaints and the complaints system for 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 website, 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

> 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.

During 2016–17, the website received 735,995 visitors, with 2,786,450 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 2017, there were 28 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

> Cyber Owls Pty Ltd

> Eyes Open Social Media

> INESS Pty Ltd (Internet Education Safety Services)

> Internet Safe Training Pty Ltd

> Interrelate Limited

> Jeremy Kalbstein (Cybr Safe)

> Jonny Shannon

> Jordan Foster (ySafe Solutions)

> 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
> Martine Oglethorpe (The Modern Parent)
> Whitelion Inc. (Stride)
> Yourtown Limited (Kids Helpline @ School).

eSafetyWomen

Launched in 2016, eSafetyWomen aims to empower Australian women to manage technology risks and abuse and take control of their online experiences through two major initiatives.

eSafetyWomen website

The eSafetyWomen website—www.esafety.gov.au/women—features 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.

During 2016–17, the website received 53,281 visitors, with 183,074 pages of content viewed. Popular areas of content included information about dealing with image-based abuse, as well as the interactive 'check-up' testing knowledge about online safety and security.

Training for frontline workers

In 2016–17, the Office continued to deliver training with the Women's Services Network (WESNET) to raise awareness of technology-facilitated abuse and what can be done about it.

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.

Since the launch of the program, more than 2,600 participants have attended over 150 workshops held across all states and territories. Workshops will continue across Australia in the next reporting period.

Image-based abuse portal

The Office is building a national online complaints portal to help Australians access tangible support when intimate images or videos are posted without their consent. This portal will host a complaints form for victims to report image-based abuse (IBA). The Office will action all complaints in a timely and compassionate manner, providing advice and support to assist in the removal of these images. We will also work closely with social media services in Australia and other bodies overseas to help facilitate removal.

The portal will host a broad range of targeted resources for victims of IBA as well as their family and friends. This includes information on counselling support services, legal referrals, police assistance and downloadable IBA quick guides.

eSafety Outreach program

eSafety Outreach supports an extensive education program for school students, preservice teachers, educators, community organisations, sporting groups, law enforcement, welfare agencies and psychologists. The Office focuses on meeting broader community needs by providing online safety education through various delivery platforms and resources—promoting, coordinating and leading online safety education for Australian children and those who work with children nationally.

Virtual Classrooms

The eSafety Outreach program reaches wide audiences by using Virtual Classrooms and webinars, and can be scaled for small or large groups. Key topics added to the program in 2016–17 include 'Respectful chat', 'Keep it sweet online', 'Keeping safe in the game' and 'What's your brand?'. The presentations are live and delivered by expert trainers with interactive elements including live chats. Our Safer Internet Day 2017 Virtual Classroom presentations attracted 32,197 students and teachers from all states and territories—our largest participation ever for this international event. The Teacher Essentials webinars introduced in January 2017 are accredited by the NSW Education Standards Authority and the ACT Teacher Quality Institute, allowing teachers to gain accredited professional development hours.

In 2016–17, the Office provided online safety education to over 88,000 students, parents, educators and community workers (see Table 6.2).

Table 6.2: Total activity, 1 July 2016 to 30 June 2017

Type of outreach program	Quantity
Preservice teacher presentations (face-to-face and webinars)	
Attendees	3,661
Events	37
Virtual Classrooms	
Attendees	66,889
Events	117
Community face-to-face presentations	
Attendees	7,442
Events	149
Teacher Essentials webinars	
Attendees	582
Events	11
eSafetyWomen workshops	
Attendees	2,602
Events	154
Other presentations*	
Attendees	7,698
Events	74
Total—Attendees	**88,874**
Total—Events	**542**

**Other presentations include conferences, CALD, teachers/students and trainer sessions.*

eSafe Spaces

Libraries are important community hubs for young people and families, and have long been considered safe and trusted places. The eSafe Spaces program aims to create a space where children can be safe, not just online but also offline; where advice can be easily found; and expert help and support is readily available.

Timed to coincide with Safer Internet Day 2017, eSafe Spaces pilot training sessions were held in Hobart and Launceston, with a total of 47 attendees.

Participants were trained in the cyberbullying complaints scheme, giving them the knowledge and confidence to help a child who is being cyberbullied, including helping them lodge a complaint via the online form.

Parliament House eSafety session

In May 2017, the Office hosted a drop-in session at Parliament House for senators, MPs and staff to meet eSafety staff, learn about our resources and discuss the latest issues in online safety. Attendees received an 'electoral pack' with targeted resources to take away and use in response to online safety issues in their electorates.

New online safety resources

During 2016–17, the Office expanded its online safety resources to include:

> a redesigned and updated Cybersmart Hero education resource—an interactive multimedia class activity where students step into the shoes of a proactive bystander in a cyberbullying scenario

> ClassAct 50 Challenge—a classroom resource involving a series of quick daily tasks to help young people think about respectful relationships and know where to find support if things go wrong online

> *Parents' guide to online safety*—available in 14 languages, it covers issues including cyberbullying, safe social networking, unwanted online contact and using parental controls

> eSafety Christmas gift guide—advice when buying technology-focused gifts

> DIY eSafety checklist—downloadable poster encouraging Australians to evaluate their online behaviour

> regular blog posts for iParent and updates on games, apps and social networking trends

> new parent education materials covering online pornography—advice on understanding risks, building resilience, communicating with children and practical strategies to deal with exposure to harmful content

> *Rewrite Your Story*—a series of short videos and web resources that empower young people to take control of their online experiences. *Rewrite Your Story* received the following awards:

  > Gold Award in General Education at the World Media Festival

  > Bronze World Medal in Instruction and Education at the New York Festivals

  > Best Direction in an Online Drama Project at the Australian Directors Guild Awards.

Digital literacy for older Australians

On 20 June 2016, the Minister for Social Services, the Hon. Christian Porter, and the Minister for Communications and Minister for the Arts, Senator the Hon. Mitch Fifield, announced the government's $50 million financial commitment to increase opportunities for older Australians to participate online by improving their digital literacy and online safety. This initiative will run over four years to 2020.

The Department of Social Services and the Office have been tasked with developing the overarching digital inclusion and online safety strategy for older Australians. The Digital Literacy for Older Australians (DLOA) initiative aims to increase the confidence, skills and online safety of older Australians in using digital technology. The program will adopt a family- and community-centred approach to reach older Australians who have minimal or no engagement with digital technology.

The initiative will also deliver the tools and framework to empower and enable peers, family and local community to play an active role in supporting older Australians to understand the value and relevance of going online.

The Office has been charged with delivering the following key elements:

> implementing a national digital portal, providing a one-stop-shop for information, tools and training materials

> creating tools and resources to empower families, peers and the aged care sector to more confidently support older Australians to get online

> developing several outreach programs, including a train-the-trainer program for the aged care sector, and an intergenerational program bringing school children and seniors together to share skills and knowledge

> supporting a National Network Manager to create a national network of community partnering organisations who will deliver free one-on-one digital coaching for older Australians, leveraging the content and the learning management system.

Over this period, the Office has:

> commissioned research to inform the program's website development and design—including hosting focus groups and specific research to identify the learning content and online safety needs of older Australians

> consulted broadly with key stakeholder groups to gain their insights on the learning needs of the various seniors' cohorts

> developed phase one of the content for the launch of the Learning Portal.

Research

Under the EOS Act, the Office has key roles in research about online safety, including to:

> collect, analyse, interpret and disseminate information

> support, encourage, conduct and evaluate research

> publish reports and papers relating to online safety.

The Office's research program takes a leadership role in promoting, coordinating and undertaking research into children's and young people's digital participation and online safety issues, as well as new areas stemming from the expanded remit. To enhance access to online research programs and expertise, the Office has proactively engaged with leading research agencies and other channels, including the Commissioner's Online Safety Consultative Working Group (OSCWG), on developing its research and reporting framework.

During 2016–17, the Office released research from its first *Youth Digital Participation Survey* (conducted in June 2016) in the form of videos and infographics. Topics included:

> *Young and social online*

> *Connected kids and teens*

> *Teens, kids and digital dangers*

> *Kids online: Parent views and information needs*

> *Parenting online*.

The Office also commissioned a range of new research to support program delivery and targeted communications, including:

> IBA in Australia through non-consensual sharing of intimate images

> levels of digital engagement by Australians 50 years and over

> social cohesion and the role of the internet in the lives of young Australians (a joint project with the Commonwealth Department of Education and Training)

> attitudes to seeking help and reporting of cyberbullying involving a child.

Results from these research projects will be released in the second half of 2017.

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.

During 2016–17, the Office joined with organisations to raise awareness of cyberbullying and online safety issues through:

> National Child Protection Week, 4–10 September 2016

> National eSmart Week, 5–9 September 2016

> Day for Daniel, 28 October 2016

> Safer Internet Day, 7 February 2017

> National Day of Action Against Bullying and Violence, 17 March 2017

> Privacy Awareness Week, 15–19 May 2017.

As part of Safer Internet Day 2017, the Office formed integral partnerships with two corporate partners, Nova FM and Melbourne City Football Club (MCFC). Nova FM produced and aired two radio adverts to promote the Office, and MCFC produced an internet safety video with two of their players, which was launched through its social media channels.

Online Safety Consultative Working Group

The OSCWG is the Office's advisory forum on issues that contribute to enhancing the online safety of all Australians. It comprises key representatives from industry, law enforcement, child advocacy, education, academia, not-for-profit, government and non-government organisations.

In April 2017, the Commissioner recast the structure of the OSCWG to align with the Office's expanded responsibilities, forming three issue-based sub-committees on:

> child exploitation material and illegal online content, including online pornography ('Contact and Content' Sub-committee)

> managing negative online behaviours associated with cyberbullying, sexting and image-based abuse ('Conduct' Sub-committee)

> enhancing online safety skills of older Australians and vulnerable members of the community ('Community' Sub-committee).

The government requested that the Office convene an expert committee to help shape policy measures in response to the Senate References Committee on Environment and Communications report, *Harm being done to Australian children through access to pornography on the Internet*. The Contact and Content Sub-committee has focused its attention on this matter.

During the reporting period, OSCWG meetings discussed:

> technology-facilitated abuse against women and young girls, including non-consensual sharing of intimate images, and related attitudes and behaviours

> the build of the national IBA complaints portal, and the national digital literacy and online safety strategy for older Australians

> cyberbullying complaints trends, key findings from the IBA qualitative research project commissioned by the Office and topics for inclusion in the Office's sexting research program.

See Appendix 1 for membership details of the OSCWG.

Government consultations

During the reporting period, the Office participated in and contributed to several government consultations, including:

> Council of Australian Governments (COAG) National Summit on Reducing Violence against Women and their Children, 27 and 28 October 2016—the Acting Commissioner participated in the technology-facilitated abuse roundtable.

> Queensland Sentencing Advisory Council's review of the system used to classify child sexual exploitation material for the sentencing process—the Commissioner's submission supported efforts to facilitate sharing of classification results, and encouraged consideration of a simplified and harmonised approach to classification.

> Committee of the Australian Parliament's inquiry into and report on how the federal family law system could better protect people affected by family violence—the Commissioner's submission brought attention to how technology may be used to facilitate family violence and suggested improvements to better protect victims of technology-facilitated abuse.

> Royal Commission into Institutional Responses to Child Sexual Abuse—on 4 April 2017, the Office helped facilitate a consultation with children and young people to find out more about their experiences of online safety, and practical ways institutions can prevent online child sexual abuse and harmful sexual behaviours occurring online between peers.

> Australian Human Rights Commission—on 3 May 2017, a representative of the Office attended a roundtable to help shape a National Statement of Principles for Child Safe Organisations.

Interagency committees and working groups

The Commissioner 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 Panel's 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*.

During 2016–17, the Commissioner became a member of the Australasian Consumer Fraud Taskforce (ACFT). The ACFT comprises 23 government regulatory agencies and its purpose is to help government members (as well as non-government partners) work together to enhance the Australian and New Zealand governments' enforcement activity against fraud and scams. The Commissioner attended two agency forums during the year.

Media and communications

As the role of the eSafety Commissioner has evolved and become more widely recognised as an authoritative source of advice and information on online safety issues, the Office has found regular and increasing opportunities for strategic media engagement to amplify our messages and increase brand awareness with the Australian public.

We cultivate and utilise a range of media channels to effectively communicate with our stakeholders and the broader Australian community, including:

> Traditional media—the eSafety Commissioner regularly features in mainstream news and current affairs coverage across TV, radio, print and online, discussing trending online safety issues, and promoting the programs, services and expertise of the Office.

> Social media—the Office proactively communicates with hundreds of thousands of Australians, with increased levels of engagement during 2016–17 across Facebook, Twitter, Instagram, YouTube and LinkedIn. The Office also recently became one of the first government agencies to launch a Snapchat account.

> Blogs—leveraging the expertise and ongoing experiences of eSafety staff, the Commissioner has authored a series of thought leadership-style blogs, which have generated interest and influence across both traditional media and social media.

> Electronic direct mail—we publish a monthly electronic direct mail newsletter—*Cyberzine*—which highlights the latest eSafety resources and advice to a list of over 8,000 subscribers, with over 150 subscribers added each month.

Chapter 7

Accountability arrangements

With the eSafety Commissioner's mandate expanded to broaden the Office's general functions from online safety for children to online safety for *all* Australians, irrespective of age, the name was changed from Office of the Children's eSafety Commissioner to Office of the eSafety Commissioner. The name of the Act was changed to the *Enhancing Online Safety Act 2015* (EOS Act).

Under section 67 of the EOS Act, the ACMA is required to assist the Office 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, information technology, 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 a statutory office-holder, the Commissioner is not subject to the PGPA Act. However, there are 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.

Information about accountability arrangements that are not specifically referred to in this chapter are covered in *Part 3—Management and accountability*.

Financial arrangements

Funds for the Office form part of the ACMA appropriation. Specified departmental and administered funds are annually credited to the Online Safety Special Account.

The Special Account is administered by the ACMA; however, any amount debited from the Account requires written approval of the Commissioner. Refer to Appendix 10 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, it 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 1999*. 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 her power to staff to spend money appropriated to the Office and 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.

Audit and risk management

The Office is not required to have a separate Audit Committee. The Commissioner can undertake 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.

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.

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.

Financial reporting

Appendix 10 contains financial information on the operation of the Office for the financial year ending 30 June 2017, presented in accordance with paragraph 57(aa) of the ACMA Act.

Part 3

Management and accountability

Contents

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, 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 is a non-corporate Commonwealth entity under the PGPA Act. The ACMA Chairman is the Accountable Authority and Agency Head for the purposes of the Public Service Act.

Throughout 2016–17, the ACMA Executive Group assisted the Acting Chairman in his role as the Accountable Authority, advising on issues of significance. The Executive Group comprises the Acting Chairman, Deputy Chairman/Full-time Member and the four Senior Executive Service (SES) Band 2 General Managers. The ACMA also has several 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 issues of non-compliance with the finance law were reported to the Minister for Communications or Minister for Finance in the reporting period.

Corporate planning

Refer to Chapter 7 in* Part 2—Office of the eSafety Commissioner annual report *for details of the Office's business planning activities.

The ACMA *Corporate plan 2016–17* 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 2016–17 plan is available on the ACMA website.

In 2016–17, 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 2017–18.

Risk management and fraud control

The ACMA has established and maintains systems of fraud control and risk management in accordance with the PGPA Act and Commonwealth Policies.

We take a risk-management approach to internal processes, priority-setting and our regulatory activity. This ensures we focus our actions on addressing the most serious risks that may impede achievement of our purpose and our regulatory action is targeted at areas of greatest need.

All staff take online training in fraud awareness and risk management to maintain our strong culture.

The Executive Group and management give serious, regular and systematic consideration to the identification of risk, and direct significant effort and resources to managing risks. Over the 2016–17 period, the Executive Group undertook a monthly review of the strategic risk profile.

A review of the entire governance framework also began in 2016–17, alongside the Australian National Audit Office (ANAO) performance audit *Management of Risk by Public Sector Entities*. This work will continue into the 2017–18 reporting period.

Audit

The ACMA regularly reviews governance systems and takes steps to improve on our existing strong foundations. On a quarterly basis, our Audit Committee and internal auditors provide expert advice to the ACMA in the interests of continual improvement.

During 2016–17, 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 performance against its charter.

Over the reporting period, our internal audit services were provided by Protiviti and RSM Australia, and overseen by the Audit Committee. There were 12 internal audits completed during 2016–17. The Audit Committee monitors and tracks the implementation of all audit recommendations.

ANAO performance audits

The ACMA participated in two ANAO performance audits in 2016–17. Both are expected to be tabled in the 2017–18 reporting period. Once tabled, the ACMA will take steps to respond to any recommendations from the Auditor-General.

The audits are:

> *Management of the Contract for Telephone Universal Service Obligations*

> *Management of Risk by Public Sector Entities*.

Security

We continued to maintain our protective security functions in line with the requirements of the Protective Security Policy Framework and Information Security Manual.

All statutory reporting requirements were met in 2016–17, including participation in the Protective Security Policy Framework compliance reporting conducted by the AGD.

Regulatory impact analysis compliance report

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 2016–17, the ACMA undertook 20 preliminary assessments for regulations to be made or tabled in the reporting period.

Freedom of information

Refer to Chapter 7 in* Part 2—Office of the 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.

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 2016–17, 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 422 staff at 30 June 2017, compared with 446 at 30 June 2016, of whom 43 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* (ACMA Agreement). Salary ranges available under the ACMA Agreement are given in Appendix 2.

Terms and conditions for the ACMA's 13 substantive SES employees are contained in common law contracts.

At 30 June 2017, the salaries for employees on common law contracts were:

> SES1—$193,116 to $202,141

> SES2—$244,058.

Non-salary benefits for employees on common law arrangements may include a mobile phone, a home computer, a car allowance and parking.

At 30 June 2017, 27 employees at ACMA Level 4, ACMA Level 6, Executive Level 1 (EL1) or Executive Level 2 (EL2) had individual flexibility arrangements for additional salary, retention bonuses or memberships. 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 $5,000 per annum.

Performance payments

Performance pay is available to employees at EL2 (and equivalent) level under the ACMA Agreement. Total performance payments paid for 2016–17 are set out below.

Performance payments—ACMA, 2016–17

Employee level	Employees paid	Total performance pay ($)	Minimum bonus ($)	Maximum bonus ($)	Average bonus ($)
EL2	46	438,920.38	2,225.53	16,049.64	9,541.75

Note: Of the 55 eligible EL2 (and equivalent-level) staff, 46 were paid a bonus.

Performance payments—Office of the eSafety Commissioner, 2016–17

Employee level	Employees paid	Total performance pay ($)	Minimum bonus ($)	Maximum bonus ($)	Average bonus ($)
EL 2	7	82,576.78	2,424.71	20,062.05	11,796.68

Note: Of the 10 eligible EL2 (and equivalent-level) staff, seven were paid a bonus.

Workforce planning

Workforce planning continues as a priority, with a Talent Pool program implemented to promote internal staff mobility and cross-training. This program allows staff to self-identify for new work opportunities that broaden career prospects and development. We have continued to identify critical roles and capabilities to establish succession and risk-mitigation strategies for key positions and tasks.

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 2017, our employee profile was:

> total employees—422

> number of women—223

> number of staff from a non-English-speaking background—52

> number of staff with a disability—9

> number of Indigenous staff—3 (all ongoing employees).

Gender equality strategy

As part of the ACMA's ongoing commitment to providing a supportive workplace, we are working towards a greater focus on inclusiveness and the value of gender equality.

The ACMA *Gender equality strategy 2017–20* aims to identify and address gender imbalance and unconscious bias that may be affecting equity and inclusiveness for both men and women.

We aim to:

> drive a supportive, enabling and inclusive workplace culture that seeks to benefit from the advantages of greater gender equality

> create a diverse workforce that is representative of contemporary values

> foster equitable access to flexible working arrangements

> promote a gender balance at all leadership levels and seek to create greater gender balance in key business areas.

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. 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.

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. Adherence to the ACMA and APS Values and APS Code of Conduct is a mandatory expectation in all performance agreements.

Health and safety

The ACMA is committed to safeguarding the health and safety of its workers, visitors and the general public by providing and maintaining a safe working environment. This commitment extends to the adoption of measures to:

> prevent accidents and ill-health caused by working conditions

> protect workers from any health hazard that may arise out of their work or the conditions in which it is carried out

> consult with workers and other duty-holders

> place and maintain workers in an occupational environment designed to satisfy their health, safety and wellbeing needs at work.

A National Work Health and Safety Committee operates within the ACMA to discuss and resolve WHS issues in the workplace, and comprises both employer and worker representatives. The broad function of the committee is to promote an environment in which ACMA management and staff work cooperatively to ensure the health and safety of everyone in the workplace. The committee met on four occasions during the reporting period.

Regular workplace inspections are undertaken in all ACMA workplaces to identify hazards and potential hazards, and to review current hazard control measures. A strong culture exists and is encouraged for the reporting of all workplace hazards and incidences.

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. We also implemented the following initiatives during the reporting period:

> Health Week—focusing on mental health, resilience and ergonomics

> flu vaccinations (utilised by 53 per cent of staff)

> assistance with costs associated with eye-testing and buying glasses for screen-based use

> Employee Assistance Program (utilised by 8.7 per cent of staff)

> a monthly health and wellbeing newsletter.

In support of workplace health and safety, the ACMA appoints employees to corporate roles including First Aid Officer, Health and Safety Representative, Health and Safety Workplace Champions, Fire Wardens and Harassment Contact Officers.

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*.

People and capability development

The ACMA *Learning and Development Strategy 2015–18* supports our commitment to giving all employees effective and accessible learning and development. The strategy aims to:

> provide quality and relevant learning opportunities that strengthen individual capability and support 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.

To enhance collaboration and knowledge sharing, in 2016–17 we introduced a new series of short interactive learning experiences called 'learning cafes'. In these sessions, staff discussed aspects of the ACMA's core capabilities and learnt from each other's experiences. Staff also attended a series of workshops on performance and development.

The ACMA's net expenditure in 2016–17 for employee learning and development was $516,794. 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, 21 employees were supported under our studies assistance program. Employees undertook tertiary qualifications in specialised fields such as law, business, social work and information technology.

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 ACMA Chairman. It comprises management, union and employee representatives.

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. Just over 80 per cent of ACMA staff participated in the 2017 census.

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.

Financial management

The ACMA continues to enhance its financial management, with a particular focus on appropriately resourcing our key activities. During 2016–17, 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. We met all statutory budgeting and reporting requirements and deadlines as set down by the Department of Finance and ANAO.

Key achievements during the year included:

> more closely aligning financial budgeting and reporting with the agency's performance planning and reporting framework

> further improving accessibility to the financial management information system.

The ACMA achieved an operating surplus in 2016–17.

The ACMA's financial statements for 2016–17 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 2016–17 financial statements and notes (see Appendix 12).

Procurement and contract management

During 2016–17, we began work to streamline our procurement and contract management capabilities by analysing current processes and measuring against compliance with the PGPA Act and Commonwealth Procurement Rules. We also started to minimise the number of template documents used to manage procurement of goods and services. Work will continue during 2017–18.

Procurement initiatives to support small business

The ACMA supports small business and Indigenous participation in the Commonwealth Government procurement market. Small and medium enterprises (SMEs), 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.

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.

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 2016–17, the ACMA had a total value of $49.926 million in net non-financial assets.

Property management

The ACMA's 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 2016–17, we relinquished our HFDF monitoring site at Bullsbrook in Western Australia. 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 also closed our HFDF site at Birkdale in Queensland, and our monitoring sites at Finger Post in Tasmania and Slade Point in Queensland.

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

Appendixes

Appendix 1:

Committees, memberships and attendance at meetings

Authority meetings

At 30 June 2017, the Authority comprised the Acting Chairman, Richard Bean; the Acting Deputy Chairman, James Cameron; and two Part-time Members, Anita Jacoby and Rosemary Sinclair.

The Authority met 18 times in 2016–17.

Table A.1: Attendance by Members at Authority meetings, 2016–17

Authority Member	No. of meetings attended
Richard Bean	16
James Cameron	17
Anita Jacoby	17
Rosemary Sinclair	15

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 committee for management decisions. The Executive Group assists the Chairman by providing advice on issues of corporate or strategic significance to the agency.

The Executive Group formally met 12 times in 2016–17.

Table A.2: Attendance at Executive Group meetings, 2016–17

Member of Executive Group	No. of meetings attended
Richard Bean, Acting Chairman	11
James Cameron, Acting Deputy Chairman	10
Giles Tanner, General Manager, Communications Infrastructure Division	9
Maureen Cahill, General Manager, Corporate and Research Division (to 31 March 2017)	4
Brendan Byrne, General Manager, Legal Services Division	11
Jennifer McNeill, General Manager, Content, Consumer and Citizen Division	10
Linda Caruso, Acting General Manager, Corporate and Research Division (from 3 January 2017 to 18 June 2017)	5
Damian West, General Manager, Corporate and Research Division (from 19 June 2017)	1

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 2016–17.

Table A.3: Attendance at Audit Committee meetings, 2016–17

Member of Audit Committee	No. of meetings attended
James Cameron, Audit Committee Chair	4
Michael Harris, External Audit Committee Member (until October 2016)	1
Fay Holthuyzen, External Audit Committee Member	4
David Williams, External Audit Committee Member (until December 2016)	2
Michael Parkinson, External Audit Committee Member (from September 2016)	3
Jeremy Chandler, External Audit Committee Member (from January 2017)	2
Paul Miszalski, ACMA Audit Committee Member	4

ACMA advisory and consultative bodies

Consumer Consultative Forum (CCF)

Chair

> James Cameron, Acting Deputy Chairman, 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, Honorary Secretary, Internet Australia
> Jenny Lovric, Legal Aid NSW
> Jo Ucukalo, Two Hoots and Handle My Complaint
> Nadia Moffatt, Brain Injury SA

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
> 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 Communication Exchange Limited
> Australian Communications Consumer Action Network

> Department of Communications and the Arts
> Emergency Services Telecommunications Authority, Victoria
> Fire and Rescue NSW
> iiNet Limited
> NBN Co Limited
> New South Wales Police Force
> Northern Territory Police, Fire and Emergency Services
> Queensland Ambulance 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
> MyNetFone Ltd
> SingTel Optus Pty Ltd
> Telstra Corporation Ltd
> Vodafone Hutchison Australia Pty Ltd

Digital Radio Planning Committee

> Australian Broadcasting Commission
> Australian Communications and Media Authority
> Australian Competition and Consumer Commission
> Commercial Radio Australia
> Community Broadcasting Association of Australia
> Department of Communications and the Arts
> Special Broadcasting Service

Office of the 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
> Australian Seniors Computer Clubs Association
> Bravehearts Foundation
> Carly Ryan Foundation
> Communications Alliance
> Cyber Safety Solutions
> Department of Communications and the Arts
> Department of Education and Training
> Department of Social Services
> Digital Industry Group Inc.
> Facebook
> Google
> Interactive Games and Entertainment Association (IGEA)
> Microsoft
> National Association for Prevention of Child Abuse and Neglect (NAPCAN)
> National Children's Commissioner, Australian Human Rights Commission
> Norton Rose Fulbright
> Office for Women, Department of the Prime Minister and Cabinet
> Optus
> PROJECT ROCKIT
> Queensland Police Service
> ReachOut Australia
> Reality & Risk Community Education Project
> Royal Melbourne Institute of Technology
> Telstra
> Twitter
> Western Sydney University

Appendix 2:

Staffing information

This appendix contains staffing details for the ACMA and Office of the eSafety Commissioner. Other than the Commissioner, all employees working for the Office remain employed by the ACMA under the *Public Service Act 1999*.

Table A.4: Staff profiles by employment type, gender and location, 2016–17*

NATIONAL	ONGOING								NON-ONGOING									
	Full-time		Full-time		Part-time		Part-time		Full-time		Full-time		Part-time		Part-time			
Classification	Male		Female		Male		Female		Male		Female		Male		Female		Total	
	01.07.16	30.06.17	01.07.16	30.06.17	01.07.16	30.06.17	01.07.16	30.06.17	01.07.16	30.06.17	01.07.16	30.06.17	01.07.16	30.06.17	01.07.16	30.06.17	01.07.16	30.06.17
SES 2	2	3	2	1													4	4
SES 1	6	5	4	4													10	9
EL2	24	22	15	16	1	1	7	3		1		1					47	44
Principal Lawyer	6	6	6	6													12	12
EL1	79	67	46	41	1	2	30	29		4		2				1	156	146
Senior Lawyer	1	2	4	4	1	1	2	2									8	9
ACMA 6	55	49	51	47	1	1	20	21	4	7	3	6				1	134	132
Lawyer																	0	0
ACMA 5	16	23	12	9			6	5	1	2	1				4	3	40	42
ACMA 4	7	3	14	15			6	2			1	2				1	28	23
ACMA 3							1	1									1	1
ACMA 2																	0	0
Graduate																	0	0
ACMA 1																	0	0
TOTAL	**196**	**180**	**154**	**143**	**4**	**5**	**72**	**63**	**5**	**14**	**5**	**11**	**0**	**0**	**4**	**6**	**440**	**422**

**Substantive classification. Excludes statutory office-holders.*

CANBERRA	ONGOING								NON-ONGOING									
	Full-time		Full-time		Part-time		Part-time		Full-time		Full-time		Part-time		Part-time			
Classification	Male		Female		Male		Female		Male		Female		Male		Female		Total	
	01.07.16	30.06.17	01.07.16	30.06.17	01.07.16	30.06.17	01.07.16	30.06.17	01.07.16	30.06.17	01.07.16	30.06.17	01.07.16	30.06.17	01.07.16	30.06.17	01.07.16	30.06.17
SES 2		1	2	1													2	2
SES 1	3	3	1	1													4	4
EL2	10	9	4	4			1										15	13
Principal Lawyer	1	1	1	1													2	2
EL1	33	27	11	10	1	1	4	3		3							49	44
Senior Lawyer			2	2													2	2
ACMA 6	14	13	19	19		1	1	2	2	1		1					36	37
Lawyer																	0	0
ACMA 5	7	10	6	3				1	1	1							14	15
ACMA 4	4	2	9	9			4	1			1	2				1	18	15
ACMA 3																	0	0
ACMA 2																	0	0
Graduate																	0	0
ACMA 1																	0	0
TOTAL	**72**	**66**	**55**	**50**	**1**	**2**	**10**	**7**	**3**	**5**	**1**	**3**	**0**	**0**	**0**	**1**	**142**	**134**

MELBOURNE	ONGOING								NON-ONGOING									
	Full-time		Full-time		Part-time		Part-time		Full-time		Full-time		Part-time		Part-time			
Classification	Male		Female		Male		Female		Male		Female		Male		Female		Total	
	01.07.16	30.06.17	01.07.16	30.06.17	01.07.16	30.06.17	01.07.16	30.06.17	01.07.16	30.06.17	01.07.16	30.06.17	01.07.16	30.06.17	01.07.16	30.06.17	01.07.16	30.06.17
SES 2																	0	0
SES 1	3	2	1	1													4	3
EL2	8	9	5	4	1	1	1	1									15	15
Principal Lawyer	4	4															4	4
EL1	30	26	15	12		1	17	17								1	62	57
Senior Lawyer		1	2	2	1	1	2	2									5	6
ACMA 6	27	23	13	13	1		11	10	1	4	2	1				1	55	52
Lawyer																	0	0
ACMA 5	4	5	4	4			6	4		1	1				4	2	19	16
ACMA 4	1	1	4	5			2	1									7	7
ACMA 3																	0	0
ACMA 2																	0	0
Graduate																	0	0
ACMA 1																	0	0
TOTAL	**77**	**71**	**44**	**41**	**3**	**3**	**39**	**35**	**1**	**5**	**3**	**1**	**0**	**0**	**4**	**4**	**171**	**160**

SYDNEY	ONGOING								NON-ONGOING									
	Full-time		Full-time		Part-time		Part-time		Full-time		Full-time		Part-time		Part-time			
Classification	Male		Female		Male		Female		Male		Female		Male		Female		Total	
	01.07.16	30.06.17	01.07.16	30.06.17	01.07.16	30.06.17	01.07.16	30.06.17	01.07.16	30.06.17	01.07.16	30.06.17	01.07.16	30.06.17	01.07.16	30.06.17	01.07.16	30.06.17
SES 2	2	2															2	2
SES 1			2	2													2	2
EL2	5	3	6	8			4	1		1		1					15	14
Principal Lawyer	1	1	4	5													5	6
EL1	15	13	19	18			9	9		1		2					43	43
Senior Lawyer	1	1															1	1
ACMA 6	9	7	19	14			8	9		1	1	4					37	35
Lawyer																	0	0
ACMA 5	2	2		1												1	2	4
ACMA 4	1		1	1													2	1
ACMA 3							1	1									1	1
ACMA 2																	0	0
Graduate																	0	0
ACMA 1																	0	0
TOTAL	**36**	**29**	**51**	**49**	**0**	**0**	**22**	**20**	**0**	**3**	**1**	**7**	**0**	**0**	**0**	**1**	**110**	**109**

REGIONS^	ONGOING								NON-ONGOING									
	Full-time		Full-time		Part-time		Part-time		Full-time		Full-time		Part-time		Part-time			
Classification	Male		Female		Male		Female		Male		Female		Male		Female		Total	
	01.07.16	30.06.17	01.07.16	30.06.17	01.07.16	30.06.17	01.07.16	30.06.17	01.07.16	30.06.17	01.07.16	30.06.17	01.07.16	30.06.17	01.07.16	30.06.17	01.07.16	30.06.17
SES 2																	0	0
SES 1																	0	0
EL2	1	1					1	1									2	2
Principal Lawyer			1														1	0
EL1	1	1	1	1													2	2
Senior Lawyer																	0	0
ACMA 6	5	6		1					1	1							6	8
Lawyer																	0	0
ACMA 5	3	6	2	1													5	7
ACMA 4	1																1	0
ACMA 3																	0	0
ACMA 2																	0	0
Graduate																	0	0
ACMA 1																	0	0
TOTAL	**11**	**14**	**4**	**3**	**0**	**0**	**1**	**1**	**1**	**1**	**0**	**0**	**0**	**0**	**0**	**0**	**17**	**19**

^Includes Parramatta, Hobart and Brisbane.

Table A.5: Salary ranges of employees, 30 June 2017

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

Table A.6: Programs granted children's or preschool classification, 2016–17

Program title	Style	Type	Origin	Applicant
Children's—C				
BrainBuzz (series 1, episodes 1–132)	Live action	Information	Australia	Nine Entertainment Co. Pty Ltd
Flushed (series 3, episodes 1–65)	Live action	Game show	Australia	Ambience Entertainment Pty Ltd
Scope (series 4, episodes 1–100)	Live action	Information	Australia	Network Ten Pty Ltd
Move It (series 7, episodes 1–65)	Live action	Game show	Australia	Ambience Entertainment Pty Ltd
Get Arty (series 1, episodes 1–65)	Live action	Information	Australia	Seven Network (Operations) Limited
Baby Animals—In our World (series 2, episodes 1–20)	Live action	Information/ documentary	Australia	Wildbear Entertainment Pty Ltd
Baby Animals—In the Wild (series 1, episodes 1–20)	Live action	Information/ documentary	Australia	Wildbear Entertainment Pty Ltd
Creature Mania (series 1, episodes 1–65)	Live action	Information	Australia	Eye Spy Productions Pty Ltd T/A Northern Pictures Pty Ltd
Totally Wild (series 24, episodes 1–180)	Live action	Information	Australia	Network Ten Pty Ltd
Provisional—PRC				
Oh Yuck (series 1, episodes 1–26)	Live action/ animation/puppetry	Drama	Australia	Flying Bark Productions Pty Ltd
Perry Parka Polar Possum (series 1, episodes 1–13)	Animation	Drama	Australia	Sticky Pictures Pty Ltd
Drop Dead Weird (series 1, episodes 1–26)	Live action	Drama	Australia	Ambience Entertainment Pty Ltd
Roddy the Rooster (series 1, episodes 1–13)	Animation	Drama	Australia	Burbank Animation Studios Pty Limited
Preschool—P				
Teddies (series 1, episodes 1–45)	Live action/ puppetry	Variety	Australia	Eye Spy Productions Pty Ltd T/A Northern Pictures Pty Ltd
Jay's Jungle (series 3, episodes 1–65)	Live action	Variety	Australia	Ambience Entertainment Pty Ltd
Crocamole (series 2, episodes 1–160)	Live action	Variety	Australia	Network Ten Pty Ltd
Imagination Train (series 2, episodes 1–45)	Live action	Variety	Australia	Ambience Entertainment Pty Ltd

Program title	Style	Type	Origin	Applicant
Provisional—PRP				
Teddies (series 1, episodes 1–45)	Live action/ puppetry	Variety	Australia	Eye Spy Productions Pty Ltd T/A Northern Pictures Pty Ltd
Australian children's drama—CD				
Drop Dead Weird (series 1, episodes 1–26)	Live action	Drama	Australia	Ambience Entertainment Pty Ltd
Kuu Kuu Harajuku (series 3, episodes 7–18)	Animation	Drama	Australia	HJ5 Season 3 Pty Ltd
Kuu Kuu Harajuku (series 3, episodes 1–6)	Animation	Drama	Australia	HJ5 Season 3 Pty Ltd
Jar Dwellers SOS (series 2, episodes 1–52)	Animation	Drama	Australia	Jar Dwellers2 Production Pty Ltd
Kitty is not a cat (series 1, episodes 1–52)	Animation	Drama	Australia	BES Animation
Oh Yuck (series 1, episodes 1–26)	Live action/ animation/puppetry	Drama	Australia	Flying Bark Productions Pty Ltd
Nate is Late (series 1, episodes 1–52)	Animation	Drama	Australia	Three's A Company Pty Ltd
Random & Whacky (series 1, episodes 1–15)	Live action	Drama	Australia	Ambience Entertainment Pty Ltd
Lexi and Lottie—Trusty Twin Detectives (series 1, episodes 1–26)	Animation	Drama	Australia	SLR Productions Pty Ltd
The Barefoot Bandits (series 1, episodes 1–10)	Animation	Drama	New Zealand	Mukpuddy Limited
Kuu Kuu Harajuku (series 2, episodes 40–52)	Animation	Drama	Australia	HJ5 Season 2 Pty Ltd
Kuu Kuu Harajuku (series 2, episodes 27–39)	Animation	Drama	Australia	HJ5 Season 2 Pty Ltd
Kuu Kuu Harajuku (series 2, episodes 13–26)	Animation	Drama	Australia	HJ5 Season 2 Pty Ltd
Kuu Kuu Harajuku (series 2, episodes 1–12)	Animation	Drama	Australia	HJ5 Season 2 Pty Ltd
Bottersnikes and Gumbles (series 1, block 2, episodes 27–52)	Animation	Drama	Australia	Cheeky Little Media Pty Ltd

Table A.7: Children's television consultants, 2016–17

Name	Expertise
Donna Andrews	Child development/production
Dina Browne	Production
Stephen Measday	Editing/Script-writing
Rita Princi	Child development
Gina Roncoli	Production/Script-writing

Appendix 4:

Broadcasting investigations outcomes

Table A.8: ACMA investigations, 1 July 2016 to 30 June 2017

Investigation number	Station	Program or issue	Substance of complaint/Matter	Outcome
Commercial television				
Breach findings: 53				
BI-180	Prime7/Prime Television (Northern) Pty Ltd	*Prime7 Local*	Accuracy and privacy—in a news report about alleged incidents of bullying at a rural NSW school	Breach of clauses 3.5 (privacy) and 3.3.1 (accuracy and fairness) of the Commercial Television Industry Code of Practice 2015
BI-196	Seven/Channel Seven Brisbane Pty Ltd	*Seven News*	Accuracy and correction of errors—in the broadcast of images in a news report identifying the wrong people	Breach of clauses 3.3.1 (accuracy) and 3.3.3 (correction of errors) of the Commercial Television Industry Code of Practice 2015
BI-208	Southern Cross Television/ Southern Cross Television (TNT9) Pty Ltd	Federal election advertisement featuring the Premier of Tasmania	Election advertising—broadcast the required particulars immediately following the broadcast of political matter	Breach of subclause 4(2) (identification of certain political matter) and paragraph 7(1)(i) (comply with clause 4) of Schedule 2 to the *Broadcasting Services Act 1992* (BSA)*
BI-227	Nine/TCN Channel Nine Pty Ltd	*Nine News Sunday*	Accuracy and impartiality—in a news report about Ku-ring-gai Council's opposition to the NSW Government's council amalgamation plans and the Mayor's use of public funds	Breach of clauses 3.3.1 (present material facts accurately) and 3.4.1 (present news fairly and impartially) of the Commercial Television Industry Code of Practice 2015
BI-231	TEN/Network Ten (Perth) Pty Limited	Advertisement for the 'notbornyet' campaign by Emily's Voice	Political matter—broadcast the required particulars immediately following the broadcast of political matter	Breach of subclause 4(2) (identification of certain political matter) and paragraph 7(1)(j) (comply with subclause 4(2)) of Schedule 2 to the BSA*
BI-232	ATN/Channel Seven Sydney Pty Ltd	C and P program requirements	Compliance with Children's Television Standards	Breach of CTS 13(2) (broadcast at least 30 minutes of C material every weekday) and CTS 14(1) (broadcast at least 30 minutes of P material every weekday) of the Children's Television Standards 2009, and of paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*

Investigation number	Station	Program or issue	Substance of complaint/Matter	Outcome
BI-234	HSV/Channel Seven Melbourne Pty Ltd	C and P program requirements	Compliance with Children's Television Standards	Breach of CTS 13(2) (broadcast at least 30 minutes of C material every weekday) and CTS 14(1) (broadcast at least 30 minutes of P material every weekday) of the Children's Television Standards 2009, and of paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*
BI-235	BTQ/Channel Brisbane Pty Ltd	C and P program requirements	Compliance with Children's Television Standards	Breach of CTS 13(2) (broadcast at least 30 minutes of C material every weekday) and CTS 14(1) (broadcast at least 30 minutes of P material every weekday) of the Children's Television Standards 2009, and of paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*
BI-236	SAS/Channel Seven Adelaide Pty Ltd	C and P program requirements	Compliance with Children's Television Standards	Breach of CTS 13(2) (broadcast at least 30 minutes of C material every weekday) and CTS 14(1) (broadcast at least 30 minutes of P material every weekday) of the Children's Television Standards 2009, and of paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*
BI-237	TVW/Channel Seven Perth Pty Ltd	C and P program requirements	Compliance with Children's Television Standards	Breach of CTS 13(2) (broadcast at least 30 minutes of C material every weekday) and CTS 14(1) (broadcast at least 30 minutes of P material every weekday) of the Children's Television Standards 2009, and of paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*
BI-238	AMN/WIN Television Griffith Pty Ltd	C and P program requirements	Compliance with Children's Television Standards	Breach of CTS 13(2) (broadcast of at least 30 minutes of C material every weekday) and CTS 14(1) (broadcast at least 30 minutes of P material every weekday) of the Children's Television Standards 2009, and of paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*

Investigation number	Station	Program or issue	Substance of complaint/Matter	Outcome
BI-239	RDS/WIN Television SA Pty Ltd	C and P program requirements	Compliance with Children's Television Standards	Breach of CTS 13(2) (broadcast of at least 30 minutes of C material every weekday) and CTS 14(1) (broadcast at least 30 minutes of P material every weekday) of the Children's Television Standards 2009, and of paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*
BI-241	SDS/WIN Television SA Pty Ltd	C and P program requirements	Compliance with Children's Television Standards	Breach of CTS 13(2) (broadcast of at least 30 minutes of C material every weekday) and CTS 14(1) (broadcast at least 30 minutes of P material every weekday) of the Children's Television Standards 2009, and of paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*
BI-242	AMV/Prime Television (Victoria) Pty Ltd	C and P program requirements	Compliance with Children's Television Standards	Breach of CTS 13(2) (broadcast of at least 30 minutes of C material every weekday) and CTS 14(1) (broadcast at least 30 minutes of P material every weekday) of the Children's Television Standards 2009, and of paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*
BI-243	CBN/Prime Television (Southern) Pty Ltd	C and P program requirements	Compliance with Children's Television Standards	Breach of CTS 13(2) (broadcast at least 30 minutes of C material every weekday) and CTS 14(1) (broadcast at least 30 minutes of P material every weekday) of the Children's Television Standards 2009, and of paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*
BI-244	NEN/Prime Television (Northern) Pty Ltd	C and P program requirements	Compliance with Children's Television Standards	Breach of CTS 13(2) (broadcast at least 30 minutes of C material every weekday) and CTS 14(1) (broadcast at least 30 minutes of P material every weekday) of the Children's Television Standards 2009, and of paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*

Investigation number	Station	Program or issue	Substance of complaint/Matter	Outcome
BI-245	PTV/Prime Television (Victoria) Pty Ltd	C and P program requirements	Compliance with Children's Television Standards	Breach of CTS 13(2) (broadcast at least 30 minutes of C material every weekday) and CTS 14(1) (broadcast at least 30 minutes of P material every weekday) of the Children's Television Standards 2009, and of paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*
BI-246	BKN/Broken Hill Television Pty Ltd	C and P program requirements	Compliance with Children's Television Standards	Breach of CTS 13(2) (broadcast at least 30 minutes of C material every weekday) and CTS 14(1) (broadcast at least 30 minutes of P material every weekday) of the Children's Television Standards 2009, and of paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*
BI-247	GTS/Spencer Gulf Telecasters Pty Ltd	C and P program requirements	Compliance with Children's Television Standards	Breach of CTS 13(2) (broadcast at least 30 minutes of C material every weekday) and CTS 14(1) (broadcast at least 30 minutes of P material every weekday) of the Children's Television Standards 2009, and of paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*
BI-248	ITQ/Regional Television Pty Ltd	C and P program requirements	Compliance with Children's Television Standards	Breach of CTS 13(2) (broadcast at least 30 minutes of C material every weekday) and CTS 14(1) (broadcast at least 30 minutes of P material every weekday) of the Children's Television Standards 2009, and of paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*
BI-249	QQQ/Regional Television Pty Ltd	C and P program requirements	Compliance with Children's Television Standards	Breach of CTS 13(2) (broadcast at least 30 minutes of C material every weekday) and CTS 14(1) (broadcast at least 30 minutes of P material every weekday) of the Children's Television Standards 2009, and of paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*

Investigation number	Station	Program or issue	Substance of complaint/Matter	Outcome
BI-250	TND/Regional Television Pty Ltd	C and P program requirements	Compliance with Children's Television Standards	Breach of CTS 13(2) (broadcast at least 30 minutes of C material every weekday) and CTS 14(1) (broadcast at least 30 minutes of P material every weekday) of the Children's Television Standards 2009, and of paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*
BI-251	TNT/Southern Cross Television (TNT9) Pty Ltd	C and P program requirements	Compliance with Children's Television Standards	Breach of CTS 13(2) (broadcast at least 30 minutes of C material every weekday) and CTS 14(1) (broadcast at least 30 minutes of P material every weekday) of the Children's Television Standards 2009, and of paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*
BI-252	GTW/Geraldton Telecasters Pty Ltd	C and P program requirements	Compliance with Children's Television Standards	Breach of CTS 13(2) (broadcast at least 30 minutes of C material every weekday) and CTS 14(1) (broadcast at least 30 minutes of P material every weekday) of the Children's Television Standards 2009, and of paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*
BI-253	SSW/Golden West Network Pty Ltd	C and P program requirements	Compliance with Children's Television Standards	Breach of CTS 13(2) (broadcast at least 30 minutes of C material every weekday) and CTS 14(1) (broadcast at least 30 minutes of P material every weekday) of the Children's Television Standards 2009, and of paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*
BI-254	VEW/Mid-Western Television Pty Ltd	C and P program requirements	Compliance with Children's Television Standards	Breach of CTS 13(2) (broadcast at least 30 minutes of C material every weekday) and CTS 14(1) (broadcast at least 30 minutes of P material every weekday) of the Children's Television Standards 2009, and of paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*

Investigation number	Station	Program or issue	Substance of complaint/Matter	Outcome
BI-255	WAW/Golden West Satellite Communications Pty Ltd	C and P program requirements	Compliance with Children's Television Standards	Breach of CTS 13(2) (broadcast at least 30 minutes of C material every weekday) and CTS 14(1) (broadcast at least 30 minutes of P material every weekday) of the Children's Television Standards 2009, and of paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*
BI-256	STQ/Channel Seven Queensland Pty Ltd	C and P program requirements	Compliance with Children's Television Standards	Breach of CTS 13(2) (broadcast at least 30 minutes of C material every weekday) and CTS 14(1) (broadcast at least 30 minutes of P material every weekday) of the Children's Television Standards 2009, and of paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*
BI-265	9GO!/General Television Corporation Proprietary Limited	Commercials for CrownBet broadcast during *The Spiderwick Chronicles*	Gambling advertising—commercials related to betting or gambling broadcast during a program principally directed to children	Breach of paragraph 6.5.1(b) (restrictions on betting and gambling commercials) of the Commercial Television industry Code of Practice 2015
BI-277	BCV/Southern Cross Communications Pty Limited	2016 C program quota	Compliance with Australian Content Standard	Breach of ACS 14(1) (broadcast first-release C programs for at least 50 per cent of the total time occupied by C programs) and ACS 12(2) (broadcast at least 25 hours of first-release Australian C drama programs) of the Broadcasting Services (Australian Content) Standard 2016, and paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*
BI-278	CTC/Australian Capital Television Pty Ltd	2016 C program quota	Compliance with Australian Content Standard	Breach of ACS 14(1) (broadcast first-release C programs for at least 50 per cent of the total time occupied by C programs) and ACS 12(2) (broadcast at least 25 hours of first-release Australian C drama programs) of the Broadcasting Services (Australian Content) Standard 2016, and paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*

Investigation number	Station	Program or issue	Substance of complaint/Matter	Outcome
BI-279	GLV/Southern Cross Communications Pty Limited	2016 C program quota	Compliance with Australian Content Standard	Breach of ACS 14(1) (broadcast first-release C programs for at least 50 per cent of the total time occupied by C programs) and ACS 12(2) (broadcast at least 25 hours of first-release Australian C drama programs) of the Broadcasting Services (Australian Content) Standard 2016, and paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*
BI-280	TDT/Tasmanian Digital Television Pty Ltd	2016 C program quota	Compliance with Australian Content Standard	Breach of ACS 14(1) (broadcast first-release C programs for at least 50 per cent of the total time occupied by C programs) and ACS 12(2) (broadcast at least 25 hours of first-release Australian C drama programs) of the Broadcasting Services (Australian Content) Standard 2016, and paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*
BI-281	TNQ/Regional Television Pty Limited	2016 C program quota	Compliance with Australian Content Standard	Breach of ACS 14(1) (broadcast first-release C programs for at least 50 per cent of the total time occupied by C programs) and ACS 12(2) (broadcast at least 25 hours of first-release Australian C drama programs) of the Broadcasting Services (Australian Content) Standard 2016 and paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*
BI-282	GDW/West Digital Television No. 2 Pty Ltd	2016 C program quota	Compliance with Australian Content Standard	Breach of ACS 14(1) (broadcast first-release C programs for at least 50 per cent of the total time occupied by C programs) and ACS 12(2) (broadcast at least 25 hours of first-release Australian C drama programs) of the Broadcasting Services (Australian Content) Standard 2016, and paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*

Investigation number	Station	Program or issue	Substance of complaint/Matter	Outcome
BI-283	LRS/WIN Television SA Pty Ltd	2016 C program quota	Compliance with Australian Content Standard	Breach of ACS 14(1) (broadcast first-release C programs for at least 50 per cent of the total time occupied by C programs) and ACS 12(2) (broadcast at least 25 hours of first-release Australian C drama programs) of the Broadcasting Services (Australian Content) Standard 2016, and paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*
BI-284	MDN/WIN Television Griffith Pty Ltd	2016 C program quota	Compliance with Australian Content Standard	Breach of ACS 14(1) (broadcast first-release C programs for at least 50 per cent of the total time occupied by C programs) and ACS 12(2) (broadcast at least 25 hours of first-release Australian C drama programs) of the Broadcasting Services (Australian Content) Standard 2016, and paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*
BI-285	MDV/Mildura Digital Television Pty Ltd	2016 C program quota	Compliance with Australian Content Standard	Breach of ACS 14(1) (broadcast first-release C programs for at least 50 per cent of the total time occupied by C programs) and ACS 12(2) (broadcast at least 25 hours of first-release Australian C drama programs) of the Broadcasting Services (Australian Content) Standard 2016, and paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*
BI-286	MGS/WIN Television SA Pty Ltd	2016 C program quota	Compliance with Australian Content Standard	Breach of ACS 14(1) (broadcast first-release C programs for at least 50 per cent of the total time occupied by C programs) and ACS 12(2) (broadcast at least 25 hours of first-release Australian C drama programs) of the Broadcasting Services (Australian Content) Standard 2016, and paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*

Investigation number	Station	Program or issue	Substance of complaint/Matter	Outcome
BI-287	SDW/West Digital Television Pty Ltd	2016 C program quota	Compliance with Australian Content Standard	Breach of ACS 14(1) (broadcast first-release C programs for at least 50 per cent of the total time occupied by C programs) and ACS 12(2) (broadcast at least 25 hours of first-release Australian C drama programs) of the Broadcasting Services (Australian Content) Standard 2016, and paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*
BI-288	VDW/West Digital Television No. 3 Pty Ltd	2016 C program quota	Compliance with Australian Content Standard	Breach of ACS 14(1) (broadcast first-release C programs for at least 50 per cent of the total time occupied by C programs) and ACS 12(2) (broadcast at least 25 hours of first-release Australian C drama programs) of the Broadcasting Services (Australian Content) Standard 2016, and paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*
BI-289	WDW/West Digital Television No. 4 Pty Ltd	2016 C program quota	Compliance with Australian Content Standard	Breach of ACS 14(1) (broadcast first-release C programs for at least 50 per cent of the total time occupied by C programs) and ACS 12(2) (broadcast at least 25 hours of first-release Australian C drama programs) of the Broadcasting Services (Australian Content) Standard 2016, and paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*
BI-290	MTN/WIN Television Griffith Pty Ltd	2014–16 triennium Australian drama quota 2016 Australian drama quota	Compliance with Australian Content Standard	Breach of ACS 10(1)(b) (broadcast at least 860 points of first-release Australian drama) and ACS 10(2) (broadcast at least 250 points of first-release Australian drama) of the Australian Content Standard 2016, and of paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*
BI-291	RTQ/WIN Television QLD Pty Ltd	2014–16 triennium Australian drama quota 2016 Australian drama quota	Compliance with Australian Content Standard	Breach of ACS 10(1)(b) (broadcast at least 860 points of first-release Australian drama) and ACS 10(2) (broadcast at least 250 points of first-release Australian drama) of the Australian Content Standard 2016, and of paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*

Investigation number	Station	Program or issue	Substance of complaint/Matter	Outcome
BI-292	RTS/WIN Television SA Pty Ltd	2014–16 triennium Australian drama quota 2016 Australian drama quota	Compliance with Australian Content Standard	Breach of ACS 10(1)(b) (broadcast at least 860 points of first-release Australian drama) and ACS 10(2) (broadcast at least 250 points of first-release Australian drama) of the Australian Content Standard 2016, and of paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*
BI-293	SES/WIN Television SA Pty Ltd	2014–16 triennium Australian drama quota 2016 Australian drama quota	Compliance with Australian Content Standard	Breach of ACS 10(1)(b) (broadcast at least 860 points of first-release Australian drama) and ACS 10(2) (broadcast at least 250 points of first-release Australian drama) of the Australian Content Standard 2016, and of paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*
BI-294	STV/WIN Television Mildura Pty Ltd	2014–16 triennium Australian drama quota 2016 Australian drama quota	Compliance with Australian Content Standard	Breach of ACS 10(1)(b) (broadcast at least 860 points of first-release Australian drama) and ACS 10(2) (broadcast at least 250 points of first-release Australian drama) of the Australian Content Standard 2016, and of paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*
BI-295	TVT/WIN Television TAS Pty Ltd	2014–16 triennium Australian drama quota 2016 Australian drama quota	Compliance with Australian Content Standard	Breach of ACS 10(1)(b) (broadcast at least 860 points of first-release Australian drama) and ACS 10(2) (broadcast at least 250 points of first-release Australian drama) of the Australian Content Standard 2016, and of paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*
BI-296	VTV/WIN Television VIC Pty Ltd	2014–16 triennium Australian drama quota 2016 Australian drama quota	Compliance with Australian Content Standard	Breach of ACS 10(1)(b) (broadcast at least 860 points of first-release Australian drama) and ACS 10(2) (broadcast at least 250 points of first-release Australian drama) of the Australian Content Standard 2016, and of paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*

Investigation number	Station	Program or issue	Substance of complaint/Matter	Outcome
BI-297	WIN/WIN Television NSW Pty Ltd	2014–16 triennium Australian drama quota 2016 Australian drama quota	Compliance with Australian Content Standard	Breach of ACS 10(1)(b) (broadcast at least 860 points of first-release Australian drama) and ACS 10(2) (broadcast at least 250 points of first-release Australian drama) of the Australian Content Standard 2016, and of paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*
BI-298	WOW/WIN Television WA Pty Ltd	2014–16 triennium Australian drama quota 2016 Australian drama quota	Compliance with Australian Content Standard	Breach of ACS 10(1)(b) (broadcast at least 860 points of first-release Australian drama) and ACS 10(2) (broadcast at least 250 points of first-release Australian drama) of the Australian Content Standard 2016, and of paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*
BI-299	SVW/WA Satco Pty Limited	2014–16 triennium Australian drama quota 2016 Australian drama quota	Compliance with Australian Content Standard	Breach of ACS 10(1)(b) (broadcast at least 860 points of first-release Australian drama) and ACS 10(2) (broadcast at least 250 points of first-release Australian drama) of the Australian Content Standard 2016, and of paragraph 7(1)(b) (comply with program standards) of Schedule 2 to the BSA*
BI-300	NTD/Territory Television Pty Ltd	Licence condition matter	Compliance with Australian program quota on non-primary television services	Breach of section 121G(2)(c) (broadcast at least 1,460 hours of Australian programs during targeted viewing hours each year on non primary television broadcasting services) and of paragraph 7(1)(aa) of Schedule 2 to the BSA*
*Investigation against a licence condition, standard or provision of the *Broadcasting Services Act 1992*.				
No breach findings: 17				
BI-185	Southern Cross Ten/ Southern Cross Communications Pty Ltd	*The Bolt Report*	Accuracy—in a current affairs segment about climate change	No breach of clause 4.3.1 (accuracy) of the Commercial Television Industry Code of Practice 2010
BI-211	Ten/Network Ten (Melbourne) Pty Ltd	*The Project*	Accuracy and fairness—in a current affairs segment on the Port Arthur massacre	No breach of clause 3.3.1 (representation of viewpoints) of the Commercial Television Industry Code of Practice 2015

Investigation number	Station	Program or issue	Substance of complaint/Matter	Outcome
BI-219	Nine/Swan Television & Radio Broadcasters Pty Ltd	*20 to One*	Material not suitable for broadcast—offensive and derogatory comments about a transgender person in a light-entertainment program	No breach of clause 2.6.2 (provoke or perpetuate intense dislike, serious contempt or severe ridicule) of the Commercial Television Industry Code of Practice 2015
BI-220	Nine/Channel 9 South Australia Pty Limited	*The Footy Show*	Classification—inappropriate material in the broadcast of a photo of a male football player signing an autograph	No breach of clause 2.2.1 (classification—general rules) or 2.2.2 (M classification zone) of the Commercial Television Industry Code of Practice 2015
BI-226	Nine/General Television Corporation Pty Ltd	*The Block*	Classification—commercial for film classified MA15+ broadcast during a PG program	No breach of clause 2.1.1 (classification), 2.2.1 (PG classification zone) or paragraph 2.4.1(b) (special care requirements for non-program material) of the Commercial Television Industry Code of Practice 2015
BI-240	Seven/Channel Seven Adelaide Pty Ltd	*Seven News*	Accuracy and fairness and impartiality—in a news broadcast about alleged discrimination by a Catholic high school of two students in a same-sex relationship	No breach of clause 3.3.1 (accuracy and fairness) or 3.4.1 (impartiality) of the Commercial Television Industry Code of Practice 2015
BI-258	Nine/Queensland Television Pty Ltd, Territory Television Pty Ltd, Channel 9 South Australia Pty Limited, and Swan Television & Radio Broadcasters Pty Ltd	*Nine News* and program promotions	Accuracy—in a news broadcast and in program promotions for the news broadcast about alleged benefits of an anti-inflammatory diet and avoiding particular foods for people with arthritis and gout pain	No breach of clause 3.3.1 (accuracy and fairness) or 3.6 (program promotions) of the Commercial Television Industry Code of Practice 2015
BI-260	Nine/Channel 9 South Australia Pty Ltd	*A Current Affair*	Exercise care in selecting material for broadcast and broadcast of material likely to seriously distress or seriously offend—in a current affairs report that broadcast a recorded video message in which a man verbally abuses his estranged wife and makes threats against her family	No breach of clause 2.3.3 (exercise care in selecting material for broadcast) or paragraph 3.2.1(a) (material which is likely to seriously distress or seriously offend) of the Commercial Television Industry Code of Practice 2015

Investigation number	Station	Program or issue	Substance of complaint/Matter	Outcome
BI-262	Ten/Network TEN (Sydney) Pty Ltd	*Supercars: Bathurst 1000 LIVE*	Tobacco advertising—during coverage of the *Bathurst 1000 V8* supercars race	No breach of paragraph 7(1)(a) (tobacco advertising) of Schedule 2 to the BSA*
BI-273	Ten/Network TEN (Sydney) Pty Limited	*Ten Eyewitness News*	Accuracy and impartiality—in a promotional segment and a news report about the federal government's proposal to reschedule codeine products from over-the-counter to prescription-only medicine	No breach of clause 3.3.1 (accuracy) or 3.4.1 (impartiality) of the Commercial Television Industry Code of Practice 2015
BI-274	7Flix/Channel Seven Melbourne Pty Ltd	*Hannibal*	Classification—modification of a film classified R18+ to make it suitable for broadcast	No breach of clause 2.6.1 (suitability for broadcast) of the Commercial Television Industry Code of Practice 2015 or paragraph 7(1)(ga) (modify R18+ films) of Schedule 2 to the BSA*
BI-276	Ten/Network Ten (Brisbane) Pty Limited	Commercials for Sportsbet broadcast in *Ten Eyewitness News First At Five* and the *KFC Big Bash League*	Gambling advertising—commercials relating to gambling or betting broadcast during a program that would attract a large audience of children	No breach of clause 6.5.1 (restrictions on betting and gambling commercials) or Appendix 3 (restrictions on promotion of odds and betting and gambling commercials during a live sporting event) of the Commercial Television Industry Code of Practice 2015
BI-306	Nine/General Television Corporation Proprietary Limited	*Nine News*	Material which may cause offence and exercise care in selecting material for broadcast—in a news report, footage of the moment of impact in a car collision that was distressing and inappropriate for broadcast	No breach of clause 2.3.3 (exercise care in selecting material for broadcast) or 3.2.1 (material which may cause offence) of the Commercial Television Industry Code of Practice 2015
BI-307	Channel 7/ Channel Seven Melbourne Pty Ltd	*Australian Open Tennis* 2017 (Nick Kyrgios vs Andreas Seppi)	Captioning—captions obscuring top-court play during the Australian Open Tennis 2017 match between Nick Kyrgios and Andreas Seppi	No breach of the Broadcasting Services (Television Captioning) Standard 2013 (the Standard) or subsection 130ZZA(4) (compliance with the Standard) or subsection 130ZR(1) (captioning programs broadcast between 6 am and midnight on national and commercial television primary channels) of the BSA*

Investigation number	Station	Program or issue	Substance of complaint/Matter	Outcome
BI-308	Ten/Network TEN (Sydney) Pty Limited	*Studio 10*	Classification—in a morning panel/ talk show that used coarse language that was offensive, sexist and inappropriate for daytime television	No breach of clause 2.1.1 (classification) of the Commercial Television Industry Code of Practice 2015
BI-309	Nine/General Television Corporation Proprietary Limited	*A Current Affair*	Accuracy and misrepresentation of viewpoints—in a current affairs report about the effects of marine oil extract on hyperactivity and cognition	No breach of clause 3.3.1 (accuracy and misrepresentation of viewpoints) of the Commercial Television Industry Code of Practice 2015
BI-320	Prime7/Prime Television (Southern) Pty Limited	*Sunrise*	Accuracy and privacy—in a segment about the perpetrator of a crime and their life after release from jail	No breach of clause 3.3.1 (accuracy and viewpoints) or 3.5.1 (privacy) of the Commercial Television Industry Code of Practice 2015
*Investigation against a licence condition, standard or provision of the *Broadcasting Services Act 1992*.				
ABC television				
Breach findings: 2				
BI-267	ABC/Australian Broadcasting Corporation	*ABC News: Early Edition*	Captioning—quality of captions in six distinct segments of a news and current affairs program	Breach of the Broadcasting Services (Television Captioning) Standard 2013 and subsections 130ZZA(5) (compliance with the Standard) and 130ZR(1) (captioning programs broadcast between 6 am and midnight on national and commercial television primary channels) of the BSA*
BI-268	ABC/Australian Broadcasting Corporation	*ABC News 7.00 pm Victorian Edition*	Captioning—quality of captions in six distinct segments of a news and current affairs program	Breach of the Broadcasting Services (Television Captioning) Standard 2013 and subsections 130ZZA(5) (compliance with the Standard) and 130ZR(1) (captioning programs broadcast between 6 am and midnight on national and commercial television primary channels) of the BSA*
*Investigation against a licence condition, standard or provision of the *Broadcasting Services Act 1992*.				
No breach findings: 12				
BI-193	ABC/Australian Broadcasting Corporation	*7.30*	Accuracy and diversity of perspectives—in a current affairs report on electroconvulsive therapy	No breach of Standard 2.2 (materially mislead audiences) or 4.2 (diversity of perspectives) of the ABC Code of Practice 2011 (revised 2014)
BI-198	ABC/Australian Broadcasting Corporation	*The Drum*	Due impartiality—in panel discussions about the legality of the detention centre on Manus Island	No breach of Standard 4 (due impartiality) of the ABC Code of Practice 2011 (revised 2016)

Investigation number	Station	Program or issue	Substance of complaint/Matter	Outcome
BI-203	ABC/Australian Broadcasting Corporation	*Rake*	Harm and offence and children and young people—in a broadcast of a sex scene in a comedic drama program, where the scene was offensive and unsuitable for young people	No breach of Standards 7.1 (harm or offence), 7.2 (warnings or advice), 7.3 (steps to mitigate), 7.6 (mitigate risks) or 8.4 (minimise risks) of the ABC Code of Practice 2011 (revised 2016)
BI-216	ABC/Australian Broadcasting Corporation	*Luke Warm Sex*	Harm and offence and children and young people—nudity and depictions of sexual activity that were harmful and offensive and unsuitable for young people in two episodes of a television comedy documentary series	No breach of Standards 7.1 (harm or offence), 7.2 (warnings or advice), 7.3 (steps to mitigate), 7.6 (mitigate risks) or 8.4 (minimise risks) of the ABC Code of Practice 2011 (revised 2016)
BI-221	ABC/Australian Broadcasting Corporation	*7.30*	Due impartiality—in a post-Budget-in-reply interview with opposition leader Bill Shorten	No breach of Standard 4.1 (due impartiality) of the ABC Code of Practice 2011 (revised 2016)
BI-222	ABC/Australian Broadcasting Corporation	*Q&A*	Due impartiality—lack of impartiality in treatment of a panel member in a discussion program	No breach of Standard 4.1 (due impartiality) of the ABC Code of Practice 2011 (revised 2016)
BI-228	ABC/Australian Broadcasting Corporation	*The Drum*	Due impartiality—in a panel discussion on same-sex marriage	No breach of Standards 4.1 (due impartiality) or 4.2 (diversity of perspectives) of the ABC Code of Practice 2011 (revised 2016)
BI-229	ABC/Australian Broadcasting Corporation	*ABC News*	Harm and offence—in a news program that broadcast footage of alleged mistreatment of minors in the Don Dale Youth Detention Centre	No breach of Standards 7.1 (harm or offence), 7.2 (warnings) or 7.5 (extreme sensitivity) of the ABC Code of Practice 2011 (revised 2016)
BI-257	ABC/Australian Broadcasting Corporation	*7.30*	Accuracy and due impartiality—in a current affairs program covering accusations of sexual abuse against Cardinal George Pell	No breach of Standards 2.1 (accuracy), 4.1 (due impartiality) or 4.5 (unduly favour one perspective) of the ABC Code of Practice 2011 (revised 2016)
BI-270	ABC/Australian Broadcasting Corporation	*ABC News Breakfast*	Accuracy and due impartiality—in a news report about a South Australian power blackout	No breach of Standards 2.1 (accuracy) or 4.1 (due impartiality) of the ABC Code of Practice 2011 (revised 2016)

Investigation number	Station	Program or issue	Substance of complaint/Matter	Outcome
BI-272	ABC/Australian Broadcasting Corporation	*The Mix*	Harm and offence—in an arts news program that broadcast a painting of a female nude that was not suitable for viewing by children	No breach of Standards 7.1 (harm and offence), 7.2 (warnings or advice) or 7.3 (classification) of the ABC Code of Practice 2011 (revised 2016)
BI-311	ABC/Australian Broadcasting Corporation	*Four Corners*	Impartiality and secret recordings—in a current affairs program about Pauline Hanson's One Nation Party	No breach of Standards 4.1 (impartiality) or 5.8 (secret recordings) of the ABC Code of Practice 2011 (revised 2016)
SBS television				
No breach findings: 1				
BI-304	SBS/Special Broadcasting Service	*Outlander*	Classification and consumer advice—in an episode of a drama series, the depiction of sexual violence that was gratuitous and not suitable for broadcast	No breach of Code 4.6 (classification) or 4.8 (consumer advice) of the SBS Codes of Practice 2014 (revised 2016)
Subscription television				
Breach findings: 1				
BI-301	Sky News Live/ Foxtel Cable Television Pty Limited	Promotions for *The Equality Campaign*	Political matter—broadcast the required particulars immediately following the broadcast of political matter	Breach of subclause 4(2) (identification of certain political matter) and paragraph 10(1)(i) (comply with subclause 4(2)) of Schedule 2 to the BSA*
No breach findings: 2				
BI-271	Fox Sports 2/ Foxtel Cable Television Pty Limited	*The Fall* program promotion	Particular regard to the need to protect children from unsuitable material—in a program promotion for an MA15+ television series, broadcast during a live cricket match	No breach of Code 2.3 (program promotions and news updates) of the Subscription Broadcast Television Codes of Practice 2013
BI-302	Lifestyle channels/Foxtel Cable Television Pty Limited	Advertisement for *The Equality Campaign* and promotions from the 'Love is Love' campaign	Political matter—broadcast the required particulars immediately following the broadcast of political matter	No breach of subclause 4(2) (identification of certain political matter) or paragraph 10(1)(i) (comply with subclause 4(2)) of Schedule 2 to the BSA*

*Investigation against a licence condition, standard or provision of the *Broadcasting Services Act 1992*.

Investigation number	Station	Program or issue	Substance of complaint/Matter	Outcome
Commercial radio				
Breach findings: 2				
BI-202	C91.3 FM/ Campbelltown Radio Pty Ltd	Federal election advertisements featuring the Federal Member for Macarthur	Election advertising—broadcast the required particulars immediately following election advertisement	Breach of subclause 4(2) (identification of certain political matter) and paragraph 8(1)(i) (comply with clause 4) of Schedule 2 to the BSA*
BI-303	6PR/Radio 6PR Perth Pty Ltd	Complaints-handling	Response to valid code complaints made to licensee	Breach of Code 5.5 (complaints-handling) of Commercial Radio Australia Codes of Practice 2013
No breach findings: 13				
BI-194	7HOFM/ Commercial Broadcasters Proprietary Limited	*Breakfast with Mick and Anna*	Proscribed matter—an interview contained material that was unsuitable for broadcast	No breach of Code 1.1(a), (b) or (e) (proscribed matter) of the Commercial Radio Australia Codes of Practice 2013
BI-195	KIIS 101.1/ Double T Radio Pty Ltd	*The Thinkergirls*	Program content and language—in a segment about sexual aids that was inappropriate for the time of broadcast	No breach of Code 1.3(a) (generally accepted standards of decency) or 1.5 (feature program which has an explicit sexual theme) of the Commercial Radio Australia Codes of Practice 2013
BI-204	Nova 93.7/Nova Entertainment (Perth) Pty Ltd	*Kate, Tim and Marty*	Proscribed matter—in a drivetime program segment, comments about women who eat their own hair that were offensive and ridiculed people on the basis of race, nationality and disability	No breach of Code 1.1(e) (proscribed matter) of the Commercial Radio Australia Codes of Practice 2013
BI-214	Triple M/Triple M Brisbane Pty Ltd	Comedy election content	Election advertising—broadcast during the election blackout period and did not announce required particulars	No breach of subclause 3A(2) (broadcast of election advertisements) or 4(2) (identification of certain political matter), or paragraph 8(1)(i) (comply with clauses 3A and 4) of Schedule 2 to the BSA*
BI-224	Chemist Warehouse Remix/ Commonwealth Broadcasting Corporation Pty Ltd	Advertisement for prescription medications	Advertisement relating to therapeutic goods—prescription medications marketed directly to consumers	No breach of subclause 6(2) (advertisements relating to therapeutic goods) or paragraph 8(1)(i) (comply with clause 6) of Schedule 2 to the BSA*

Investigation number	Station	Program or issue	Substance of complaint/Matter	Outcome
BI-259	4CA/Cairns Broadcasters Pty Ltd	*Mornings with John Mackenzie*	Proscribed matter and program content and language—offensive references to US President Barack Obama by a guest on a talkback program	No breach of Code 1.1(e) (proscribed matter) or 1.3(a) (generally accepted standards of decency) of the Commercial Radio Australia Codes of Practice 2013
BI-263	Heart FM/ Great Southern Land Broadcasters Pty Ltd	*Talking Back The Night*	Incite violence and brutality—talkback program host incited or encouraged violence in a discussion about politicians in Canberra	No breach of Code 1.1(a) (incite violence or brutality) of the Commercial Radio Australia Codes of Practice 2013
BI-264	2GB/Harbour Radio Pty Limited	*The Chris Smith Show*	Accuracy—in a current affairs program, comments made about climate change	No breach of Code 2.2 (accuracy) of the Commercial Radio Australia Codes of Practice 2013
BI-266	2GZ FM/Radio 2GZ Pty Ltd	*The Ray Hadley Morning Show*	Election advertising—broadcast during the election blackout period	No breach of subclause 3A(2) (broadcast of election advertisements) or paragraph 8(1)(i) (comply with clause 3A) of Schedule 2 to the BSA*
BI-310	3AW/Radio 3AW Melbourne Pty Limited	*Mornings with Neil Mitchell*	Proscribed matter—comments made about the LGBTI community in a segment about the Victorian Government's *Inclusive Language Guide*	No breach of Code 1.1(e) (proscribed matter) of the Commercial Radio Australia Codes of Practice 2013
BI-313	MMM/Triple M Sydney Pty Ltd	*Night Shift*	Offend against generally accepted standards of decency—that the talkback program host and a caller used racist and offensive language to refer to Aboriginal people	No breach of Code 1.3(a) (offend against generally accepted standards of decency) of the Commercial Radio Australia Codes of Practice 2013
BI-321	2GB/Harbour Radio Pty Limited	*The Ray Hadley Morning Show*	Privacy—in a discussion of bail laws	No breach of Code 3.3 (privacy) of the Commercial Radio Code of Practice 2017
BI-323	3AW/Radio 3AW Melbourne Pty Limited	Advertisements supporting reform of Victoria's fire services	Political matter—broadcast the required particulars immediately following the broadcast of political matter	No breach of subclause 4(2) (identification of certain political matter) or paragraph 8(1)(i) (comply with subclause (2)) of Schedule 2 to the BSA*

*Investigation against a licence condition, standard or provision of the *Broadcasting Services Act 1992*.

Investigation number	Station	Program or issue	Substance of complaint/Matter	Outcome
ABC radio				
No breach findings: 2				
BI-190	ABC NewsRadio/ Australian Broadcasting Corporation	*ABC NewsRadio Mornings*	Due impartiality—in a news program about the abolition of the Australian Building and Construction Commission	No breach of Standard 4.1 (due impartiality) of the ABC Code of Practice 2011 (revised 2016)
BI-207	ABC RN/ Australian Broadcasting Corporation	*RN Breakfast and ABC News*	Due impartiality—in the broadcast of comments about the Budget reply speech	No breach of Standard 4.1 (due impartiality) of the ABC Code of Practice 2011 (revised 2016)
Community radio				
Breach findings: 5				
BI-200	2UUU/ Shoalhaven Community Radio Inc.	Licence condition matter	Sponsorship time limit	Breach of paragraph 9(3)(b) (sponsorship time limit) of Schedule 2 to the BSA*
BI-212	2CVC/Clarence Valley Christian Broadcasters Inc.	Licence condition matter	Not representing the community interest	Breach of paragraph 9(2)(d) (provide a service for community purposes) of Schedule 2 to the BSA*
BI-215	6TJR/Toodyay Community Radio	Licence condition matter	Not representing the community interest	Breach of paragraph 9(2)(d) (provide a service for community purposes) of Schedule 2 to the BSA*
BI-233	2COW/Casino's Own Wireless Association Inc.	Overnight music programming	Offensive language in programming and complaints-handling	Breach of Code 7.3(c) (complaints will be responded to in writing within 60 days of receipt), no breach of Code 7.3(b) (complaints will be conscientiously considered, investigated if necessary, and responded to substantively as soon as possible) and no finding on Code 3.2 (prevailing community standards) of the Community Radio Broadcasting Codes of Practice 2008
BI-261	2VTR/ Hawkesbury Radio Communications Co-op	Licence condition matter	Not encouraging participation	Breach of paragraph 9(2)(c)(i) of Schedule 2 (encourage participation in operation of service) of the BSA*

*Investigation against a licence condition, standard or provision of the *Broadcasting Services Act 1992*.

Investigation number	Station	Program or issue	Substance of complaint/Matter	Outcome
No breach findings: 3				
BI-218	2AIR/ Coffs Coast Community Radio Incorporated	Code of practice matter	Complaints-handling	No breach of Code 7.3(b) (complaints will be conscientiously considered, investigated if necessary, and responded to substantively as soon as possible) or 7.3(c) (complaints will be responded to in writing within 60 days of receipt) of the Community Radio Broadcasting Codes of Practice 2008
BI-223	2PSR/Port Stephens FM Radio Inc.	Licence condition matter	Not encouraging participation	No breach of paragraph 9(2)(c)(ii) of Schedule 2 (encourage participation in selection of programs) of Schedule 2 to the BSA*
BI-315	3ZZZ/Ethnic Community Broadcasting Association of Victoria Ltd	*Macedonian Program*	General programming—comments about 'terrorists' perpetuated hatred against a person or group on the basis of nationality	No breach of Code 3.3 (broadcast of material that is likely to perpetuate hatred against any person or group on the basis of nationality) of the Community Radio Broadcasting Codes of Practice 2008
*Investigation against a licence condition, standard or provision of *the Broadcasting Services Act 1992*.				
Open narrowcast radio				
Breach findings: 1				
BI-205	United Christian Broadcasters Australia Limited	*66/40*	Religious vilification and complaints-handling—in a program about the history of the Catholic Church	Breach of clauses 2.4 (respond to complaint within 30 days) and 2.5 (advise right to refer matter to the ACMA) and no breach of clause 1.3 (religious vilification) of the Open Narrowcast Radio Codes of Practice

Appendix 5:

Telecommunications consumer protection compliance and enforcement outcomes

Table A.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 A.9: ACMA formal warnings, directions and infringement notices, 1 July 2016 to 30 June 2017

Entity	Regulation	Subject matter	Outcome
Crunch Networks Pty Ltd	TCP Code	Chapter 9: Code Compliance and Monitoring Clause 9.1 (registration with Communications Alliance for code compliance and monitoring)	Formal warning
Novatel Telecommunications Pty Ltd (T/A NetCube)	TCP Code	Chapter 8: Complaint Handling Clauses 8.2 and 8.4 (managing and keeping records of complaints), and Clause 6.9 (credit management for disputed amounts)	Direction to comply with Chapter 8 of the TCP Code
Total Group Pty Ltd	TCP Code	Chapter 3: General Rules Clause 3.2 (providing information for consumers that is clear, accurate and free from material omissions) Chapter 4: Consumer Sales, Service and Contracts Clause 4.1 (providing information about telecommunications offers)	Direction to comply with clauses 3.2 and 4.1 of the TCP Code
Direct Connect Pty Ltd	TCP Code	Chapter 3: General Rules Clause 3.2 (providing information for consumers that is clear, accurate and free from material omissions) Chapter 4: Consumer Sales, Service and Contracts Clause 4.1 (providing information about telecommunications offers)	Direction to comply with clauses 3.2 and 4.1 of the TCP Code
Aero Telecom Pty Ltd	TCP Code	Chapter 9: Code Compliance and Monitoring Clause 9.4 (providing compliance statements to Communications Compliance)	Formal warning
Ecopost Pty Ltd	TCP Code	Chapter 9: Code Compliance and Monitoring Clause 9.4 (providing compliance statements to Communications Compliance)	Formal warning
Encoo Pty Ltd	TCP Code	Chapter 9: Code Compliance and Monitoring Clause 9.4 (providing compliance statements to Communications Compliance)	Formal warning
Escapenet Pty Ltd	TCP Code	Chapter 9: Code Compliance and Monitoring Clause 9.4 (providing compliance statements to Communications Compliance)	Formal warning
FaktorTel Pty Ltd	TCP Code	Chapter 9: Code Compliance and Monitoring Clause 9.4 (providing compliance statements to Communications Compliance)	Formal warning
Globalgig Australia Pty Ltd	TCP Code	Chapter 9: Code Compliance and Monitoring Clause 9.4 (providing compliance statements to Communications Compliance)	Formal warning
GPK Group Pty Ltd	TCP Code	Chapter 9: Code Compliance and Monitoring Clause 9.4 (providing compliance statements to Communications Compliance)	Formal warning

Entity	Regulation	Subject matter	Outcome
IS Telecoms Pty Ltd	TCP Code	Chapter 9: Code Compliance and Monitoring Clause 9.4 (providing compliance statements to Communications Compliance)	Formal warning
LB & GL Rodda Pty Ltd	TCP Code	Chapter 9: Code Compliance and Monitoring Clause 9.1 (registration with Communications Alliance for code compliance and monitoring) and Clause 9.4 (providing compliance statements to Communications Compliance)	Formal warning
NETSIP Pty Ltd	TCP Code	Chapter 9: Code Compliance and Monitoring Clause 9.4 (providing compliance statements to Communications Compliance)	Formal warning
Roggle Pty Ltd	TCP Code	Chapter 9: Code Compliance and Monitoring Clause 9.4 (providing compliance statements to Communications Compliance)	Formal warning
Sprint Telco Group Pty Ltd	TCP Code	Chapter 9: Code Compliance and Monitoring Clause 9.4 (providing compliance statements to Communications Compliance)	Formal warning
V4 Telecom Pty Ltd	TCP Code	Chapter 9: Code Compliance and Monitoring Clause 9.4 (providing compliance statements to Communications Compliance)	Formal warning
Yomojo Pty Ltd	TCP Code	Chapter 9: Code Compliance and Monitoring Clause 9.4 (providing compliance statements to Communications Compliance)	Formal warning
Australian Power Control Systems Pty Ltd	TCP Code	Chapter 6: Credit and Debt Management Clause 6.11 (financial hardship policy) Chapter 9: Code Compliance and Monitoring Clause 9.1 (registration with Communications Alliance for code compliance and monitoring) and Clause 9.4 (providing compliance statements to Communications Compliance)	Direction to comply with clauses 6.11, 9.1 and 9.4 of the TCP Code
Beyontel Pty Ltd	TCP Code	Chapter 4: Consumer Sales, Service and Contracts Clause 4.1.1 (providing summary of telecommunications offer) Chapter 6: Credit and Debt Management Clause 6.11 (financial hardship policy) Chapter 9: Code Compliance and Monitoring Clause 9.1 (registration with Communications Alliance for code compliance and monitoring) and Clause 9.4 (providing compliance statements to Communications Compliance)	Direction to comply with clauses 4.1.1, 6.11, 9.1 and 9.4 of the TCP Code
Bytecard Pty Ltd	TCP Code	Chapter 9: Code Compliance and Monitoring Clause 9.4 (providing compliance statements to Communications Compliance)	Direction to comply with Clause 9.4 of the TCP Code

Entity	Regulation	Subject matter	Outcome
Rojan Australia Pty Ltd	TCP Code	Chapter 4: Consumer Sales, Service and Contracts Clause 4.1.1 (providing a summary of telecommunications offer) Chapter 6: Credit and Debt Management Clause 6.11 (financial hardship policy) Chapter 9: Code Compliance and Monitoring Clause 9.1 (registration with Communications Alliance for code compliance and monitoring) and Clause 9.4 (providing compliance statements to Communications Compliance)	Direction to comply with clauses 4.1.1, 6.11, 9.1 and 9.4 of the TCP Code
Teleforce Pty Ltd	TCP Code	Chapter 6: Credit and Debt Management Clause 6.11 (financial hardship policy) Chapter 9: Code Compliance and Monitoring Clause 9.1 (registration with Communications Alliance for code compliance and monitoring) and Clause 9.4 (providing compliance statements to Communications Compliance)	Direction to comply with clauses 6.11, 9.1 and 9.4 of the TCP Code
V Telecom Pty Ltd	TCP Code	Chapter 4: Consumer Sales, Service and Contracts Clause 4.1.1 (providing summary of telecommunications offer) Chapter 6: Credit and Debt Management Clause 6.11 (financial hardship policy) Chapter 9: Code Compliance and Monitoring Clause 9.1 (registration with Communications Alliance for code compliance and monitoring) and Clause 9.4 (providing compliance statements to Communications Compliance)	Direction to comply with clauses 4.1.1, 6.11, 9.1 and 9.4 of the TCP Code
Digital Technologies & Telecommunications Pty Ltd	TCPSS Act	Section 132 (failure to comply with a Telecommunications Industry Ombudsman decision)	Direction to comply with section 132 of the TCPSS Act

Appendix 6:

Disclosures of information

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 2016–17 are set out in Table A.10.

Table A.10: Disclosures made under Part 13 of the *Telecommunications Act 1997*—by carriers and CSPs

Reason for disclosure	(Sub)section	Number of disclosures 2016–17
Under the *Telecommunications Act 1997*		
Authorised by or under law	280	10,327
Made as a witness under summons	281	669
To assist the ACMA	284(1)	479
To assist the eSafety Commissioner	284(1A)	0
To assist the ACCC	284(2)	2
To assist the TIO	284(3)	8,262
Calls to emergency service number	286	18,540
To avert a threat to a person's life or health	287	13,839
Communications for maritime purposes	288	6
With the knowledge or consent of the person concerned	289	58,701
In circumstances prescribed in the Telecommunications Regulations 2001	292	0
Connected with an exempt disclosure	293	0
Under the *Telecommunications (Interception and Access Act) 1979*		
Voluntary disclosure	177	367
Authorisations for access to existing information or documents—enforcement of the criminal law	178	504,944
Authorisations for access to existing information or documents—locating missing persons	178A	3,073
Authorisations for access to existing information or documents—enforcement of a law imposing pecuniary penalty or protection of the public revenue	179	3,191
Authorisations for access to prospective information or documents	180	15,950
Enforcement of the criminal law of a foreign country (existing information)	180A	16
Enforcement of the criminal law of a foreign country (prospective information)	180B	5
Total		**638,371**

Source: Carriers and carriage service providers.

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 2016–17, as reported to the ACMA under section 295ZC of the Telecommunications Act, are set out in Table A.11.

Table A.11: 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 2016–17
Likely emergency	295V(1)	0
Actual emergency	295V(2)	78,081
Total		**78,081**

Appendix 7:

Consultancies, advertising expenditure and competitive tendering

This appendix contains information for both the ACMA and the Office of the eSafety Commissioner.

The ACMA and the Office engage 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 2016–17 were legal advice, research and audit.

During 2016–17, 68 new consultancy contracts were entered into, involving total actual expenditure of $2,256,924. In addition, 12 ongoing consultancy contracts were active during the period, involving total actual expenditure of $528,156.

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.

Table A.12: Expenditure on consultancy contracts, 2014–15 to 2016–17

Year	New consultancies	Continued consultancies
2014–15	$538,202	$318,525
2015–16	$1,282,869	$185,828
2016–17	$2,256,924	$528,156

Table A.13: Expenditure on media advertising organisations, 2016–17

Organisation name	Purpose	Amount of payment
Facebook Ireland	General advertising	$717
LinkedIn Singapore	General advertising	$550
Dentsu Mitchell Media	Public notices and general advertising	$206,171
Associated Media Group	General advertising	$6,600
Australian Association of Social Workers	General advertising	$346
Australian Associated Press	General advertising	$89
Westwick Farrow	General advertising	$1,540
Google Asia Pacific	General advertising	$5,000
Total		**$221,013**

Table A.14: Expenditure on market research organisations, 2016–17

Organisation name	Purpose	Amount of payment
Analysys Mason	Spectrum management practices research	$75,256
DotEcon Ltd	Advice on price-based allocation capability	$70,000
Frontier Economics	Economic modelling for numbering cost recovery	$50,000
Galaxy Research	Triple Zero consumer research	$29,508
Galaxy Research	Consumer attitudes to telemarketing research	$29,975
Open Mind Pty Ltd	Qualitative local content research	$75,297
Omnipoll Pty Ltd	Quantitative online research, children's television	$55,000
Sally Gainsbury	Offshore interactive gambling research	$18,652
Social Research Centre	Annual consumer survey	$165,000
University of Canberra	Research on trust branding and influence of web crawler	$7,485
University of New South Wales	Advice on price-based allacation capability	$58,000
University of Sydney	Research on tracking offshore interactive gambling services	$27,136
Woolcott Research	Customer Service Centre satisfaction survey	$26,664
Gambling Compliance	Research study into online gambling	$9,000
McNair Ingenuity	Research local content in rural Australia	$127,620
Woolcott Research	Stakeholder survey	$5,500
Action Market Research	Digital literacy research	$19,580
Deakin University	Literature review on digital resilience	$38,500
Omnipoll	Digital literacy research	$200,090
Little Triggers	Cyberbullying research	$62,140
Social Research Centre	Image-based abuse research	$225,609
RMIT University	Image-based abuse research	$34,623
Gillian Boulton-Lewis	Research for older Australians online	$25,368
IPSOS Australia	Research for older Australians online	$5,500
Total		**$1,441,503**

Advertising

During the reporting period, advertising was placed for a range of purposes, including public notices and legal notices. No advertising campaigns were conducted during the reporting period.

Expenditure on advertising in 2016–17 was $221,013 (see Table A.13).

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 8:

Outcome table

This appendix contains information for both the ACMA and Office of the eSafety Commissioner and shows how much was spent (on an accrual basis) on achieving the outcome by funding source.

Outcome 1: A communications and media environment that balances the needs of the industry and the Australian community through regulation, education and advice

	Budget[1] (1) $'000	Actual[2] (2) $'000	Variance (2) minus (1) $'000
Program 1.1: Communications regulation, planning and licensing			
Departmental items			
Departmental appropriations	39,331	37,592	(1,739)
Revenues from independent sources	507	423	(84)
Administered items			
Special Appropriation Act—Public Governance, Performance and Accountability Act 2013, s. 77	4,800	5,961	1,161
Services for Other Entities and Trusts Money, s. 20 FMA Act Det 2012/13	50	0	(50)
Subtotal for Program 1.1	**44,688**	**43,977**	**(711)**
Program 1.2: Consumer safeguards, education and information			
Departmental items			
Departmental appropriations	30,459	33,245	2,786
Revenues from independent sources	393	50	(343)
Administered items:			-
Telecommunications Act 1997, s. 136C(4)—reimbursement of costs of developing consumer-industry code	300	0	(300)
Subtotal for Program 1.2	**31,152**	**33,295**	**2,143**
Program 1.3: Office of the eSafety Commissioner			
Departmental items			
Departmental appropriations	10,963	10,915	(48)
Revenues from independent sources	1,000	1,000	-
Administered items			
Non-appropriation receipts	770	1,273	503
Subtotal for Program 1.3	**12,733**	**13,189**	**456**
Departmental	82,653	83,226	573
Administered	5,920	7,234	1,314
Total for Outcome 1	**88,573**	**90,460**	**1,887**
Average staffing level	418	389	

Notes

[1] Budget represents the original budget per the 2016–17 Portfolio Budget Statements.

[2] Actual appropriations is the total available appropriation in 2016–17, including MYEFO budget adjustments.

Appendix 9:

Agency resource statement

This appendix contains information for both the ACMA and Office of the eSafety Commissioner.

	Actual available appropriations for 2016–17 $'000 (a)	Payments made 2016–17 $'000 (b)	Balance remaining $'000 (a–b)
Departmental			
Prior year appropriations available	19,108	(19,108)	–
Quarantined prior year appropriations no longer available	(346)	346	–
Departmental appropriation	80,753	(68,228)	12,525
Departmental appropriation (DCB)	7,537	(100)	7,437
S. 74 relevant agency receipts	–	–	–
Equity injections	350	–	350
Total departmental appropriations	**107,402**	**(87,090)**	**20,312**
Administered			
Public Governance, Performance and Accountability Act 2013, s. 77—Repayments			
Administered appropriation	6,300	(5,961)	339
Telecommunication Act 1997, s. 136C(4)—reimbursement of costs of developing consumer-industry code			
Special appropriation	300	–	300
Total administered appropriations	**6,600**	**(5,961)**	**639**
Special accounts			
Services for Other Entities and Trusts Money, s. 20 FMA Act Det 2012/13			
Prior year non-appropriations receipts	195	–	195
The Children's Online Safety Special Account s. 80 PGPA Act (s. 72, Enhancing Safety for Children Act 2015)			
Prior year departmental appropriations available	3,449	(3,449)	–
Departmental appropriations	11,063	(5,951)	5,112
Administered appropriations	1,228	–	1,228
Non-appropriations receipts to special accounts	1,000	(1,000)	–
Total special accounts	**16,935**	**(10,400)**	**6,535**
Total resourcing	**130,937**	**(103,451)**	**27,486**

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.

Appendix 10:

Office of the eSafety Commissioner financial reporting

Financial information on the operation of the Office of the eSafety Commissioner, presented in accordance with section 57(aa) of the ACMA Act.

Departmental expenditure summary for the financial year ended 30 June 2017		
	2017 $'000	**2016 $'000**
Operating expenditure		
Employee benefits	**5,025**	4,443
Supplier expenses		
Consultants	746	303
Contractor and labour costs	1,983	1,444
Outsourced services	594	380
Stationery and publications	110	150
Legal costs	13	18
Occupancy costs	–	3
IT and communications services	231	185
Travel costs	355	348
Other	2,858	2,489
Total supplier expenses	**6,890**	5,320
Total operating expenditure	**11,915**	9,763
Capital expenditure		
Internally developed software	**0**	677
Total capital expenses	**0**	677
Total departmental expenditure	**11,915**	10,440

Administered expenditure summary for the financial year ended 30 June 2017		
	2017 $'000	**2016 $'000**
Supplier expenses		
Consultants	**81**	13
Contractor and labour costs	**945**	574
Outsourced services	**182**	259
Stationery and publications	**1**	–
Legal costs	**22**	–
Occupancy costs	**–**	–
IT and communications services	**10**	2
Travel costs	**21**	7
Other	**11**	1
Total supplier expenses	**1,273**	856
Total administered expenditure	**1,273**	856

Appendix 11:

List of requirements

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	OeSC page reference
17AD(g)	**Letter of transmittal**			
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
17AD(h)	**Aids to access**			
17AJ(a)		Table of contents	i, 10, 134, 145	i, 102, 134, 145
17AJ(b)		Alphabetical index	246	246
17AJ(c)		Glossary of abbreviations and acronyms	240	240
17AJ(d)		List of requirements	189	189
17AJ(e)		Details of contact officer	8	100
17AJ(f)		Entity's website address	2	3
17AJ(g)		Electronic address of report	8	100
17AD(a)	**Review by accountable authority**			
17AD(a)		Review by the accountable authority of the entity	15	105
17AD(b)	**Overview of the entity**			
17AE(1)(a)(i)		Role and functions	21	111
17AE(1)(a)(ii)		Organisational structure	22	112
17AE(1)(a)(iii)		Outcome and program structure	31	31, 115
17AE(1)(a)(iv)		Purpose (as included in corporate plan)	33	n/a
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

PGPA Rule reference	Part of report	Description	ACMA page reference	OeSC page reference
17AD(c)	**Report on performance**			
	Annual performance statement			
17AD(c)(i); 16F		Annual performance statement in accordance with paragraph 39(1)(b) of the Act and section 16F of the Rule	31–48 (with detailed results from 49–95)	n/a
17AD(c)(iii)	***Report on financial performance***			
17AF(1)(a)		Discussion and analysis of entity's financial performance	25, 141, 197–239	130, 141, 188, 197–239
17AF(1)(b)		Tabular summary of total resources and total payments	187	187
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	197	188
17AD(d)	**Management and accountability**			
	Corporate governance			
17AG(2)(a)		Compliance with section 10 (fraud systems)	9, 91, 135, 198	130, 135, 198
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	135	135

PGPA Rule reference	Part of report	Description	ACMA page reference	OeSC page reference
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	135	135
	External scrutiny			
17AG(3)		Information on the most significant developments in external scrutiny and the entity's response to this scrutiny	137	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	137	n/a
17AG(3)(b)		Information on any reports on operations of the entity by the Auditor-General (other than a report under section 43 of the Act), a Parliamentary Committee, or the Commonwealth Ombudsman	137	n/a
17AG(3)(c)		Information on any capability reviews on the entity that were released during the period	137	n/a
	Management of human resources			
17AG(4)(a)		Assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives	137, 140	137, 140
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	137, 139, 150	137, 139, 150
17AG(4)(c)		Information on enterprise agreements, individual flexibility arrangements, Australian workplace agreements, common law contracts and determinations under subsection 24(1) of the *Public Service Act 1999*	137	137

PGPA Rule reference	Part of report	Description	ACMA page reference	OeSC page reference
17AG(4)(c)(i)		Information on the number of SES and non-SES employees covered by agreements etc identified in paragraph 17AD(4)(c)	137	137
17AG(4)(c)(ii)		Salary ranges for APS employees by classification level	156	156
17AG(4)(c)(iii)		Description of non-salary benefits for employees	137	137
17AG(4)(d)(i)		Number of employees at each classification level who received performance pay	138	138
17AG(4)(d)(ii)		Aggregate amounts of performance pay at each classification level	138	138
17AG(4)(d)(iii)		Average amount of performance payment, and range of such payments, at each classification level	138	138
17AG(4)(d)(iv)		Aggregate amount of performance payments	138	138
	Assets management			
17AG(5)		Assessment of effectiveness of assets management where asset management is a significant part of the entity's activities	142	142
	Purchasing			
17AG(6)		Assessment of entity performance against the Commonwealth Procurement Rules	142	142
	Consultants			
17AG(7)(a)		Summary detailing: > number of new contracts engaging consultants > total actual expenditure on all new consultancy contracts let during the year (inclusive of GST) > number of ongoing consultancy contracts entered into during a previous reporting period > total actual expenditure in the reporting year on the ongoing consultancy contracts (inclusive of GST)	184	184

PGPA Rule reference	Part of report	Description	ACMA page reference	OeSC page reference
17AG(7)(b)		Statement that '*During 2016–17, 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*.'	184	184
17AG(7)(c)		Policies and procedures for selecting and engaging consultants and the main categories of purpose for which they were engaged	184	184
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*.'	184	184
	Australian National Audit Office Access Clauses			
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	185	185
	Exempt contracts			
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	185	185

PGPA Rule reference	Part of report	Description	ACMA page reference	OeSC page reference
	Small business			
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*.'	142	142
17AG(10)(b)		An outline of the ways in which the procurement practices of the entity support small and medium enterprises	142	142
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*.'	142	142
	Financial statements			
17AD(e)		Inclusion of the annual financial statements in accordance with the subsection 43(4) of the Act	197	197
	Other mandatory information			
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

PGPA Rule reference	Part of report	Description	ACMA page reference	OeSC page reference
17AH(1)(a)(ii)		If the entity did not conduct advertising campaigns, a statement to that effect	185	185
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	139	139
17AH(1)(d)		Website reference to where the entity's Information Publication Scheme statement pursuant to Part II of FOI Act can be found	137	131
17AH(1)(e)		Correction of material errors in previous annual reports	25, 64, 68	n/a
17AH(2)		Information required by other legislation	See tables below	n/a

Requirements in section 57 of Part 6 of the *Australian Communications and Media Authority Act 2005*

ACMA Act Reference	Requirement	ACMA page reference
57(a)	A copy of each direction given to the ACMA under section 14 during the period	94
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 e-Safety Commissioner's functions or the exercise of the e-Safety Commissioner's powers; (ii) any other costs, expenses and other obligations incurred by the Commonwealth in connection with the performance of the e-Safety Commissioner's functions or the exercise of the e-Safety Commissioner's powers	(i) 188 (ii) 187
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 *Telecommunications Act 1997* during the financial year	94
57(d)	A report on the number and types of complaints made under Part 26 of the *Telecommunications Act 1997*. A report on the investigations conducted as a result of complaints made under Part 26. The results of those investigations	66, 69, 78, 89
57(e)	A report on the operation of Part 6 of the *Telecommunications Act 1997*	179
57(f)	A report setting out statistical information relating to information or documents disclosed under Division 3 of Part 13 of the *Telecommunications Act 1997*	182

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	197
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 *Public Governance, Performance and Accountability Act 2013*, 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	200

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 *Work Health and Safety Act 2011*	140
Advertising and market research reporting requirements in section 311A of the *Commonwealth Electoral Act 1918*	184
Ecologically sustainable development and environmental performance (section 516A of the *Environment Protection and Biodiversity Conservation Act 1999*	143

Appendix 12:

Financial statements

For the period ended 30 June 2017

Australian National
Audit Office

INDEPENDENT AUDITOR'S REPORT

To the Minister for Communications

Opinion

In my opinion, the financial statements of the Australian Communications and Media Authority for the year ended 30 June 2017:

(a) comply with Australian Accounting Standards – Reduced Disclosure Requirements 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 2017 and its financial performance and cash flows for the year then ended.

The financial statements of the Australian Communications and Media Authority, which I have audited, comprise the following statements as at 30 June 2017 and for the year then ended:

- Statement by the Acting Chairman and Chief Finance Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Statement of Cashflows;
- 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.

Basis for Opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Australian Communications and Media Authority in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* to the extent that they are not in conflict with the *Auditor-General Act 1997* (the Code). I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Accountable Authority's Responsibility for the Financial Statements

As the Accountable Authority of the Australian Communications and Media Authority, the Chairman 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 – Reduced Disclosure Requirements and the rules made under that Act. The Chairman 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.

In preparing the financial statements, the Chairman is responsible for assessing the Australian Communications and Media Authority's ability to continue as a going concern, taking into account whether the entity's operations will cease as a result of an administrative restructure or for any other reason. The Chairman is also responsible for disclosing matters related to going concern as applicable and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

GPO Box 707 CANBERRA ACT 2601
19 National Circuit BARTON ACT
Phone (02) 6203 7300 Fax (02) 6203 7777

Auditor's Responsibilities for the Audit of the Financial Statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit 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;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office

Lorena Skipper
Senior Director

Delegate of the Auditor-General

Canberra
29 August 2017

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 2017 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 29th August 2017

Signed.....

Anne Fleischer
Chief Finance Officer

Date 29th August 2017

Australian Communications and Media Authority
STATEMENT OF COMPREHENSIVE INCOME
for the period ended 30 June 2017

	Notes	2017 $'000	2016 $'000	Original Budget 2017 $'000
NET COST OF SERVICES				
Expenses				
Employee benefits	1.1A	**51,699**	55,916	55,485
Suppliers	1.1B	**29,887**	26,254	27,168
Depreciation and amortisation	3.2A	**12,067**	11,322	10,202
Write-down and impairment of assets	1.1C	**500**	76	-
Losses from asset sales	1.1D	**-**	2	-
Total expenses		**94,153**	93,570	92,855
Own-Source Income				
Own-source revenue				
Sale of goods and rendering of services	1.2A	**50**	60	900
Other revenue	1.2B	**1,423**	770	1,000
Total own-source revenue		**1,473**	830	1,900
Gains				
Other gains	1.2C	**81**	83	-
Total gains		**81**	83	-
Total own-source income		**1,554**	913	1,900
Net cost of services		**(92,599)**	(92,657)	(90,955)
Revenue from Government	1.2D	**81,753**	82,867	80,753
Deficit attributable to the Australian Government		**(10,846)**	(9,790)	(10,202)
OTHER COMPREHENSIVE INCOME				
Items subject to subsequent reclassification to net cost of services				
Changes in asset revaluation surplus		**(49)**	1,372	-
Total other comprehensive income/(loss)		**(49)**	1,372	-
Total comprehensive loss attributable to the Australian Government		**(10,895)**	(8,418)	(10,202)

The above statement should be read in conjunction with the accompanying notes.

Material Budget Variances Commentary

Employee Benefits – The ACMA has been reviewing its organisational structure to drive efficiencies. This has led to increases in the span of control and some reductions in overall staffing levels resulting in the ability to reallocate funding to other high priorities.

Suppliers – Reprioritisation of activities and underspends in employee expenses enabled ACMA to redeploy more funding to activities funded under suppliers.

Depreciation and amortisation – The increase in depreciation is a consequence of a number of new assets being capitalised in early 2016-17.

Australian Communications and Media Authority
STATEMENT OF COMPREHENSIVE INCOME
for the period ended 30 June 2017

Other Revenue – The variance to budget and prior year is primarily due to the preparatory work associated with the provision of spectrum management services to the 2018 Commonwealth Games, of which a portion of revenue related to work undertaken was recognised in 2016-17. The remaining revenue is included in the 2017-18 budget.

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.

Australian Communications and Media Authority
STATEMENT OF FINANCIAL POSITION
as at 30 June 2017

	Notes	2017 $'000	2016 $'000	Original Budget 2017 $'000
ASSETS				
Financial Assets				
Cash and cash equivalents	3.1A	**6,586**	5,157	3,375
Trade and other receivables	3.1B	**22,949**	20,017	14,564
Total financial assets		**29,535**	25,174	17,939
Non-Financial Assets				
Land and buildings	3.2A	**22,258**	24,192	24,675
Property, plant and equipment	3.2A	**4,361**	4,625	11,078
Intangibles	3.2A	**21,656**	26,695	29,453
Other non-financial assets	3.2B	**1,037**	1,678	1,819
Total non-financial assets		**49,312**	57,190	67,025
Total assets		**78,847**	82,364	84,964
LIABILITIES				
Payables				
Suppliers	3.3A	**8,688**	5,249	6,096
Other payables	3.3B	**505**	2,616	11
Total payables		**9,193**	7,865	6,107
Provisions				
Employee provisions	6.1A	**16,853**	18,447	22,470
Other provisions	3.4A	**2,575**	2,493	2,560
Total provisions		**19,428**	20,940	25,030
Total liabilities		**28,621**	28,805	31,137
Net assets		**50,226**	53,559	53,827
EQUITY				
Contributed equity		**106,534**	98,993	111,350
Reserves		**1,983**	2,032	910
Accumulated deficit		**(58,291)**	(47,466)	(58,433)
Total equity		**50,226**	53,559	53,827

The above statement should be read in conjunction with the accompanying notes.

Accounting Policy

Special Account Balances
Public Governance, Performance and Accountability (Financial Reporting) Rule 2015 states that balances of a special account be disclosed as cash or cash equivalents in entity financial statements to more accurately reflect the quarantined nature and specific purpose of these funds. The ACMA adopted a voluntary change in accounting policy in 2016-17 as detailed on page 16 of the notes to the financial statements.

Material Budget Variances Commentary

Cash – The budget for cash balance does not take into account the timing of the final salary or supplier pay run in June, therefore, the budget variance primarily reflects the timing of these payments. Additionally the Office of

Australian Communications and Media Authority
STATEMENT OF FINANCIAL POSITION
as at 30 June 2017

the eSafety Commissioner had a larger than expected appropriation balance in the Special Account due to receiving additional funding during the year.

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 drawn down as required, often creating a budget variance. Delays in projects and timing of supplier payments contributes to the variance in receivable balances and budgets.

Total Non-Financial Assets – The budget assumes that the total capital budget including equity injections and prior year unsent capital appropriations will be utilised during the financial year. The variance is primarily due to delays in commencement of projects and subsequent delayed capitalisation particularly in the High Frequency Direction Finding project and Consolidate to Cloud project, along with a movement of unspent funds between years for the High Frequency Direction Finding project.

Supplier Payables – The budget for supplier payables does not take into account the timing of the final supplier pay run in June. Additionally, the increase in supplier payables was attributable to reprioritisation of activities and underspends in employee expenses enabling the ACMA to redeploy more funding to activities funded under suppliers.

Other Payables – The portion of unspent Departmental Capital Budget (DCB) related to the High Frequency Direction Finding project remain payable, and will be transferred to 2017-18.

Employee Provisions – The ACMA has been reviewing its organisational structure to drive efficiencies. This has led to increases in the span of control and some reductions in overall staffing levels. Combined with continued implementation of business improvements and efficiencies, this is reflected in lower than expected employee provisions.

Contributed Equity - The budget includes an equity injection for the High Frequency Direction Finding Project, however the ACMA later received approval to move these funds into 2017-18. The equity injection will appear in the 2017-18 financial statements. Additionally, a budgeted equity injection for the introduction of the Regional Broadband Scheme Levy was not utilised during 2016-17 due to delays in passing of legislation.

Australian Communications and Media Authority
STATEMENT OF CHANGES IN EQUITY
for the period ended 30 June 2017

	Notes	**2017** **$'000**	2016 $'000	Original budget 2017 $'000
CONTRIBUTED EQUITY/CAPITAL				
Opening balance				
Balance carried forward from previous period		**98,993**	92,940	100,869
Adjusted opening balance		**98,993**	92,940	100,869
Contributions by owners				
Equity injection - Appropriations		**-**	-	2,944
Departmental capital budget		**7,541**	6,053	7,537
Total transactions with owners		**7,541**	6,053	10,481
Closing balance attributable to Australian Government		**106,534**	98,993	111,350
RETAINED EARNINGS				
Opening balance				
Balance carried forward from previous period		**(47,466)**	(37,926)	(48,231)
Adjusted opening balance		**(47,466)**	(37,926)	(48,231)
Comprehensive income				
Deficit for the period (prior to changes in asset revaluations)		**(10,846)**	(9,790)	(10,202)
Total comprehensive income		**(10,846)**	(9,790)	(10,202)
Contributions by owners				
Other movements		**21**	-	-
Departmental capital budget		**-**	250	-
Total transactions with owners		**21**	250	-
Closing balance attributable to Australian Government		**(58,291)**	(47,466)	(58,433)
ASSET REVALUATION RESERVE				
Opening balance				
Balance carried forward from previous period		**2,032**	910	910
Adjusted opening balance		**2,032**	910	910
Comprehensive income				
Revaluation increment/(decrement) on non-financial assets		**(49)**	1,372	-
Total comprehensive income		**(49)**	1,372	-
Transfers between equity components		**-**	(250)	-
Closing balance attributable to Australian Government		**1,983**	2,032	910

Australian Communications and Media Authority
STATEMENT OF CHANGES IN EQUITY
for the period ended 30 June 2017

	Notes	**2017** **$'000**	2016 $'000	Original budget 2017 $'000
TOTAL EQUITY				
Opening balance				
Balance carried forward from previous period		**53,559**	55,924	53,548
Adjusted opening balance		**53,559**	55,924	53,548
Comprehensive income				
Revaluation increment/(decrement) on non-financial assets		**(49)**	1,372	-
Deficit for the period		**(10,846)**	(9,790)	(10,202)
Total comprehensive income		**(10,895)**	(8,418)	(10,202)
Contributions by owners				
Equity injection - Appropriations		**-**	-	2,944
Departmental capital budget		**7,562**	6,303	7,537
Total transactions with owners		**7,562**	6,303	10,481
Transfers between equity components		**(21)**	(250)	-
Closing balance attributable to Australian Government		**50,226**	53,559	53,827

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) requires 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 (2016: Nil).

Material Budget Variances Commentary

Equity Injection – Appropriations – The budget includes an equity injection for the High Frequency Direction Finding Project, however the ACMA later received approval to move these funds into 2017-18. The equity injection will appear in the 2017-18 financial statements. Additionally, a budgeted equity injection for the introduction of the Regional Broadband Scheme Levy was not utilised during 2016-17 due to delays in passing of legislation.

Australian Communications and Media Authority
STATEMENT OF CASHFLOWS
for the period ended 30 June 2017

	Notes	2017 $'000	2016 $'000	Original Budget 2017 $'000
OPERATING ACTIVITIES				
Cash received				
Sale of goods and rendering of services		**38**	194	900
Appropriations		**86,018**	86,573	86,892
Net GST received		**2,560**	2,782	2,380
Other		**649**	319	1,000
Total cash received		**89,265**	89,868	91,172
Cash used				
Employees		**54,855**	53,809	58,357
Suppliers		**28,695**	33,148	32,815
Total cash used		**83,550**	86,957	91,172
Net cash from/(used by) operating activities		**5,715**	2,911	-
INVESTING ACTIVITIES				
Cash used				
Purchase of property, plant and equipment		**772**	1,276	-
Purchase of intangibles		**4,607**	6,702	10,481
Total cash used		**5,379**	7,978	10,481
Net cash used by investing activities		**(5,379)**	(7,978)	(10,481)
FINANCING ACTIVITIES				
Cash received				
Contributed equity		**1,093**	6,849	10,481
Total cash received		**1,093**	6,849	10,481
Net cash from financing activities		**1,093**	6,849	10,481
Net decrease in cash held		**1,429**	1,782	-
Cash and cash equivalents at the beginning of the reporting period		**5,157**	3,375	-
Cash and cash equivalents at the end of the reporting period	3.1A	**6,586**	5,157	-

The above statement should be read in conjunction with the accompanying notes.

Accounting Policy

Special Account Balances
Public Governance, Performance and Accountability (Financial Reporting) Rule 2015 states that balances of a special account be disclosed as cash or cash equivalents in entity financial statements to more accurately reflect the quarantined nature and specific purpose of these funds. As a result, special account balances are deemed to be appropriations received on deposit into the special account and must be recorded in the cashflow. The ACMA adopted this treatment as a voluntary change in accounting policy in 2016-17 as detailed on page 16 of the notes to the financial statements.

Australian Communications and Media Authority
STATEMENT OF CASHFLOWS
for the period ended 30 June 2017

Material Budget Variances Commentary

Sale of goods and rendering of services – Variance to budget is attributable to lower than expected demand for media items such as CDs and publications.

Other Cash Received – The budget included cash receipts for the preparatory work associated with the provision of spectrum management services to the 2018 Commonwealth Games. Cash was expected to be received in 2016-17 with revenue recognition in 2017-18, however the contract includes milestone payments which has resulted in a variance to budget.

Employees – The ACMA has been reviewing its organisational structure to drive efficiencies. This has led to increases in the span of control and some reductions in overall staffing levels resulting in the ability to reallocate funding to other high priorities.

Suppliers – The budget did not consider the timing of the accounts payable payment run in June and subsequently represents a variance to actual cash used.

Purchase of Property, Plant and Equipment – The original budget was not categorised between purchase of property, plant & 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 2017-18. The cash used for investing activities associated with this project will appear in the 2017-18 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 2016-17. However, due to the ACMA's subsequent approval to move the funds into 2017-18, the funds were not drawn down during the year and will be utilised next financial year. Additionally, departmental capital budget was not fully utilised due to a number of projects still in progress at 30 June.

Australian Communications and Media Authority
ADMINISTERED SCHEDULE OF COMPREHENSIVE INCOME
for the period ended 30 June 2017

	Notes	2017 $'000	2016 $'000	Original Budget 2017 $'000
NET COST OF SERVICES				
EXPENSES				
Suppliers	2.1A	**1,273**	942	1,070
Asset write-downs and impairments	2.1B	**890**	1,036	50
Total Expenses		**2,163**	1,978	1,120
INCOME				
Revenue				
Taxation revenue				
Other taxes	2.2A	**438,502**	635,997	660,997
Total taxation revenue		**438,502**	635,997	660,997
Non-taxation revenue				
Sale of goods and rendering of services	2.2B	**5,978**	5,916	5,033
Fees and fines	2.2C	**32,778**	37,265	46,722
Other revenue	2.2D	**3,264**	3,345	4,900
Total non-taxation revenue		**42,020**	46,526	56,655
Total revenue		**480,522**	682,523	717,652
Gains				
Sale of assets	2.2E	**527,691**	152,743	530,146
Total gains		**527,691**	152,743	530,146
Total Income		**1,008,213**	835,266	1,247,798
Net contribution by services		**1,006,050**	833,288	1,246,678
Surplus on continuing operations		**1,006,050**	833,288	1,246,678
Total other comprehensive income attributable to the Australian Government		**1,006,050**	833,288	1,246,678

The above schedule should be read in conjunction with the accompanying notes.

Material Budget Variances Commentary

Other Taxes - The Government increased the rebate for Broadcast Licence Fee to 100% for the 2016-17 return period meaning that licensees are not required to pay any amount of licence fee for that period. The full reduction in licence fees that was not anticipated in the 2016-17 original budget. The budget considered that the accrual of these fees would be taken up in 2016-17.

Fees and Fines - A decrease in the Annual Carrier Licence Charge is 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.

Sale of Assets - The revenue relates to the sale of 1800 MHz spectrum, of which $15 million was 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 2017

	Notes	2017 $'000	2016 $'000	Original Budget 2017 $'000
ASSETS				
Financial Assets				
Cash and cash equivalents	4.1A	**502**	1,175	603
Taxation receivables	4.1B	**51,587**	176,508	190,257
Trade and other receivables	4.1B	**32,512**	36,731	54,073
Other financial assets		**-**	-	453
Total financial assets		**84,601**	214,414	245,386
Total assets administered on behalf of Government		**84,601**	214,414	245,386
LIABILITIES				
Payables				
Unearned Revenue	4.2A	**1,579,890**	95,792	97,121
Other payables	4.2A	**912**	831	-
Total payables		**1,580,802**	96,623	97,121
Total liabilities administered on behalf of government		**1,580,802**	96,623	97,121
Net assets/(liabilities)		**(1,496,201)**	117,791	148,265

The above schedule should be read in conjunction with the accompanying notes.

Material Budget Variances Commentary

Taxation receivables - The Government increased the rebate for Broadcast Licence Fee to 100% for the 2016-17 return period meaning that licensees are not required to pay any amount of licence fee for that period. The full reduction in licence fees that was not anticipated in the 2016-17 original budget. The budget considered that the accrual of these fees would be taken up in 2016-17.

Trade & Other Receivables – A decrease in the Annual Carrier Licence Charge is due to the ACMA's cost component under paragraph 15(1)(a) of the *Telecommunications (Carrier Licence Charges) Act 1997* having decreased by 18% 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.

Unearned Revenue – The increase from budget and prior year represents cash received in June 2017 for the 2.1GHz spectrum licences commencing in 2017-18. The budget variance is due to the fact that the offer of spectrum had not been accepted by licence holders at the time of publishing the budget.

Australian Communications and Media Authority
ADMINISTERED RECONCILIATION SCHEDULE
for the period ended 30 June 2017

	2017 $'000	2016 $'000
Opening administered assets less administered liabilities as at 1 July	**117,791**	82,867
Adjusted opening administered assets less administered liabilities	**117,791**	82,867
Plus: Administered income	**1,008,213**	835,266
Less: Administered expenses	**(2,163)**	(1,978)
Administered transfers to/from Australian Government		
Appropriation transfers from OPA	**5,961**	15,464
Transfers to OPA	**(2,408,259)**	(598,337)
Transfers to Department of Communications and the Arts	**(217,744)**	(215,491)
Closing administered assets less administered liabilities as at 30 June	**(1,496,201)**	117,791

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
for the period ended 30 June 2017

	Notes	2017 $'000	2016 $'000
OPERATING ACTIVITIES			
Cash received			
Sale of goods and rendering of services		**3,239**	4,427
Taxes		**651,112**	736,240
Fees		**7,520**	5,393
Fines		**71**	446
Other		**1,436,099**	(92,213)
Total cash received		**2,098,041**	654,293
Cash used			
Other		**(6,363)**	(8,100)
Total cash used		**(6,363)**	(8,100)
Net cash from operating activities		**2,091,678**	646,193
INVESTING ACTIVITIES			
Cash received			
Proceeds from sales of intangibles		**527,691**	152,743
Total cash received		**527,691**	152,743
Net cash from investing activities		**527,691**	152,743
Net increase in cash held		**2,619,369**	798,936
Cash and cash equivalents at the beginning of the reporting period		**1,175**	603
Cash from Official Public Account			
Appropriations		**5,961**	15,464
Total cash used from official public account		**5,961**	15,464
Cash to official public account			
Administered Revenue		**(2,408,259)**	(598,340)
Transfers to Department of Communications and the Arts		**(217,744)**	(215,488)
Total cash used to official public account		**(2,626,003)**	(813,828)
Cash and cash equivalents at the end of the reporting period	4.1A	**502**	1,175

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

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 ACMA supports and encourages an innovative communications sector. The entity works closely with stakeholders in the context of the legislated regulatory framework to safeguard public interest, address the broad concerns of the community and meet the needs of industry for access to public resources like spectrum.

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

Program 1.3: Office of the eSafety Commissioner

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) The *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR) for reporting periods ending on or after 1 July 2015; and
b) Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

Australian Communications and Media Authority
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

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.

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 notes to and forming part of the financial statements.

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 is 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 data casting charges has been estimated based on the prior year assessed licence.

Changes in Accounting Policy and Prior Year Adjustments

A voluntary change in accounting policy under AASB 108.14(b), related to the treatment of special account balances, was applied to the 2016-17 financial statements, and retrospective adjustments to the 2015-16 balances were made under AASB 108.19(b). The ACMA changed its accounting policy as it resulted in the financial statements providing reliable and more relevant information. In this instance the change in policy ensures that there is consistent reporting and treatment across the Commonwealth.

Previously, ACMA special account balances held in the Official Public Account (OPA) were recognised as trade and other receivables –appropriations not yet drawn down. They have been reclassified as cash equivalents in line with *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* which states that balances of a

Australian Communications and Media Authority
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

special account be disclosed as cash or cash equivalent in entity financial statements. All applicable notes have been updated to reflect this change, including the Statement of Financial Position and the Statement of Cashflows. The table below details the restatement of 2015-16 balances.

Statement of Financial Position	**2015-16 restated $'000**	**2015-16 audited $'000**	**Movement $'000**
Cash and cash equivalents	5,157	1,708	3,449
Trade and other receivables	20,017	23,466	(3,449)

Statement of Cashflows	**2015-16 restated $'000**	**2015-16 audited $'000**	**Movement $'000**
Cash Received - Appropriations	86,573	83,124	3,449
Cash and cash equivalents at the end of the reporting period	5,157	1,708	3,449

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. AASB124 "*Related Party Disclosures*" were adopted on 1 July 2016 and are detailed in note 6.3 accompanying the 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 Standards

The following revised Standards were issued by the Australian Accounting Standards Board prior to the signing of the financial statements by the Acting Chairman 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 change/s in Accounting Policy and impact on initial application**
AASB 15 Revenue from Contracts with Customers	1 Jan 2018	AASB 15 replaces previous revenue standards (AASB 18 and AASB 111) and 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 when 'performance obligations' are satisfied.
AASB 9 Financial Instruments	1 Jan 2018	AASB 9 was reissued in December 2014 and now incorporates: • The classification and measurement requirement for financial assets and liabilities; • The recognition and de-recognition requirements for financial instruments (phase 1); and • Requirements for impairments of financial assets (phase 2).

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 2017.

1.1 Expenses

	2017 $'000	2016 $'000
Note 1.1A: Employee Benefits		
Wages and salaries	**35,802**	38,548
Superannuation		
Defined contribution plans	**3,009**	3,109
Defined benefit plans	**4,302**	4,892
Leave and other entitlements	**6,143**	7,764
Separation and redundancies	**2,443**	1,603
Total employee benefits	**51,699**	55,916

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	**2,147**	1,436
Contractors	**3,629**	2,179
Outsourced services	**5,443**	5,258
Stationery and publications	**427**	328
Legal costs	**123**	98
Occupancy costs	**1,715**	1,729
I.T. and communications services	**5,043**	4,300
Travel costs	**1,503**	1,632
Other	**2,998**	2,759
Total goods and services supplied or rendered	**23,028**	19,719
Goods supplied	**216**	328
Services rendered	**22,812**	19,391
Total goods and services supplied or rendered	**23,028**	19,719
Other suppliers		
Operating lease rentals	**6,177**	5,850
Workers compensation expenses	**682**	685
Total other suppliers	**6,859**	6,535
Total suppliers	**29,887**	26,254
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:		
Within 1 year	**6,854**	6,711
Between 1 to 5 years	**31,179**	27,843
More than 5 years	**1,756**	11,820
Total operating lease commitments	**39,789**	46,374

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 2018
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.

	2017	2016
	$'000	$'000
Note 1.1C: Write-Down and Impairment of Assets		
Impairment of Work in Progress	**239**	76
Impairment on intangible assets	**261**	-
Total write-down and impairment of assets	**500**	76

Note 1.1D: Losses from Asset Sales		
Carrying value of assets sold	**-**	2
Total losses from asset sales	**-**	2

Australian Communications and Media Authority
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1.2 Own-Source Revenue and Gains

Own-Source Revenue	2017 $'000	2016 $'000
Note 1.2A: Sale of Goods and Rendering of Services		
Sale of goods in connection with		
Sale of goods	**50**	60
Total sale of goods and rendering of services	**50**	60
Note 1.2B: Other Revenue		
Number allocation charges	**-**	123
Other	**1,423**	647
Total other revenue	**1,423**	770

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 of costs incurred to date compared 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.

Other
Other revenue consists of cost recovery income received for preparatory work for the Gold Coast Commonwealth Games, satellite co-ordination charges collected by the ACMA, and $1.000 million received by the Office of the eSafety Commissioner for the 2016-17 budget measure Countering Violent Extremism.

Gains

Note 1.2C: Other Gains		
Resources received free of charge	**81**	83
Total other gains	**81**	83

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. The value of income represents the services provided free of charge by the Australian National Audit Office.

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

Revenue from government	2017 $'000	2016 $'000
Note 1.2D: Revenue from Government		
Appropriations:		
Departmental appropriations	**81,753**	82,867
Total revenue from Government	**81,753**	82,867

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 applied to departmental reporting.

2.1 Administered – Expenses

	2017 $'000	2016 $'000
Note 2.1A: Suppliers		
Goods and services supplied or rendered		
Travel	**20**	5
Consultants	**219**	99
Contractors	**807**	574
Other	**227**	264
Total goods and services supplied or rendered	**1,273**	942
Goods supplied	**1**	264
Services rendered	**1,272**	678
Total goods and services supplied or rendered	**1,273**	942
Note 2.1B: Asset Write-Downs and Impairments		
Asset write-downs and impairments	**890**	1,036
Total asset write-downs and impairments	**890**	1,036

2.2 Administered – Income

Taxation Revenue	2017 $'000	2016 $'000
Note 2.2A: Other Taxes		
Broadcasting licence fees	**(2,701)**	127,947
Radio communications taxes	**163,459**	232,562
Telecommunication numbering charges	**60,000**	60,000
Industry Contributions	**217,744**	215,488
Total other taxes	**438,502**	635,997
Non-Taxation Revenue		
Note 2.2B: Sale of Goods and Rendering of Services		
Sale of goods	**5,978**	5,916
Total sale of goods and rendering of services	**5,978**	5,916
Note 2.2C: Fees and Fines		
Licence fees	**32,707**	36,819
Fines and Penalties	**71**	446
Total fees and fines	**32,778**	37,265
Note 2.2D: Other Revenue		
Other	**3,264**	3,345
Total other revenue	**3,264**	3,345

Australian Communications and Media Authority
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Gains

Note 2.2E: Gains from Sale of Assets		
Proceeds from sale	**527,691**	152,743
Total gains from sale of assets	**527,691**	152,743

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
The ACMA collects Telecommunications Industry levies on behalf of Department of Communications and the Arts.

Gains from Sale of Assets
Proceeds from the sale of digital dividend spectrum licences of $538 million were recorded as gains in 2016-17 and the reissue of expiring spectrum licences of $1.44 billion is currently recorded as unearned revenue until the licence periods commence in 2017-18.

Material Budget Variances Commentary

Other Taxes - The Government increased the rebate for Broadcast Licence Fee to 100% for the 2016-17 return period meaning that licensees are not required to pay any amount of licence fee for that period. The full reduction in licence fees that was not anticipated in the 2016-17 original budget. The budget considered that the accrual of these fees would be taken up in 2016-17.

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

	2017	2016
	$'000	$'000
Note 3.1A: Cash and Cash Equivalents		
Cash on hand or on deposit	**6,500**	5,036
Cash held for external parties	**86**	121
Total cash and cash equivalents	**6,586**	5,157
Note 3.1B: Trade and Other Receivables		
Appropriations receivables		
For existing outputs	**20,312**	19,108
Total appropriations receivable	**20,312**	19,108
Other receivables		
GST receivable from the Australian Taxation Office	**459**	397
Other	**2,178**	512
Total other receivables	**2,637**	909
Total trade and other receivables (gross)	**22,949**	20,017
Total trade and other receivables (net)	**22,949**	20,017

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 and Intangibles for 2017

	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 2016								
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)
Total as at 1 July 2016	7,125	17,067	4,600	25	18,427	6,796	1,472	55,512
Additions								
By purchase	-	-	24	748	-	-	-	772
Internally developed	-	-	-	-	-	4,607	-	4,607
Revaluations and impairments recognised in other comprehensive income	65	(114)	-	-	-	-	-	(49)
Depreciation and amortisation	-	(1,885)	(1,078)	-	(7,651)	-	(819)	(11,433)
Reclassification	-	-	207	(142)	5,436	(5,567)	66	-
Impairments recognised in net cost of services	-	-	(2)	(21)	(261)	(216)	-	(500)
Other movements	-	-	-	-	(634)	-	-	(634)
Total as at 30 June 2017	7,190	15,068	3,751	610	15,317	5,620	719	48,275
Total as at 30 June 2017 represented by								
Gross book value	7,190	15,068	4,829	610	54,654	5,620	10,411	98,382
Accumulated depreciation and impairment	-	-	(1,078)	-	(39,337)	-	(9,692)	(50,107)
Total as at 30 June 2017	7,190	15,068	3,751	610	15,317	5,620	719	48,275

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 Land, Buildings, Leasehold and Intangible assets were assessed for impairment at 30 June 2017. 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 of 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

Note 3.2A: Property, Plant and Equipment and Intangibles continued

Revaluation of Non-Financial Assets	**2017**	2016
	$'000	$'000
Movements on the revaluation reserves are as follows:		
	Increment (Decrement)	Increment (Decrement)
Asset Class		
Land	**65**	175
Buildings	**(114)**	31
Leasehold improvements	**-**	427
Plant and Equipment	**-**	(66)
Technical equipment	**-**	555

Notes

All increments and decrements were transferred to the asset revaluation reserve by asset class and included in the equity section. A revaluation increment of $0.065 million was transferred for land. A revaluation decrement of $0.114 million was transferred from the asset revaluation reserve to retained earnings for buildings.

Note 3.2B: Other Non-Financial Assets

Prepaid expenses	**1,037**	1,678
Total other non-financial assets	**1,037**	1,678

3.3 Payables

Note 3.3A: Suppliers

Trade creditors and accruals	**6,290**	2,590
Operating lease rentals	**2,398**	2,659
Total supplier payables	**8,688**	5,249

All suppliers are external parties. Settlement is usually made within 30 days.

Note 3.3B: Other Payables

Salaries and wages	**371**	1,072
Superannuation	**56**	29
Separations and redundancies	**67**	1,504
Other	**11**	11
Total other payables	**505**	2,616

Australian Communications and Media Authority
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

3.4 Other Provisions

	2017	2016
	$'000	$'000
Note 3.4A: Other Provisions		
Provision for restoration obligations	2,575	2,493
Total other provisions	2,575	2,493

Reconciliation of the Other Provisions Account:	Provision for restoration $'000	Total $'000
As at 1 July 2016	2,493	2,493
Other movements	82	82
Total as at 30 June 2017	2,575	2,575

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 (2016:5). 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 the 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

	2017	2016
	$'000	$'000
Note 4.1A: Cash and Cash Equivalents		
Special accounts	**195**	195
Cash on hand or on deposit	**307**	980
Total cash and cash equivalents	**502**	1,175
Note 4.1B: Taxation Receivables		
Other taxes	**53,341**	177,528
Total taxation receivables (gross)	**53,341**	177,528
Less: impairment allowance account		
Other taxes	**1,754**	1,020
Total receivables (net)	**51,587**	176,508
Note 4.1B: Trade and Other Receivables		
Goods and services		
Goods and services receivable	**42**	37
Total receivables for good and services	**42**	37
Other receivables		
Fees, charges and other revenues	**32,624**	36,736
Total other receivables	**32,624**	36,736
Total receivables (gross)	**32,666**	36,773
Less: impairment allowance account		
Other receivables	**154**	42
Total receivables (net)	**32,512**	36,731

Australian Communications and Media Authority
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Reconciliation of the Impairment Allowance

Movements in relation to 2017

	Taxation receivables $'000	Other receivables $'000	Total $'000
Opening balance	**1,020**	**42**	**1,062**
Increase recognised in net surplus	**734**	**112**	**846**
Closing balance	**1,754**	**154**	**1,908**

Movements in relation to 2016

	Taxation receivables $'000	Other receivables $'000	Total $'000
Opening balance	67	13	80
Increase recognised in net surplus	953	29	982
Closing balance	1,020	42	1,062

Goods and services receivables are with entities external to the Australian Government. Credit terms granted to debtors vary dependant on legislation.

4.2 Administered – Payables

Note 4.2A: Other Payables

Prepayments received	**1,579,890**	95,792
Other Payables	**912**	831
Total other payables	**1,580,802**	96,623

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 2017

	Annual Appropriation	Adjustments to Appropriation	Total appropriation	Appropriation applied in 2017 (current and prior years)	Variance[1]
	$'000	$'000	$'000	$'000	$'000
Departmental					
Ordinary annual services	**88,290**	**-**	**88,290**	**(82,528)**	**5,762**
Appropriation Act (No.1) 2016-17 as passed	47,106	-	47,106	(48,781)	(1,675)
Supply Act (No. 1) 2016-17 as passed	33,647	-	33,647	(33,647)	-
Appropriation Act (No.1) Capital Budget[2] 2016-17 as passed	4,292	-	4,292	-	4,292
Supply Act (No. 1) Capital Budget 2016-17 as passed	3,245	-	3,245	(100)	3,145
Act 4 Non-Operating - Equity Injection	350	-	350	-	350
Total departmental	**88,640**	**-**	**88,640**	**(82,528)**	**6,112**

Notes

[1]The variance of $6.112 million relates to Appropriation Act (No.1) 2016-17 as passed and Supply Act (No.1) 2016-17 as passed Capital Budget funds not drawn down (totalling $7.787 million) due to the delay in capital projects and Appropriation Act (No.2) 2015-2016 as passed Non-operating (Equity) not utilised in 2016-17 ($0.350 million). These were offset by the drawdown of prior year appropriations of $19.108 million, less quarantined funds of $0.346 million, and remaining Appropriation Act (No.1) 2016-17 not drawn down totalling $12.525 million. This has resulted in available appropriations to be carried forward to 2017-18 of $20.312 million – refer to note 5.1B.

[2]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 2016

	Annual Appropriation	Adjustments to Appropriation	Total appropriation	Appropriation applied in 2016 (current and prior years)	Variance
	$'000	$'000	$'000	$'000	$'000
Departmental					
Ordinary annual services	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 2015-16 as passed	6,303	-	6,303	(6,724)	(421)
Total departmental	89,204	193	89,397	(90,041)	(644)

Australian Communications and Media Authority
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 5.1B: Unspent Annual Appropriations ('Recoverable GST exclusive')

	2017	2016
	$'000	$'000
Authority		
Appropriation Act (No.1) 2013-2014 as passed[1]	-	930
Appropriation Act (No.1) 2014-2015 as passed	-	13
Appropriation Act (No.1) 2015-2016 as passed	-	13,602
Appropriation Act (No.1) 2016-2017 as passed	12,525	-
Appropriation Act (No.2) 2014-2015 as passed Non-operating (Equity)	-	4,563
Appropriation Act (No.2) 2015-2016 as passed Non-operating (Equity)	350	-
Appropriation Act (No.1) 2016-17 as passed Capital Budget	3,145	-
Supply Act (No.1) 2016-17 as passed Capital Budget	4,292	-
Total	**20,312**	19,108

Notes

[1]An amount of $0.346 million from Appropriation Act 1 2013-14 Equity Injection was withheld from the prior year appropriation available under s51 of the PGPA Act. This amount constitutes a permanent loss of appropriation and was therefore unavailable for use in 2016-17.

Note 5.1C: Special Appropriations ('Recoverable GST exclusive')

		Appropriation applied	
		2017	2016
Authority	**Type**	$'000	$'000
Public Governance, Performance and Accountability Act 2013 s77 Repayments	Refund	5,961	15,436
Total special appropriations applied		**5,961**	15,436

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')

	The Online Safety Special Account s80 PGPA Act (s72 Enhancing Online Safety Act 2015)		Services for Other Entities and Trusts Money- s20 FMA Act Det 2012/13	
	2017	2016	**2017**	2016
	$'000	$'000	**$'000**	$'000
Balance brought forward from previous period	**3,449**	-	**195**	43
Increases	**12,063**	11,155	**-**	280
Total increases	**15,512**	11,155	**195**	323
Available for payments	**15,512**	11,155	**195**	323
Decreases				
Departmental	**(10,400)**	(7,706)	**-**	-
Total departmental	**(10,400)**	(7,706)	**-**	-
Administered	**-**	-	**-**	(128)
Total administered	**-**	-	**-**	(128)
Total decreases	**(10,400)**	(7,706)	**-**	(128)
Total balance carried to the next period	**5,112**	3,449	**195**	195
Balance represented by:				
Cash held in entity bank accounts	**104**	-	**-**	-
Cash held in the Official Public Account	**5,008**	3,449	**195**	195
Total available carried to the next period	**5,112**	3,449	**195**	195

Notes

The ACMA administers the Online Safety Special account on behalf of the Office of the 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 2017 the account had a balance of $5 million.

Appropriation: Financial Management and Accountability, Establishing Instrument: Section 20 FMA Act Determination 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

	2017 $'000	2016 $'000
Amounts applied		
Departmental		
Annual appropriations	**20,081**	23,313
Own source revenue	**195**	210
Administered		
Special appropriations (including special accounts)	**300**	300
Total amounts applied	**20,576**	23,823
Expenses		
Departmental	**20,334**	23,581
Administered	**86**	86
Total expenses	**20,420**	23,667
Revenue		
Departmental	**195**	210
Administered	**38,554**	43,062
Total revenue	**38,749**	43,272

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

5.4 Net Cash Appropriation Arrangement

	2017 $'000	2016 $'000
Total comprehensive income less depreciation/amortisation expenses previously funded through revenue appropriations	**1,172**	2,904
Plus: depreciation/amortisation expenses previously funded through revenue appropriation	**(12,067)**	(11,322)
Total comprehensive income (loss) - as per the Statement of Comprehensive Income	**(10,895)**	(8,418)

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.

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

	2017 $'000	2016 $'000
Note 6.1A: Employee Provisions		
Leave	**16,853**	18,447
Total employee provisions	**16,853**	18,447

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 Key Management Personnel Remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly. The ACMA has determined the Key Management Personnel to be the full time and part time Authority Members, General Managers and the eSafety Commissioner.

Key management personnel remuneration is:

	2017	2016
	$	$
Short-term employee benefits	**2,162,941**	2,089,950
Post-employment benefits	**320,959**	303,735
Other long-term employee benefits	**206,393**	203,982
Termination benefits	**146,349**	79,420
Total key management personnel remuneration expenses[1]	**2,836,642**	2,677,087

The total number of Key Management Personnel that are included in the above table are for 10 Key Management Personnel (2016:10).

Other than Annual leave accrued and Long-service leave, all expenses reflect cash payments made during the year.

1. The above Key Management Personnel remuneration excludes the remuneration and other benefits of the Portfolio Minister. The Portfolio Minister's remuneration and other benefits are set by the Remuneration Tribunal and are not paid by the entity.

On introduction of AASB 124 Related Party Disclosures, the ACMA defined Key Management Personnel as the full time and part time Authority Members, General Managers and the eSafety Commissioner. Note 6.2 and 6.3 relate to the same group of Key Management Personnel, therefore the ACMA has removed Executive Managers from the remuneration note and updated the prior year comparatives.

6.3 Related Party Disclosures

Related party relationships:

The ACMA is an Australian Government controlled entity. Related parties to the ACMA are Key Management Personnel including the Portfolio Minister, full time and part time Authority Members, General Managers, the eSafety Commissioner and other Australian Government entities.

Transactions with related parties:

Given the breadth of Government activities, related parties may transact with the government sector in the same capacity as ordinary citizens. Such transactions include the payment or refund of taxes, receipt of a Medicare rebate or higher education loans. These transactions have not been separately disclosed in this note.

Significant transactions with related parties can include:

- the payments of grants or loans;
- purchases of goods and services;
- asset purchases, sales transfers or leases;
- debts forgiven; and
- guarantees.

Giving consideration to relationships with related entities, and transactions entered into during the reporting period by the entity, it has been determined that there are no related party transactions to be separately disclosed (2016: nil).

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 nil probable assets or liabilities for the ACMA in 2017 (2016: $50,000).

Unquantifiable Contingencies
At 30 June 2017, 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 2017 (2016: nil).

Quantifiable Assets and Liabilities
The ACMA has no contingent assets nor liabilities as at 30 June 2017 (2016: nil).

Unquantifiable Contingencies
The ACMA has no unquantifiable contingencies as at 30 June 2017 (2016: nil).

Significant Remote Contingencies
The ACMA has no remote contingencies as at 30 June 2017 (2016: 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

	2017 $'000	2016 $'000
Note 7.2A: Categories of Financial Instruments		
Financial Assets		
Loans and receivables		
Cash and cash equivalents	**1,474**	5,157
Trade receivables	**27,061**	20,017
Total	**28,535**	25,174
Carrying amount of financial assets	**28,535**	25,174
Financial Liabilities		
At amortised cost		
Trade creditors and accruals	**12,052**	7,865
Total	**12,052**	7,865
Carrying amount of financial liabilities	**12,052**	7,865

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 "Trade Creditors and Accruals".

Financial liabilities are recognised and derecognised upon trade date.

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

7.3 Administered Financial Instruments

	2017	2016
	$'000	$'000
Note 7.3A: Categories of Financial Instruments		
Loans and receivables		
Cash and cash equivalents	**502**	1,175
Goods and services receivables	**42**	37
Fees, charges and other revenue receivables	**32,470**	37,090
Total	**33,014**	38,302
Carrying amount of financial assets	**33,014**	38,302

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.

Accounting Policy

ACMA engaged the Australian Valuation Solutions (AVS) to conduct a detailed external valuation of all non-financial assets in the Land, Buildings and Leasehold classes at 30 June 2017 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 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.

Note 7.4A: Fair Value Measurement

	2017	2016
	$'000	$'000
Non-financial assets		
Land	**7,190**	7,125
Buildings on freehold land	**194**	212
Leasehold improvements	**14,874**	16,855
Other property, plant and equipment	**4,824**	4,596
Total non-financial assets	**27,082**	28,788
Total fair value measurements of assets in the statement of financial position	**27,082**	28,788

Notes

ACMA's Land, Building and Leasehold assets were measured at fair value on 30 June 2017. 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.

Glossary

3G	**third generation mobile network technology** Mobile telecommunications systems that can provide global mobile communications and support multimedia applications.
4G	**fourth generation mobile network technology** Enhancements to mobile telecommunications systems that increase the usable data rate to allow the delivery of data-intensive applications such as high-resolution video.
5G	**fifth-generation mobile telecommunications** The proposed next iteration of broadband mobile telecommunications services that is expected to provide increased data rates and reduced latency to support greater connectivity and enable machine-to-machine services and the Internet of Things.
ABC	**Australian Broadcasting Corporation** Free-to-air national broadcaster of ABC radio and television channels, as well as online services, funded by the Australian Government.
ACCC	**Australian Competition and Consumer Commission** Commonwealth regulatory body with responsibilities derived from the *Trade Practices Act 1974*.
ACMA	**Australian Communications and Media Authority** Commonwealth regulatory authority for broadcasting, online content, radiocommunications and telecommunications, with responsibilities under the *Broadcasting Services Act 1992*, the *Radiocommunications Act 1992*, the *Telecommunications Act 1997* and related Acts. Established on 1 July 2005 following a merger of the Australian Communications Authority and the Australian Broadcasting Authority.
AISI	**Australian Internet Security Initiative** 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. On 1 July 2017, responsibility for the AISI program shifted from the ACMA to the Attorney-General's Department.
AMC	**Australian Maritime College** Provides marine radio operator certification and examination services on behalf of the ACMA.
ANAO	**Australian National Audit Office** Office responsible for financial and performance audits of Commonwealth departments and authorities.
AP	**accredited person** Appropriately qualified person who issues frequency assignment certificates for apparatus licences and interference impact certificates for spectrum licences.
AP scheme	**accredited persons scheme** A market-based solution for frequency coordination and device registration.
APS	**annual performance statement** Statements prepared by the accountable authority of a Commonwealth entity in accordance with section 39 of the *Public Governance, Performance and Accountability Act 2013* and section 16F of the PGPA Rule that acquits actual performance against planned performance described in the entity's corporate plan. The statements may be audited by the Auditor-General, and must be provided to the entity's minister and the Finance Minister.

ASL	**average staffing level** 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.
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.
BRPI	**Better Regulatory Practice Initiative** A scheme designed to facilitate an open and constructive dialogue between the ACMA and our stakeholders, allowing us to embed our feedback mechanisms, including input from the Regulator Performance Framework, in a more structured and systematic way. It implements a rolling set of annual priorities that are available on the ACMA website.
BSB	**broadcasting services bands** Parts of the radiofrequency spectrum dedicated to broadcasting services.
CA	**Communications Alliance** 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 *Telecommunications Act 1997*.
CCF	**Consumer Consultative Forum** Provides advice to the ACMA on telecommunications issues that affect consumers.
CIS	**critical information summary** Document from a service provider with clear information about products, plans and services for telecommunications consumers.
cloud computing	Internet-based computing where data and applications are hosted online, stored on remote servers and available to clients on demand through broadband internet-enabled devices.
CPRs	**Telecommunications Cabling Provider Rules 2014** Rules to support telecommunications cabling industry self-regulation.
CSC	**Customer Service Centre** The ACMA's single point of contact for customer enquiries.
CSG	**Customer Service Guarantee** Standard providing for financial compensation to customers where requirements set out in the CSG Standard are not met.
CSP	**carriage service provider** Person supplying or proposing to supply services to the public using carrier networks.
CTS	**Children's Television Standards** Standards designed to provide access for children (aged under 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	**Do Not Call Register** 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	**Department of Communications and the Arts** Australian Government department developing and delivering communications policy and programs. Previously Department of Communications.
DSI	**domestic systems interference** Interference to the reception of radio or television broadcasting, usually in domestic premises.
ECP	**Emergency Call Person** The Telecommunications (Emergency Call Persons) Determination 1999 specifies the operators of the emergency call services. Telstra is the ECP for 000 and 112.
ECSAC	**Emergency Call Service Advisory Committee** Formerly the Emergency Services Advisory Committee. Advises on emergency services matters.
ESO	**emergency service organisation** Organisation providing an emergency service, such as police, ambulance or fire brigade.
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	**gigahertz** One billion hertz (where one hertz is the measurement of frequency equal to one cycle of electromagnetic radiation per second).
GSM	**global system for mobile communications** 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	**high frequency** Radiofrequency spectrum in the 3–30 MHz frequency range.
ICT	**Information and Communication Technology**
INHOPE	**International Association of Internet Hotlines** A network whose member hotlines work together with the goal of identifying and removing online child sexual abuse content worldwide.
IoT	**Internet of Things** The interconnection of many devices and objects utilising internet protocols.
IPND	**Integrated Public Number Database** Database of information about customers of telecommunications services in Australia, arranged by number, for all carriers and carriage service providers.
ISP	**internet service provider** Service provider offering internet access.
ITU	**International Telecommunication Union** United Nations agency that coordinates international telecommunications matters.
ITU-R	**ITU—Radiocommunication Sector** ITU body dealing with international radiocommunications matters.
kHz	**kilohertz** One thousand Hertz (see also *GHz*).
LAP	**licence area plan** A legislative instrument setting out the licence area and technical specifications for existing and proposed services.

LED	**light-emitting diode** 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 *Telecommunications Act 1997* provides carriers with immunity from state and territory planning laws for the installation of 'low-impact' facilities.
LPON	**low-power open narrowcasting** Radiocommunications class licence type authorising radio services operating at very low power outputs in the frequency range 87.5–88.0 MHz.
LTE	**long-term evolution** A suite of radio and core network specifications for the enhancement of mobile networks beyond 3G capabilities. Generally regarded as *fourth generation mobile telecommunications (4G)*.
MHz	**megahertz** One million hertz (see also *GHz*).
the minister	**Minister for Communications and Minister for the Arts** Minister responsible for the ACMA and its governing legislation.
MNP	**mobile number portability** Portability for mobile phone numbers. See *number portability*.
NAC	**Numbering Advisory Committee** 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	**National Association of Testing Authorities** Australia's national laboratory accreditation authority that recognises and promotes facilities competent in specific types of testing, measurement, inspection and calibration.
NBN	**national broadband network** Australia's national wholesale-only, open-access data network.
NBN Co	**NBN Co Limited** Wholly owned Australian Government company, created to design, build and operate Australia's new broadband network.
NRF	**Network Reliability Framework** 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	**National Relay Service** 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.
Office of the eSafety Commissioner (the Office)	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. Formerly the Office of the Children's eSafety Commissioner.

OSCWG	**Online Safety Consultative Working Group** Advice forum attended by key representatives from industry, government and non-government organisations, providing opportunity for the eSafety Commissioner to consult on issues that contribute to improving the safety of Australian children online.
PBS	**Portfolio Budget Statements** 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	**priority compliance area**
portability	See *number portability.*
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	**Regulator Performance Framework** Developed to measure the efficiency and effectiveness with which regulators undertake their roles; in particular, their impact on regulated entities.
SBS	**Special Broadcasting Service** 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	**Senior Executive Service**
SID	**Spam Intelligence Database** 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	**short message service** 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.
TCP Code	**C628:2015: *Telecommunications Consumer Protections Code*** Code of conduct for the telecommunications industry in Australia providing consumer safeguards for mobile, landline and internet customers.
TIO	**Telecommunications Industry Ombudsman** Industry-funded independent dispute resolution service for consumers who are unable to resolve individual complaints with their carriers and carriage service providers.
TLAP	**television licence area plans** 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 that includes a regional commercial radio broadcasting licence.
Triple Zero (000)	Phone number that provides access to emergency services organisations.
UHF	**ultra high frequency** Part of the radiofrequency spectrum between 300 and 3,000 MHz.
USO	**universal service obligation** Obligation under the *Telecommunications Act 1997* 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	**Viewer Access Satellite Television** 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	**very high frequency** Portion of the radiofrequency spectrum between 30 and 300 MHz.
WIA	**Wireless Institute of Australia** Provides examination services to the amateur radio community on behalf of the ACMA.
WRC	**World Radiocommunication Conference** ITU conference held every three or four years to review and amend international radio regulations.

Index

B

C

D

E

F

K

L

M

N

O

S

T

U

V

W

Y

Z

acma.gov.au

esafety.gov.au