



Australian Government

Department of Communications and the Arts

# Funding of telecommunications consumer representation grants

Annual Report 2016–17

November 2017

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## Purpose of Section 593 of *Telecommunications Act 1997*

Section 593 of the *Telecommunications Act 1997* (Telco Act) provides for the Minister for Communications (Minister) to make grants of financial assistance to:

- consumer bodies for purposes in connection with the representation of the interests of consumers in relation to telecommunications issues; and
- persons or bodies for purposes in connection with research into social, economic, environmental or technological implications of developments relating to telecommunications.

## Funding Provided for 2016–17

Funding under section 593 of the Telco Act for 2016–17 was provided only to the Australian Communications Consumer Action Network (ACCAN). This funding was provided under contract between ACCAN and the Department of Communications and the Arts. ACCAN was provided with funding of \$2,230,000 (GST-exclusive) for the 2016–17 financial year.

The 2012–17 Funding Agreement expired on 30 May 2017. ACCAN and the Department of Communications and the Arts entered into a subsequent multi-year Funding Agreement, signed on 8 June 2017 and continuing until 31 May 2022.

Each quarterly payment to ACCAN under these Funding Agreements is subject to quarterly assessment of the six Key Performance Indicators (KPIs) and related activities, as set out in the Funding Agreement.

The funding provided to ACCAN under section 593 of the Telco Act is recovered from the annual carrier licence charge imposed under the *Telecommunications (Carrier Licence Charges) Act 1997*.

## Assessment of ACCAN's General Performance

Quarterly progress reports for 2016–17 demonstrated that ACCAN satisfactorily met each of its KPIs and Funding Agreement milestones.

ACCAN has published its 2016–17 [Annual Report](#) on its website. This showed that in 2016–17 ACCAN:

- Represented consumer interests in more than 30 government, industry and regulatory committees.
- Made over 40 submissions to government, regulatory and other inquiries, all of which are available at [www.accan.org.au/submissions](http://www.accan.org.au/submissions).
- Raised consumer awareness, including publishing several new telecommunications consumer guides, achieving 913 media mentions and attracting 195,908 website visits—a significant increase in both from the previous year.
- Hosted its annual conference, *ACCANect: Equipping consumers to stay connected*, which was attended by more than 220 delegates.
- Held a consumer roundtable with industry representatives on the Customer Service Guarantee.
- Held an advisory forum with rural, regional and remote stakeholders, leading to the formation of the Regional, Rural and Remote Communications Coalition. This Coalition includes organisations from the farming sector, country women's associations, rural health organisations and others.
- Formed part of Australia's delegation to the International Standards Consumer Policy Committee in Malaysia.

- Launched numerous policy initiatives across a range of consumer issues including affordability, cyber security, and accessibility.
- Continued its engagement with industry through quarterly meetings with Communications Alliance and participation in Communications Alliance working groups, bi-annual meetings with the Australian Mobile Telecommunications Association and through regular briefings and issues-specific dialogue with the major retail telecommunications service providers.
- Issued 20 media releases covering important consumer issues including regional communications, accessibility, broadband availability, affordability and the Universal Service Obligation.

ACCAN organisational membership increased to 118. Member organisations represent remote and rural consumers, indigenous organisations, small businesses, farmers, disability groups, financial counsellors and community legal centres from across Australia.

ACCAN's board also saw changes in 2016–17 with Deputy Chair Holly Raiche and Board Director Michael West standing down in September 2016. Two new members joined the board, Sarah Wilson and Nadia Moffat, both on three-year terms.

## Independent Grants Program

ACCAN administers a competitive Independent Grants Program (IGP) in accordance with its Funding Agreement. ACCAN's total expenditure for the IGP in 2016–17 (including overheads) was \$304,194\*.

Six projects were awarded funding, out of the 39 eligible applications received (see Table 1 below). The projects relate to ranking telecommunications practices, research into identity theft, mental health applications, security and privacy threats from smart home 'Internet of Things' (IOT) devices, consumer access to digital media content and a telecommunications education project.

Due to the expiry of the 2012–17 Funding Agreement, all 2016–17 IGP projects were completed by 30 May 2017.

**Table 1: IGP projects delivered in 2016–17**

Recipient	Amount (ex. GST)
Financial and Consumer Rights Council (FCRC)—'Rank the Telco 2017'	\$60,000
Australian National University (Research School of Management)—'Understanding Consumer Identity Theft Risks Across Communications Media'	\$44,966
University of Sydney (Charles Perkins Centre)—'Finding peace of mind: Navigating the marketplace of mental health apps'	\$59,842
University of NSW (School of Electrical Engineering and Telecommunications)—'Increasing Public Awareness in Australia on Security and Privacy Threats for Smart-Home IoT Devices'	\$50,000
Queensland University of Technology (Digital Media Research Centre)—'Australian consumer access to digital media content'	\$59,860
Association of Hazaras in Victoria—'Telecommunications Education Project'	\$7,500
<b>Total</b>	<b>\$282,168</b>

\*2016–17 IGP funds were augmented with \$25,182 returned after a contract was terminated in 2015–16

## Financial Accounts

There were no significant changes in the nature of ACCAN's activities during the financial year. The independent auditor of ACCAN's financial accounts found that the accounts were prepared in accordance with the *Corporations Act 2001* and:

- gave a true and fair view of ACCAN's financial position as at 30 June 2017 and its performance for the year ended on that date, and
- complied with Australian Accounting Standards—Reduced Disclosure Requirements, the *Australian Charities and Not-for-profits Commission Act 2012*, and *Australian Charities and Not-for-profits Commission Regulation 2013*, and the *Corporations Regulations 2001*.