The Parliament of the Commonwealth of Australia

Reclaiming Public Space

Inquiry into the regulation of billboard and outdoor advertising

House of Representatives

Standing Committee on Social Policy and Legal Affairs

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Foreword

No one can avoid outdoor advertising. This is what makes outdoor advertising appealing to advertisers—it cannot be turned off or put away if a consumer wishes to ignore it. Having seen the dominance of outdoor advertising in my own electorate, and being concerned about the images my own children were being exposed to, I was pleased to lead this inquiry investigating community concerns about the regulation and monitoring of outdoor advertising.

The Committee considers that outdoor advertising constitutes a specific category of advertising because of the way that it occupies public spaces, dominates civic landscape, and targets captive, unrestricted audiences. The inquiry addressed particular concerns about the impact of increasing, cumulative and sustained exposure to advertisements that contain sexual, discriminatory or violent material and to advertisements for alcohol and unhealthy foods and beverages.

As such, the Committee concluded that industry self-regulation of advertising standards needs to include a specific code of practice for outdoor advertising. This code of practice should reflect the particular nature of outdoor advertising, recognising that all members of society are exposed to it and do not have a choice about viewing it. Community sentiment supported the Committee's opinion that there is a need to reclaim public space from any wayward interests of commercial advertising.

Furthermore, the self-regulatory system for advertising as a whole requires strengthening to address some of the concerns that were raised at public hearings and in submissions to the inquiry.

The definition of 'community standards' is a contentious issue, given the wide range of views held by all members of society. More research into community attitudes about outdoor advertising standards should be conducted to increase the public's confidence in decisions about advertising that purport to reflect community norms.

Moreover, the Committee recommends that the advertising self-regulatory system adopt international best practice measures such as the provision of independent advice to advertisers on their advertising content prior to publication, and the establishment of a monitoring role to promote high levels of compliance with the voluntary advertising codes.

This report contains many recommendations to advertising industry bodies. The Committee expects the recommendations to be adopted and implemented by the relevant bodies, as the industry has demonstrated that it is keen to preserve the system of self-regulation. However, if the industry does not demonstrate over the next few years that self-regulation can appropriately operate within the bounds of community expectations for appropriate outdoor advertising, then the Committee strongly recommends that the Australian Government institute regulatory measures.

Public spaces are for the use of all members of the community—men, women and children—and the right to enjoy the amenity of a space should not be compromised by an advertiser's array of inappropriate images. This report has listened to the Australian community and, on behalf of the Australian community, it says enough is enough. It is time to reclaim our public spaces.

Mr Graham Perrett MP Chair

Membership of the committee

Chair Mr Graham Perrett MP

Deputy Chair The Hon Judi Moylan MP

Members Mr Shayne Neumann MP

Ms Michelle Rowland MP

Ms Laura Smyth MP

The Hon Dr Sharman Stone MP

Mr Ross Vasta MP

Committee secretariat

Secretary Dr Anna Dacre

Inquiry Secretary Dr Kris Veenstra

(until 22 February 2011)

Ms Natalya Wells

(from 23 February 2011)

Senior Research

Officer

Ms Natalya Wells

(until 22 February 2011)

Office Manager Mrs Donna Quintus-Bosz

Terms of reference

Having regard to:

- community concerns about large-scale public advertising;
- trade practices and fair trading legislation in all jurisdictions that contain consumer protection provisions that prohibit false, misleading and deceptive advertising;
- relevant industry codes including the Australian Association of National Advertisers' *Advertiser Code of Ethics*; and
- the role of the Advertising Standards Bureau:

Refer to the House of Representatives Standing Committee on Social Policy and Legal Affairs for inquiry and report matters relating to the extent to which the current arrangements for the regulation of billboard advertising continues to be an effective method for managing this form of advertising in Australia in line with Australian community expectations.

In performing its functions in relation to this reference, the Committee will consider:

- 1. the existing self-regulatory scheme for advertising
- 2. whether the current arrangements, including the Industry Codes administered by the Advertising Standards Bureau, meet community concerns about billboard advertising
- 3. trade practices and fair trading legislation in all jurisdictions that contain consumer protection provisions that prohibit false, misleading and deceptive advertising
- 4. technical developments in billboard advertising, if any
- 5. the rate and nature of complaints about billboard advertising
- 6. any improvements that may be made to current arrangements
- 7. the desirability of minimising the regulatory burden on business, and
- 8. any other related matter.

List of acronyms

AANA Australian Association of National Advertisers

ABAC Alcohol Beverages Advertising (and Packaging) Code

ACCC Australian Competition and Consumer Commission

ACCM Australian Council on Children and Media

ACL Australian Christian Lobby

ACMA Australian Communications and Media Authority

AFGC Australian Food and Grocery Council

APC Alcohol Policy Coalition

ASA Advertising Standards Authority (United Kingdom)

ASB Advertising Standards Bureau

ASC Advertising Standards Canada

ASCB Advertising Standards Complaints Board (New Zealand)

CCA Competition and Consumer Act 2010

CCMCAAY Cancer Council Western Australia and the McCusker Centre

for Action on Alcohol and Youth

CFAC Coalition on Food Advertising to Children

EASA European Advertising Standards Alliance

FCAI Federal Chamber of Automotive Industries

ICC International Chamber of Commerce

KF2BK Kids Free 2B Kids

OMA Outdoor Media Association

PCA Pedestrian Council of Australia

POW Proving Outdoor Works

QRSI Quick Service Restaurant Industry

RCMI Responsible Children's Marketing Initiative

RTA Roads and Traffic Authority of New South Wales

List of recommendations

Recommendation 1—Advertising and industry bodies

The Committee recommends that the Australian Association of National Advertisers, the Advertising Standards Board, the Australian Food and Grocery Council, the Federal Chamber of Automotive Industries and the Alcohol Beverages Advertising Code Scheme report to the Attorney-General's Department by 30 December 2011 detailing their responses and how the relevant recommendations will be implemented.

The Committee further recommends that the Australian Association of National Advertisers, the Advertising Standards Board, the Australian Food and Grocery Council, the Federal Chamber of Automotive Industries and the Alcohol Beverages Advertising Code Scheme provide a comprehensive report to the Attorney-General's Department by 30 December 2012 detailing how the relevant recommendations contained in this report have been implemented.

Recommendation 2—Australian Government

The Committee recommends that the Attorney-General's Department review by 30 June 2013 the self-regulatory system for advertising by evaluating the industry implementation reports and assessing the extent to which there has been effective implementation of the recommendations contained in this report.

If the self-regulatory system is found lacking, the Committee recommends that the Attorney-General's Department impose a selffunded co-regulatory system on advertising with government input into advertising codes of practice.

The Committee recommends that the Attorney-General's Department conduct five-yearly reviews of the advertising regulatory system to

ensure that technological advances and changes in advertising trends are being addressed adequately in line with community expectations.

Recommendation 3— Australian Association of National Advertisers

The Committee recommends that the Australian Association of National Advertisers introduce a code of practice for out-of-home advertising and for use by the Advertising Standards Board when determining complaints about out-of-home advertising. The code of practice should recognise that out-of-home advertisements:

- occupy public space and have the potential to affect the amenity of that space for some community members;
- can be viewed by an unrestricted audience, regardless of their target audience; and
- have a cumulative impact on the community through the social messages they convey.

Recommendation 4—Australian Government

The Committee recommends that the Attorney-General's Department investigate, through its anti-discrimination legislation consolidation project, how to include the unrestricted display of racist or sexualised images in the public space under the scope of discriminatory practice.

Recommendation 5— Advertising Standards Bureau

The Committee recommends that the Advertising Standards Bureau introduce a transparent copy advice service, which provides independent advice on the suitability of proposed advertisements, for all outdoor advertising.

Recommendation 6— Advertising Standards Bureau

The Committee recommends that the Advertising Standards Bureau conduct and publish annual random compliance surveys of outdoor advertising across specific industries and specific elements of advertising codes, such as:

- the food and beverage sector;
- the alcohol sector;

- outdoor advertising that portrays children;
- advertising at event venues and sportsgrounds; and
- outdoor advertising that portrays sex, sexuality or nudity.

The Committee also recommends that Advertising Standards Board members take on a formal monitoring role of outdoor advertising and self-initiate investigations where warranted. The Committee considers that the compliance surveys would inform the monitoring role.

Recommendation 7— Australian Association of National Advertisers

The Committee recommends that the Australian Association of National Advertisers establish a more regular program to review each of the voluntary codes of advertising, in consultation with stakeholders and relevant organisations and experts in the field.

Recommendation 8— Australian Association of National Advertisers

The Committee recommends that the Australian Association of National Advertisers amend its Advertising Code of Ethics to proscribe sexual objectification of men, women and children.

Recommendation 9— Advertising Standards Bureau

The Committee recommends that the Advertising Standards Bureau, in conjunction with relevant industry bodies, conduct research every two years into:

- community perceptions of the use of sex, sexuality and nudity in advertising in general and specifically in outdoor advertising;
- prevailing community standards on health and safety in advertising in general and specifically in outdoor advertising;
- prevailing community standards on the advertising of food and beverages;
- prevailing community standards on advertising to children; and
- prevailing community standards on the advertising of alcohol.

These findings should be reflected accordingly in determinations by the Advertising Standards Board.

Recommendation 10— Alcohol Beverages Advertising Code

The Committee recommends that the Alcohol Beverages Advertising Code Scheme conduct research every two years into prevailing community standards on the advertising of alcohol.

This research should include particular reference to outdoor advertising and the findings should be reflected accordingly in Alcohol Beverages Advertising Code panel determinations.

Recommendation 11—Australian governments

The Committee recommends that the Monitoring of Alcohol Advertising Committee continue to monitor alcohol advertising and report annually to the Intergovernmental Committee on Drugs.

The Committee further recommends that the Intergovernmental Committee on Drugs oversee the operation of the Alcohol Beverages Advertising Code Scheme and provide reports every two years of its assessed effectiveness to Health ministers.

Recommendation 12— Federal Chamber of Automotive Industries

The Committee recommends that the Federal Chamber of Automotive Industries conduct transparent reviews of the Voluntary Code of Practice for Motor Vehicle Advertising every two years in consultation with road safety authorities and government representatives, and publish the findings of the reviews on the Federal Chamber of Automotive Industries website.

Recommendation 13— Australian Association of National Advertisers

The Committee recommends that the Australian Association of National Advertisers amend the Australian Association of National Advertisers Food and Beverage Code to include sports sponsorship as a form of advertising and therefore subject to advertising codes of practice. This should be implemented by 30 October 2011.

Recommendation 14— Australian Food and Grocery Council

The Committee recommends that the Australian Food and Grocery Council act immediately to include outdoor advertising in the definition of 'media' as it applies to the Responsible Children's Marketing Initiative.

The Committee recommends that this should be in place by 30 October 2011, notwithstanding that a review of the Responsible Children's Marketing Initiative is scheduled for 2012.

The Committee further recommends that the Australian Food and Grocery Council amend both the Quick Service Restaurant Industry Initiative for Responsible Advertising and Marketing to Children and the Responsible Children's Marketing Initiative to include sports sponsorship as a form of advertising. This should be implemented by 30 October 2011.

Recommendation 15— Advertising Standards Bureau

The Committee recommends that the Advertising Standards Bureau amend its complaint process to also accept complaints about advertising by telephone and email and accept and investigate anonymous complaints. These changes should be implemented by 30 October 2011.

Recommendation 16— Advertising Standards Bureau

The Committee recommends that the Advertising Standards Bureau establish regular nation-wide information and awareness campaigns about the advertising complaints system across all forms of media, including outdoor, television and print.

In particular, information on the outdoor advertising code, once it is developed, and the complaints process should be provided to:

- all federal and state or territory elected representatives; and
- the Australian Local Government Association for distribution to local governments.

Recommendation 17— Advertising bodies

The Committee recommends that the Australian Association of National Advertisers require its members to forward any complaints from the public about their advertising to the Advertising Standards Bureau.

The Committee also recommends that the Outdoor Media Association require its members to forward any complaints from the public about their advertising displays to the Advertising Standards Bureau.

Recommendation 18— Advertising Standards Bureau

The Committee recommends that the Advertising Standards Bureau address instances of advertiser non-compliance by:

- establishing a dedicated webpage, easily accessible from the Advertising Standards Bureau website, that names advertisers, and their products, who have breached advertising standards or refused to comply with Board determinations;
- circulating the names of non-compliant advertisers in industry newsletters and other means of communication;
- providing the names of non-compliant advertisers to the Outdoor Media Association and encouraging their members to consider not accepting advertisements from them;
- providing the names of non-compliant advertisers to the Attorney-General so that the Attorney-General's Department can consider legislation that would require the naming of non-compliant advertisers in Parliament, similar to the *Equal Opportunity for Women in the Workplace Act* 1999; and
- reporting annually to the Attorney-General's Department on the non-compliance rate and steps taken to achieve compliance.

Recommendation 19— Advertising Standards Bureau

The Committee recommends that the Advertising Standards Bureau strengthen the independent review process by:

- providing a comprehensive explanation of the independent review process on its website and in informational material to increase the public's understanding of the role of the Independent Reviewer;
- tasking the Independent Reviewer with checking a random sample of determinations annually to assess the validity of Advertising

Standards Board determinations that have not been appealed formally; and

■ aiming for 90 per cent or higher Independent Reviewer agreement with Advertising Standards Board determination processes in the random sample.