Secretariat
Digital Platforms Services Inquiry – March 2023 Report
Australian Competition and Consumer Commission (ACCC)
Via digitalmonitoring@accc.gov.au

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Dear Secretariat,

**ACCC Issues Paper – Digital Platform Services Inquiry – March 2023 Report on social media services**

The Australian Communications and Media Authority (ACMA) welcomes the opportunity to provide a submission to the Australian Competition and Consumer Commission (ACCC) on its issues paper, and we look forward to continuing our close collaboration on common approaches to addressing online harms on social media services.

Since 2019, we have been involved in the development of the Australian Code of Practice on Disinformation and Misinformation (the code). As part of our ongoing oversight, we have a close working knowledge of the code and continue to monitor the progress of the digital platforms industry, including social media services, in addressing harmful content targeting Australians. This is a key area of focus under our compliance priorities for 2022-23: https://www.acma.gov.au/compliance-priorities.

Online scams are another growing area of concern given the current lack of regulatory coverage on digital platforms and signs that scammers are pivoting from phone channels to social media and applications. Our existing work to combat phone scams has seen a dramatic drop in consumer complaints about scam calls, including a 50% reduction to the Scamwatch service and a 70% reduction to the ACMA in 2022. However, the protections introduced do not apply to social media platforms.

To inform our work in these areas and better understand the impact of digital platforms on the sectors we regulate, we undertake annual research and provide regular insights into the use of social media services in Australia.

### *Our social media research*

The ACMA has a longstanding research program to track and monitor trends in the usage of media and communications services. For well over a decade, this work has included data on social networking or social media, providing valuable longitudinal insights into the use and growth of these services in Australia.

More recently, in line with our increased regulatory focus on digital platforms, we have reviewed and expanded the scope of our annual consumer survey to capture more information on which specific social media services are being used, by whom, and for what purpose. We welcome the inclusion of 2021 ACMA figures from our '*Communications and media in Australia: How we communicate'* report in the ACCC's issues paper:

https://www.acma.gov.au/publications/2021-12/report/communications-and-media-australia-how-we-communicate.

We have since completed our 2022 consumer survey, which included new questions on the consumption of news services on various platforms. These results show that more Australians now access news from online sources (including social media services, news sites, and search engines) than on TV, radio or print. Further, nearly half of adults sourced news from social media and communications websites or apps in the previous 7 days. Given this, it is critical that social media services facilitate access to authoritative and reliable sources of news and information, and take measures to reduce user exposure to false or deceptive content that can result in real-world harm to individual users or broader societal institutions.

While we anticipate publishing full results from this research in the coming months, we would be happy to separately brief the ACCC on these findings if it would be of interest or assistance to this inquiry.

### Scams

The ACMA has been actively taking steps to combat phone scams in Australia, using powers under the *Telecommunications Act* 1997. This has included making new rules requiring telecommunications providers to identify, trace and block scam calls and text messages.

Since the requirement to block scam calls came into effect, telecommunications providers have blocked over 660 million scam calls, and there has been a significant drop in consumer complaints about scam calls. We are currently monitoring the impact of rules requiring telcos to identify and block scam text messages introduced in July 2022, but very early signs are promising.

Unfortunately, the nature of scam activity means that as it becomes harder for scammers to use calls and texts to perpetrate fraud, they will look to exploit other channels. This will include social media services and over-the-top services which do not have sector-specific regulations to deal with these issues. There is already strong evidence scammers are moving to these channels, with Scamwatch reported losses to scams in 2022 on social networks expected to rise approx. 20% and on mobile apps by approx. 164%.

The ACMA supports work to further explore the relationship between phone and online channels used by scammers and the potential for the introduction of scam disruption measures on social media platforms.

### Our regulatory collaboration efforts

The ACMA closely collaborates with the ACCC and other government regulators via the Digital Platform Regulators Forum (DP-REG). DP-REG seeks to develop common approaches to dealing with potential harms caused by social media services, across the various regulatory responsibilities of its 4 members – the ACCC, ACMA, Office of the Australian Information Commissioner and Office of the eSafety Commissioner.[1]

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[1] These responsibilities include competition, consumer protection, privacy, online safety and data issues; *DP-REG joint public statement*, March 2022.

The ACMA has been a strong advocate for this initiative since its inception in early 2022, and DP-REG has proven to be a highly valuable avenue of regulatory engagement and collaboration. Recently DP-REG released the group's strategic priorities for 2022/23, leading to the creation of 3 new working groups to support joint efforts on issues relating to industry codes and regulation, algorithms and digital technologies, and the sharing of data and research: https://www.acma.gov.au/communique-digital-platforms-regulators-forum.

The ACMA also engages internationally on emerging regulatory issues relating to digital platforms, social media services and scams. The Media and Online Regulation Forum (MORF) brings together content regulators from Australia, Canada, Ireland and the United Kingdom, and meets quarterly. We are also a core member of the Unsolicited Communications Enforcement Network of internal regulators, ands have bilateral agreements in place to share strategic initiatives and collaborate with key internal regulators such as the USA's Federal Communications Commission and the Canadian Radio-television and Telecommunications Commission.

### *Other areas of interest*

Outside of the areas discussed above, there are other areas of the work of the ACMA that intersect with social media services. This includes our role administering components of the News Media Bargaining Code, as well as some aspects of our regulatory remit related to online content, such as the use and promotion of gambling services and privacy protections related to unsolicited communications.

I hope this information may be of assistance as your inquiry progresses. The ACMA would be happy to provide additional information to the ACCC as needed.

Yours sincerely

Nerida O'Loughlin PSM
16 September 2022