

ACMA Compliance Priorities 2024-25

Commercial Radio & Audio Submission March 2024

Commercial Radio and Audio (**CRA**) is the industry body representing the interests of the entire commercial radio and audio industry throughout Australia. CRA has 260 member stations, of which 220 are in regional and remote areas.

CRA appreciates the opportunity to make a submission to the ACMA in relation to its compliance focus for the 2024-25 financial year.

CRA urges the ACMA to consider including the following matters as compliance priorities for 2024-25:

- Maintaining licence integrity: community radio licence compliance
- Combatting broadcast related online scams

Detail regarding these proposed compliance priorities is set out below.

1. Maintaining licence integrity: community radio licence compliance

All community broadcasting licensees are required to comply with the obligations set out in the *Broadcasting Services Act 1992 (BSA)*. The obligations include a licence condition that prohibits community licensees from broadcasting sponsorship announcements for more than a total of 5 minutes in any hour of broadcasting for community radio ('5-minute rule').¹

The ACMA is aware of CRA's longstanding concerns regarding the community radio sector's compliance with this licence condition. As a result of these concerns, in 2019, CRA engaged a third party to conduct independent monitoring of a sample of stations in the community radio sector. The monitoring highlighted numerous breaches by community radio stations of their obligation to comply with the '5-minute rule'.

CRA continues to have concerns about community broadcasting licensees' compliance with the '5-minute rule' – CRA has been made aware by its members of numerous breaches of this licence condition. We note that since 2019, the ACMA has made 5 breach findings with respect to this licence condition.

CRA is concerned that several community radio licensees are operating as, and obtaining revenue, in the manner of a commercial radio station and are therefore not complying with their obligations under the BSA. Community licensees are given more latitude under federal legislation because of its 'community purposes', but if these purposes are not being fulfilled and the rules not complied with, this creates an inequitable market where community stations have an unfair advantage over commercial radio stations who cannot compete.

¹ Section 9(3) of Schedule 2 to the BSA.

In light of this, we suggest the ACMA include this matter as a compliance priority for 2024-25 by auditing community licensees and taking action to address any non-compliance with licence conditions.

2. Combatting broadcast related online scams

There is a high incidence of fake radio related online profiles and scams. The commercial radio industry – as well as the Australian public – is suffering significant loss of money, time and resources in battling these scammers. CRA urges the ACMA to investigate this issue thoroughly and to take the steps outlined in the 'Recommended action' section below.

The issue

Fake Facebook profiles are set up in the name of network announcers, using content copied from the genuine profiles. Fake competitions are set up on these profiles, which require users to provide personal financial details in order to collect 'winnings'. This is not limited to high profile talent; local announcers on small stations are being targeted as much as high profile ones.

The fake profile operators use the financial details to scam money off users. Users then contact the radio stations, often angry and upset, to find out what has happened to their money.

This is a serious issue, with the potential to cause reputational damage and legal liability, as well as taking up a significant amount of time for stations to manage.

Facebook has provided a portal tool, 'Media Portal', for stations to report the fake profiles and it takes prompt action once reports are made. However, new fake profiles pop up immediately afterwards. One network reported that they are dealing with 20-40 fake profiles a day. Another has reported around 400-600 fake profiles over a 6-month period.

The proliferation of fake profiles is creating a huge amount of additional work for networks to manage. Most importantly, Australian consumers are losing money to criminal scammers for every day that this issue remains unresolved.

The impact

- Listeners are losing money to online scams.
- Radio talent is upset because they have no way of stopping it and people often lash out at them and hold them responsible.
- Radio stations have received negative feedback from people who think they are involved in the scam.
- Networks are spending numerous hours each week removing these fake profiles.

Recommended action

We suggest the ACMA include this matter as a compliance priority for 2024-25 by investigating and taking action to reduce online scams that use fake presenter/talent profiles.

CRA would be pleased to provide any further information that would be of use to the ACMA.

March 2024