



Australian
Communications
and Media Authority

ACMA snapshot

September quarter, 2015

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Introduction

This snapshot has been developed to provide stakeholders with an overview of some of the ACMA's broad and diverse activities, including:

- > broadcasting, radiofrequency spectrum, telecommunications and unsolicited communications complaints, investigations and compliance work
- > allocation and licencing regulatory work
- > activities supporting the nbn and the government's regulation reform agenda
- > stakeholder survey feedback
- > the new ACMA Customer Service Centre.

The ACMA has a complex regulatory remit spanning some 26 Acts and involving the administration of over 400 regulatory instruments. In broad terms, the ACMA's responsibilities include:

- > promoting self and co-regulation and competition in the communications industry while protecting consumers and other users
- > fostering an environment in which electronic media respect community standards and respond to audience and user needs
- > managing access to radiofrequency spectrum
- > representing Australia's interests internationally.

So, this report provides an overall 'at-a-glance' feel for the range of our activities, providing insight into that broad diversity which can sometimes be lost in the sectoral specifics of day-to-day engagement in the broadcasting, radiocommunications, telecommunications and internet industries.

Data presented generally covers the September 2015 quarter.

As this is the first ACMA quarterly snapshot, it can be and will be improved. Please tell us what you think and what may be changed or added to enhance the report by emailing media@acma.gov.au.

ACMA snapshot: September quarter 2015 at a glance

acma.gov.au

ACMA snapshot: September quarter 2015

Cybersecurity

In the September quarter 2015, we sent:

- 10,940** PHISHING ALERTS (UP from 9,593 in the March qtr)
- 12.9 million** OBSERVATIONS OF MALWARE INFECTIONS TO AISI MEMBERS

Spectrum Interference

Transmitter licensing and compliance labelling arrangements

We concluded: **71** INVESTIGATIONS

We undertook: **210** ENFORCEMENT ACTIONS

Spectrum operations

We completed:

- 336** SPECTRUM INTERFERENCE TASKS
- 40%** led to COMPLIANCE ENFORCEMENT ACTIONS

Supporting the nbn

We responded to:

- 86** ENQUIRIES OR COMPLAINTS ABOUT NBN-RELATED MATTERS

Broadcasting Investigations

We finalised:

- 48** COMPLIANCE INVESTIGATIONS

Average completion time: **2.3 MONTHS**

Licensing

We granted: **8** TELECOMMUNICATIONS CARRIER LICENCES

We issued: **3,888** NEW APPARATUS LICENCES

15 NEW BROADCASTING RETRANSMISSION LICENCES

We renewed: **41,523** APPARATUS LICENCES

22 COMMERCIAL RADIO BROADCASTING LICENCES

8 COMMERCIAL TELEVISION BROADCASTING LICENCES

We varied: **6** RADIO AND TELEVISION APPARATUS LICENCES

Telecommunications consumer protection

We had:

- 15** OPEN PRELIMINARY ENQUIRIES
- 8** OPEN INVESTIGATIONS

We issued: **37** FORMAL WARNINGS OR DIRECTIONS

Unsolicited communications

We received:

- 4,844** COMPLAINTS ABOUT TELEMARKETING
- 93,347** REPORTS & COMPLAINTS ABOUT SPAM

We sent: **768** LETTERS TO BUSINESSES TO ADVISE AND WARN THEM ABOUT POTENTIAL COMPLIANCE ISSUES

We commenced: **7** FORMAL INVESTIGATIONS

Customer Service Centre

We interacted with: **OVER 9,500** CUSTOMERS

Regulation reform agenda

In the year to September 2015, so far we've achieved:

\$3,566,564 IN SAVINGS FOR THE GOVERNMENT'S REGULATION REFORM AGENDA

In the September quarter, we saved:

- \$78,837** BY REMAKING THE RADIOCOMMUNICATIONS LICENCE CONDITIONS (BROADCASTING LICENCE) DETERMINATION
- \$49,632** BY REMAKING THE RADIOCOMMUNICATIONS (MARITIME SHIP STATION - 27 MHZ AND VHF) CLASS LICENCE 2015

Stakeholder survey feedback

Overall, the 2015 stakeholder survey findings were positive:

- 64%** are SATISFIED with engagement
- 84%** are SATISFIED with ACMA staff knowledge and understanding of relevant policies and legislation
- 32%** reported IMPROVED engagement

Source: ACMA Snapshot, September quarter 2015.

Allocations and licensing

Radiocommunications licensing

Under the *Radiocommunications Act 1992*, the ACMA can authorise the operation of devices under an apparatus, spectrum or class licence.

Apparatus licensing

Apparatus licences can be issued for any period ranging from one day to a maximum of five years. The majority of licences are for one year with annual renewals thereafter.

In the September quarter 2015, the ACMA:

- > issued 3,888 new apparatus licences
- > renewed 41,523 licences.

Accredited persons scheme

The accredited persons (APs) scheme provides a market-based solution for frequency coordination and device registration. Under the scheme, the ACMA, via accredited persons (APs) issues 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.

Table 1: Assignments registered, September quarter 2015

Type of assignment	2014–15
Frequency assignments registered by APs	3,837 92%
Frequency assignments performed by the ACMA	346 8%

Broadcasting licence area plans and variations

Television licence area plans

Television licence area plans (TLAP) are the long-term planning instruments for television broadcasting services. They specify and allot channels to providers of television services and determine the characteristics (including technical specifications) for the use of those channels.

In the September quarter 2015, no additional TLAP variations were completed.

Radio licence area plan variations

Radio licence area plans (LAPs) are the planning instruments for radio services in Australia. There are nine LAP variations (containing 58 separate requests) currently being progressed.

Broadcasting and telecommunications licensing

In the September 2015 quarter, the ACMA:

- > issued 15 new broadcasting retransmission licences
- > varied six radio and television apparatus licences
- > issued 61 special event broadcasting licences for radio and television services
- > renewed 22 commercial radio broadcasting licences for services using the broadcasting service bands
- > renewed eight commercial television broadcasting licences
- > granted eight telecommunications carrier licences.

Viewer Access Satellite Television (VAST)

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

Viewers who were refused access to VAST services by the scheme administrator can, under certain conditions, complain to the ACMA. The ACMA can direct the scheme administrator to enable VAST access for viewers who cannot access terrestrial digital television services.

In September 2015 quarter, the ACMA:

- > received 45 complaints
- > finalised the investigation of 58 complaints
- > issued 58 directions to the scheme administrator to grant VAST access to the complainants.

At the end of the reporting period, 11 complaints were still under investigation.

Broadcasting investigations

Under the *Broadcasting Services Act 1992*, Australian radio and television licensees and national broadcasters have primary responsibility for ensuring that the material they broadcast reflects community standards.

The ACMA has regulatory oversight and may investigate potential non-compliance with the applicable industry codes of practice, standard or licence condition.

The ACMA has a discretion whether to investigate complaints about broadcasting matters in the public interest. When deciding whether to investigate a particular matter, the ACMA considers a range of factors, including the nature and seriousness of the issue raised, whether the licensee or broadcaster has adequately dealt with it, the matter's potential to affect the community at large, and its priority in relation to other matters of public interest.

[Complaints about broadcast material](#) may be made on the website.

The ACMA publishes its [formal investigation reports](#) on its website.

Table 2: Broadcasting complaints and investigations, September quarter 2015

Type	Number
Total written contacts	258
Total written complaints*	46
Investigations commenced	31
Investigations completed**	48
Investigations resulting in breach findings	25***
Investigations resulting in non-breach findings	22
Investigations completed within three months	45 (94%)****
Investigations completed within five months	45 (94%)****
Average time for completion of investigations	2.3 months

* Note that multiple valid complaints may concern a single broadcast or matter.

** Includes one investigation that was concluded (withdrawn prior to decision).

*** 19 breaches related to non-compliance with the Australian Content Standard.

**** Three complex investigations were finalised in August 2015. These three matters are the only investigations to take longer than three months in the period.

Cybersecurity activity and unsolicited communications

In response to complaints and reports lodged by the public, the ACMA undertakes compliance activities and investigations of potential breaches of the *Spam Act 2003* (Spam Act), the *Do Not Call Register Act 2006* (DNCR Act), the *Telecommunications Act 1997* (Telecommunications Act), the Telemarketing and Research Industry Standard 2007 and the Fax Marketing Industry Standard 2011. To improve compliance with these Acts and Standards, the ACMA also undertakes general awareness-raising activities aimed at businesses engaged in telemarketing, fax marketing and e-marketing.

Cybersecurity

Some spam emails reported to the ACMA enable the identification of phishing activities. Phishing emails typically masquerade as being sent from financial institutions, known brands and government agencies. The emails usually direct recipients to fake web pages to fraudulently obtain personal and financial data.

The ACMA sends alerts to partner organisations (mainly members of the Australian banking industry that are the supposed source of each phishing message). The alerts are typically sent within five minutes of the spam being received by the ACMA, which enables recipient organisations to seek to quickly remove webpages hosting the malicious content and advise their clients of the existence of the phishing scam. In the September 2015 quarter, the ACMA sent 10,940 phishing alerts.

The ACMA's Australian Internet Security Initiative (AISI) collates malware (malicious software) infection data from a number of sources and analyses it to identify and report infections occurring on Australian networks. It provides daily reports to participating ISPs and educational bodies of malware infections to minimise harm as quickly as possible.

Daily AISI data is also provided to government partners (CERT Australia and the AFP) relating to malware infections occurring in the entire Australian network to assist them to better identify infected devices on their networks, enhancing the ACMA's ability to protect consumers from the negative impacts of malware infection. Due to the addition of substantial new data¹ in July, the ACMA sent 12.9 million reports of observations of malware infections to the ACMA's AISI members in the September 2015 quarter, a significantly larger amount than in preceding updates.

In early 2015, one of the AISI's major sources of cybersecurity data commenced providing data to the ACMA that identifies symptoms of vulnerabilities (vulnerable services) on web-facing services such as websites or routers.

Reporting vulnerable services provides affected customers with the opportunity to address the vulnerability before a website or router has been compromised or used for malicious purposes. During the quarter over 10 million vulnerable services reports were sent to AISI participants.

¹ While a substantial amount of this new data involves repeated reports of the same IP address over a 24-hour period, it is included in the AISI where new information that has not been previously reported will help the data recipient identify the device on which the infection resides.

Unsolicited communications

Complaints, reports and enquiries

In the September quarter, the ACMA received 4,844 complaints related to the DNCR Act and 93,347 complaints and reports relating to the Spam Act that were sent directly to the ACMA by individuals.

Compliance and enforcement activities

A graduated risk-based approach is followed in relation to compliance with and enforcement of both the DNCR Act and the Spam Act. Advisory and informal warning letters are sent to identified businesses that are the subject of complaints or direct reports from the public. In the majority of cases, only one notification from the ACMA is required to address compliance issues. Where voluntary compliance is not forthcoming and the ACMA continues to receive complaints about a business, it may be formally investigated and subject to enforcement actions.

In the quarter to September 2015, the ACMA sent a combined 768 letters to businesses to advise and warn them about potential compliance problems under the Spam Act and the DNCR Act. Complaints or reports about a number of businesses that warranted escalated action led to the commencement of seven formal investigations—five into potential contraventions of the DNCR Act and two into potential contraventions of the Spam Act.

In the September quarter, the ACMA also initiated a targeted industry education campaign to increase awareness of the Do Not Call rules among charitable organisations that had been the subject of a complaint to the ACMA in 2015.

Table 3: Summary of complaints, direct reports, enquiries, compliance activities and enforcement for quarter to September 2015

Actions		Number
Complaints and reports	Telemarketing & fax marketing	4,844
	Spam	93,347
Enquiries	Telemarketing & fax marketing	2,965
	Spam	277
Business compliance	Telemarketing & fax marketing	82
	Spam	686
Investigations opened	Telemarketing	5
	Fax marketing	0
	Spam	2

Spectrum operations compliance and investigations activities

The spectrum compliance and investigation program focuses on maximising the ACMA’s regulatory reach in a strategic and resource efficient manner (an important issue given unique position of Australia’s large land mass with a high concentration of the population living in urban areas, while 10 per cent of the population is spread across 93 per cent of the landmass). This is underpinned by the annual priority compliance area (PCA) program, which focuses on risks of harmful interference, high risk to spectrum utility, and risk to public safety or public interest.

Spectrum operations compliance investigations

During the September 2015 quarter, the ACMA commenced 75 and concluded 70 compliance investigations in support of the transmitter licensing and compliance labelling regulatory arrangements under the Radiocommunications Act. Tables 3 and 4 provide a break-down of the investigations commenced and enforcement actions taken by the regulatory arrangement during the September quarter.

Table 4: New investigations

Regulatory arrangement	Investigations
Customer cabling	5
Radiocommunications transmitters	57
Standards—EMC	1
Standards—Radio devices	8
Total	71

Table 5: Enforcement action

Action	Breach	Number
Advice notice	S197—Causing interference etc.	34
	S46—Unlicensed operation	1
	S47—Unlawful possession	1
Infringement notice	S197—Causing interference etc.	2
	S46—Unlicensed operation	2
	S186—Sale etc. of devices without labels	1
	S47—Unlawful possession	1
	S279—General powers of inspectors	1
Warning notice	S113—Contravention of conditions	7
	S160—Supply of non-standard devices	6
	S186—Sale etc. of devices without labels	5

Action	Breach	Number
	S197—Causing interference etc.	94
	s421—Cabling provider rules	1
	S46—Unlicensed operation	50
	S47—Unlawful possession	4
Total		210

Spectrum operations interference investigations

During the September 2015 quarter, spectrum operations concluded 336 interference tasks. Of these, around 40 per cent (or 133) resulted in compliance enforcement—Advice or Warning Notices.

Table 6: Compliance enforcement actions for interference complaints by interference complaint type

Type of interference	Number of actions
Domestic systems interference	
Advice notice (RF 169)	6
Warning notice (RF 168)	6
Radiocommunications interference	
Advice notice (RF 169)	28
Warning notice (RF 168)	93
Total	133

Telecommunications consumer protection

The ACMA has consumer protection responsibilities under the Telecommunications Act and the *Telecommunications (Consumer Protection and Service Standards) Act 1999*. The ACMA registers and monitors compliance with codes developed by the communications industry, and investigates compliance with the Telecommunications Industry Ombudsman scheme.

Current activities

In accordance with the Telecommunications Consumer Protection Code (TCP Code) identified priorities, activities relating to advertising, customer transfer, critical information summaries, complaints-handling and Communications Compliance were undertaken in the September quarter. Other compliance work includes the opening of an investigation into an alleged privacy breach and ongoing concerns about two companies' security deposits and direct debit practices.

In relation to telecommunications consumer protection, in the September 2015 quarter, the ACMA:

- > issued 25 formal warnings and six directions to firms for failing to lodge documents with Communications Compliance
- > issued a formal warning to italkbb Australia for poor information practices across its website (including online advertising)
- > opened four preliminary enquiries into complaints-handling
- > directed LBM Australia to join the TIO scheme while opening two investigations and two enquiries into the failure of firms to join the TIO scheme.

Critical information summaries (CIS)

The ACMA concluded its focus on CIS for nbn services in several active rollout areas, including Wollongong, Ballarat and Coffs Harbour. A total of 16 preliminary enquiry letters were sent to CSPs and all were resolved within the requested timeframes.

Customer transfer

Two investigations into customer transfers remain open. One relates to a firm's compliance with a direction to comply with the TCP Code. The other concerns the mass transfer of customers between entities and whether appropriate notification was given to customers.

Privacy

The ACMA commenced an investigation into a firm's compliance with section 276 of the Telecommunications Act.

TIO scheme

Two preliminary enquiries and two investigations were commenced into providers that have failed to join the TIO scheme. One provider has since joined the scheme and one firm applied for an exemption. One case was closed, as there was insufficient evidence that the firm was now offering telecommunications services, and one case remains open.

Figure 1: Overview of telecommunications compliance activity, September quarter 2015

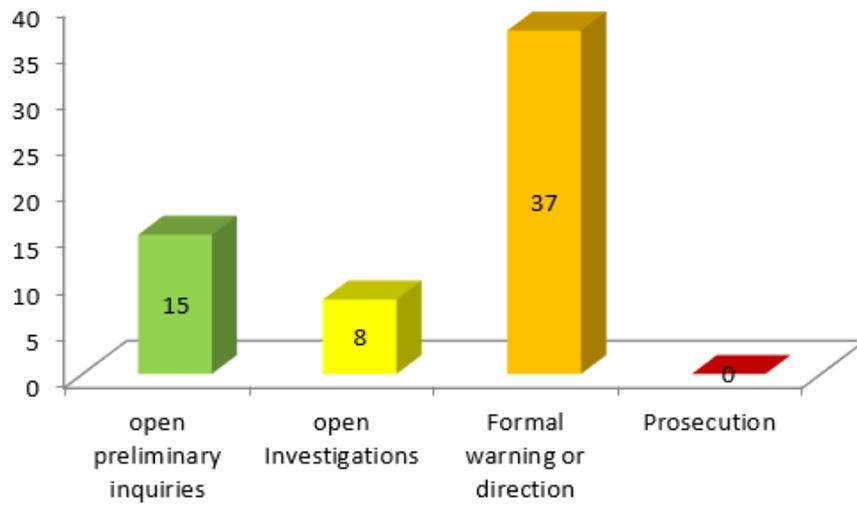


Figure 2: Current TCP Code investigations by specific issue, September quarter 2015

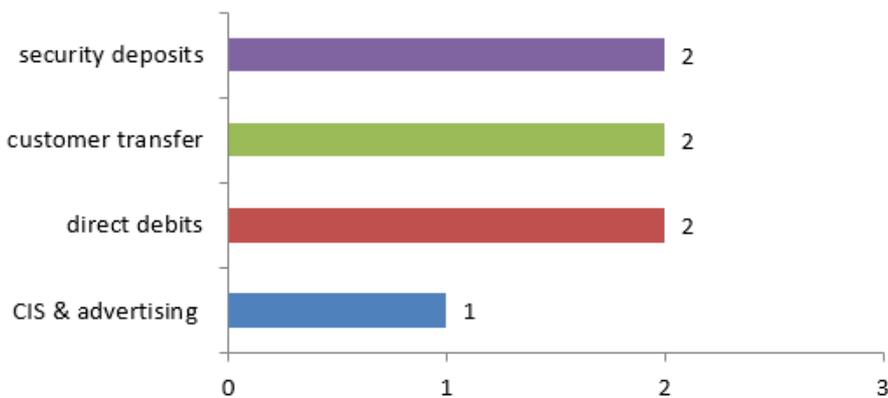


Figure 3: Telco enquiries commenced, 2015–16

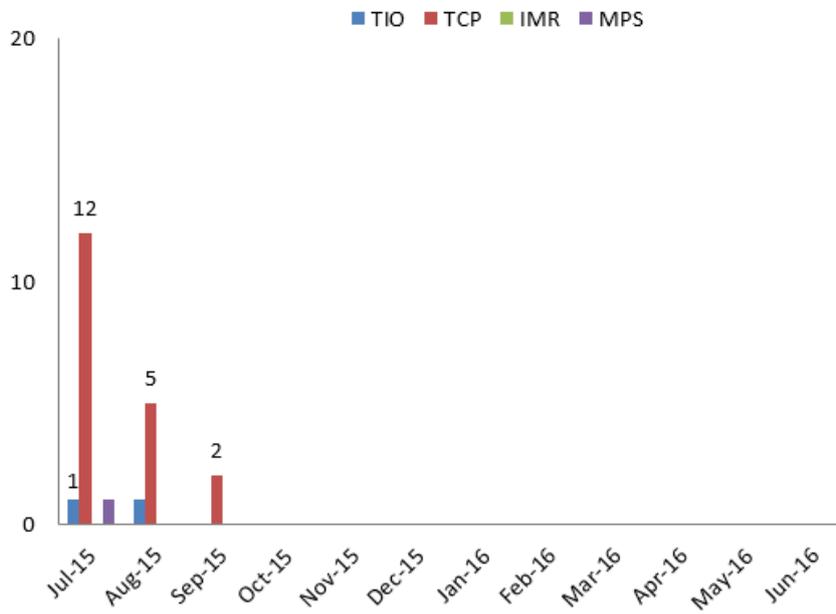
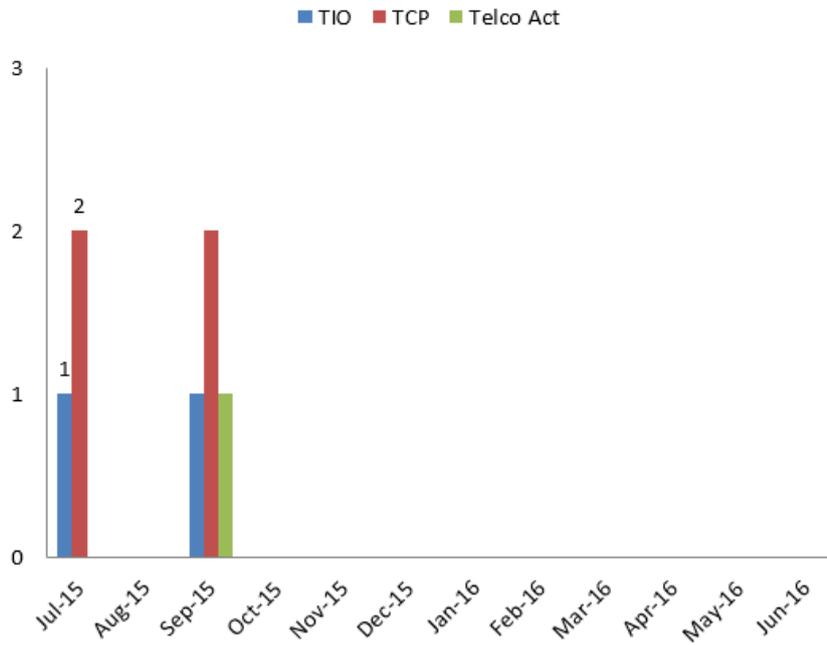


Figure 4: Telco investigations commenced, 2015–16



National broadband network

This section provides an overview of ACMA activities of relevance to the nbn.

September quarter activities

During the September quarter 2015, the ACMA has been supporting the developing of the nbn through:

- > contributing to industry discussions aimed at developing technical rules that are consistent with the government's policy objectives
- > supporting nbn in its international satellite coordination activities.

Infrastructure

The ACMA continues to support the nbn in its international satellite coordination activities.

To support the government's policy objectives for infrastructure competition in the deployment of fibre-to-the-node or basement (FTTN/B) technologies, Communications Alliance is developing a new industry code to establish technical rules to allow for the deployment of VDSL2 and successor technologies, particularly in multi-dwelling units where infrastructure competition is most likely to occur. VDSL2 is the technology intended for use by nbn in its FTTN/B products.

ACMA staff are contributing to Communications Alliance discussions to develop the new code, which is to be capable of registration under Part 6 of the Telecommunications Act. The code is intended to cater for deployment of competing FTTN/B technologies, while also ensuring that minimum performance levels for FTTN/B systems are achieved.

Industry operational processes

Industry is developing migration and transfer processes through three Communications Alliance working committees. ACMA staff are participating as observers in each of these committees.

Table 7: Enquiries/complaints received by the ACMA on nbn-related matters

Activity	2013	2014	2015 (as at 7 Sept 2015)
New developments (greenfields and brownfields)	61	19	5
Connection delay	–	22	10
Copper switch off	–	6	11
Network infrastructure to premises	–	17	17
Cabling	8	1	3
Other (e.g. CSG waiver/number port)	–	58	40

Activity	2013	2014	2015 (as at 7 Sept 2015)
Total	69	123	86

ACMA nbn stakeholder liaison

- > **Communications Alliance**—ACMA staff are continuing to participate in various CA technical and operational working committees, including in relation to VDSL2, migration processes, and transfer processes.
- > **Department of Communications and the Arts**—ACMA staff continue to liaise with DoCA on issues including its Migration Assurance Policy, nbn reviews, superfast broadband infrastructure competition, battery backup and service continuity, and the potential advice on the removal of the ACMA’s Universal Service Obligation functions in lieu of contractual coverage.
- > **nbn**—ACMA and nbn staff continue to meet on a regular basis to discuss nbn’s spectrum related issues, its local area communications plans, development of VDSL2 rules and relevant project and program matters.

Regulation reform agenda

The ACMA regulation reform agenda aims to deliver real reform through better regulation, which lowers the cost burden on business, while maintaining necessary consumer and other safeguards.

ACMA's contribution

The ACMA's contribution to the government's regulation reform agenda for the year to 30 September 2015 amounted to \$3,566 564 in savings.

Of the nine decisions in the September 2015 quarter resulting in savings, the most significant were the remaking of two instruments:

- > Radiocommunications Licence Conditions (Broadcasting Licence) Determination 2015 (savings of \$78,837)
- > Radiocommunications (Maritime Ship Station – 27 MHz and VHF) Class Licence 2015 (savings of \$49,632).

Stakeholder survey feedback

In both 2014 and 2015, the ACMA commissioned external research companies to survey senior level stakeholders, such as board members, managing directors, company secretaries and regulatory affairs managers to indicate their level of satisfaction with the ACMA.

Overall, the 2015 stakeholder satisfaction survey findings were positive, being marginally higher than the 2014 satisfaction levels. Key findings include:

- > 64 per cent reported they were satisfied with the way the ACMA engaged with their organisation—compared to 63 per cent in 2014
- > 32 per cent reported that the ACMA's engagement with their organisation had improved over the last twelve months—compared to 25 per cent in 2014.
- > 84 per cent were satisfied with the knowledge and understanding of relevant policies and legislation among the ACMA's staff.

While the 2015 survey found that overall stakeholder satisfaction is relatively high, there is room for improvement, with 21 per cent reporting they are dissatisfied with the way the ACMA engages with their organisation. The ACMA is looking closely at all these results to ensure we build on our strengths, and continue to improve our operations in the areas identified.

Further information about the [survey results](#) is available on the ACMA website.

Customer Service Centre

The Customer Service Centre (CSC) provides a single point of contact for customer enquiries for a range of matters the ACMA is responsible for, including radiocommunications, telecommunications, broadcasting, internet, billing and complaints-handling.

In the September quarter, the CSC handled 9,507 interactions with customers and exceeded its KPI, resolving more than 95 per cent within three working days.