

## **SBS SUBMISSION TO THE SENATE ECONOMICS LEGISLATION COMMITTEE INQUIRY INTO THE SCAMS PREVENTION FRAMEWORK BILL 2024**

### **KEY POINTS**

- The Special Broadcasting Service (**SBS**) welcomes the opportunity to provide a submission to the Senate Economics Legislation Committee inquiry into the Scams Prevention Framework Bill 2024 (**'the Bill'**).
- For 50 years, the SBS network's principal function has been to provide trusted, accurate, balanced, and impartial news and information in more than 60 languages for all Australians, including multicultural, multilingual and First Nations communities. In 2024, SBS News was Australia's most trusted news source,<sup>1</sup> and SBS is committed to providing a safe and trustworthy environment for our audiences to access the full diversity of SBS content across all our platforms.
- SBS acknowledges the need for targeted regulatory intervention to protect consumers from deliberately misleading content, advertising (**ads**), and organisations in the online environment. As noted in our previous submissions, there have been instances of scam ads served to SBS audiences on our online platforms through the programmatic advertising supply chain (also known as the ad tech supply chain). As such, we support appropriate measures to prevent and respond to scam ads, specifically those measures that target entities that have high levels of control over the supply of online ads (namely, the demand-side programmatic advertising platforms (**DSPs**) and supply-side platforms (**SSPs**)). SBS sits at the end of the online ad supply chain, and the limited measures available to SBS to deal with scams are comparatively slow, inefficient, costly, and much less effective. For the reasons outlined below, we recommend SBS's services be excluded from the scope of obligations under the proposed Bill.
- SBS plays an important role as a public broadcaster to inform and educate audiences, providing news coverage and a range of other content in over 60 languages that boosts awareness about scams, including for multilingual and migrant communities who the ACCC has indicated are more vulnerable to scams. Examples of SBS's content on this topic for recently arrived communities, multilingual audiences and people learning English are provided below.
- Consistent with our previous submissions on the Framework, we remain concerned that the Bill keeps open the possibility that SBS's services could be captured. We note that under the Bill, SBS's online services, such as its website and apps, may be brought into scope as 'electronic services', and 'broadcasting services' are also identified as a class of services that could be designated.
- The inclusion of SBS's services is not required for the Bill to meet its objectives and is unwarranted, given:
  - Regulatory interventions to prevent scams online would be far more effective targeted at DSPs and SSPs that manage advertisers and facilitate the buying of advertising impressions and sale of inventory. While SBS takes a diligent approach

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<sup>1</sup> Park, S., Fisher, C., McGuinness, K., Lee, J., McCallum, K., Cai, X., Chatskin, M., Mardjianto, L. & Yao, P., 2024, *Digital News Report: Australia 2024*, Canberra: News & Media Research Centre, University of Canberra, <https://www.canberra.edu.au/uc-research/faculty-research-centres/nmrc/digital-news-report-australia>



and employs a range of actions to detect and block potential scams, SBS as an inventory provider has very limited measures available to deal effectively with scams on its online services due to its position at the end of the ad tech supply chain.

- SBS' broadcasting services are already subject to robust and comprehensive regulation and controls which mitigate the risk of scams.
- If SBS were designated under the new framework, a range of new compliance requirements would apply, and this would necessitate redirecting resources away from core public service priorities. Very little benefit would accrue to audiences from this outcome, given the ability to control online scam activity lies with other parties in the ad tech supply chain, and broadcasting services are already subject to robust measures, which are outlined below.
- To address these risks, a specific exemption for SBS's online services should be included, so that they could not be included (inadvertently or by design) in any designation of 'electronic services'. In addition, broadcast services should be wholly excluded from the Framework, given the lack of scam activity and the extent of existing controls/safeguards.

#### **Recommendations**

- Amend the *Scams Prevention Framework Bill 2024* to exclude SBS's online services from any designation of 'electronic services'; and
- Amend the Bill to exclude broadcasting services.

### **I. The potential for SBS services to be designated under the framework should be removed**

We note that under subparagraphs 58AC(2)(c)(ii) and 58AC(2)(c)(iii) respectively, 'electronic services' and 'broadcasting services' are classes of businesses or services that could be designated. We consider these definitions to encompass SBS's online and broadcasting services.

We note that the Government has committed to initially designating several sectors identified as significant vectors of scam activity, including digital platform services relating to social media, paid search engine advertising and direct messaging.<sup>2</sup> There is the potential that designations of digital platform services, unless carefully crafted or a specific exemption is applied, could inadvertently capture SBS's online services including SBS's website and apps.

SBS acknowledges that broadcasting services have not been identified by the Government as a priority sector for designation. The matters to be considered before designating a sector under paragraph 58AE(1)(a) would likely reduce the risk of an unwarranted designation. However, we query the inclusion of 'broadcasting services' in subparagraph 58AC(2)(c)(iii) given the negligible risk of scam activity on broadcast platforms and the high levels of existing regulation that applies to these services.

As noted above and highlighted in our previous consultation responses, our concern is that designation would place undue regulatory burden on SBS and would not achieve the desired regulatory outcomes. Regulatory intervention must be targeted to the circumstances of how scams are reaching consumers, and the varying levels of control that industry participants have to prevent, detect, disrupt and respond to scams. Below, this submission outlines the key issues SBS has highlighted in previous consultation responses on the Scams Prevention Framework.

<sup>2</sup> Explanatory Memorandum, *Scams Prevention Framework Bill 2024* (Cth).  
[https://www.aph.gov.au/Parliamentary\\_Business/Bills\\_Legislation/Bills\\_Search\\_Results/Result?bld=r7275](https://www.aph.gov.au/Parliamentary_Business/Bills_Legislation/Bills_Search_Results/Result?bld=r7275)



Further detail can be found in our previous responses.<sup>3</sup>

## **II. Designation of SBS's online services would be inefficient and ineffective compared to earlier interventions in the ad tech supply chain**

As we have previously noted, scam ads have been served on SBS online platforms through the ad tech supply chain and have impacted SBS's online services and audiences. We are therefore highly supportive of appropriate measures being put in place to reduce and address this risk.

None of SBS's online services provide SBS's audiences with the ability to upload, post, or generate any content or interact with other audience members (for example via a comments section, or direct messaging or sharing function hosted by SBS). As a result, scams cannot arise on SBS platforms in the same way that they can through interactive features that are present on other types of digital platforms.

The single most likely way that scam ads reach SBS's online audiences is through the open programmatic supply chain. Programmatic DSPs register and support advertisers to manage their campaigns prior to sending ads to SSPs, and eventually ads are delivered to publishers/inventory providers such as SBS. As such, DSPs and SSPs are critical points of control in the supply of online ads. Enhanced scam prevention measures implemented by DSPs and SSPs could deliver substantial benefits by reducing the risk of malicious ads appearing across online services including SBS's online services.

Due to SBS's position at the end of this supply chain, we have relatively limited capabilities to control and restrict the appearances of ads on our online services compared to the DSPs and SSPs. SBS already utilises a 'category blocking' mechanism available through SSPs to prevent certain types of ads (e.g., sexually explicit ads), however due to instances of this mechanism not working properly, SBS also utilises third-party technology at its own expense to provide another layer of protection for audiences.

Identification and removal of scams, if they reach SBS's online services, rely on human interventions. Scams may be first identified by SBS staff, its third-party provider, or reported to us by our audiences. Rectification actions include removal and blocking. These manual and reactionary interventions are relatively slow and inefficient compared to the prevention of scams by DSPs (and to a similar extent, SSPs). There is also the risk that harm may have already been caused to individuals by the time SBS has detected or been alerted to a scam and been able to take all the appropriate steps it has available.

Further, SBS as a publisher/inventory provider has limited capacity to influence the scam prevention measures, such as advertiser verification, deployed by dominant market intermediaries that provide DSPs and SSPs, such as Google. Agreements with these market intermediaries can be provided on a 'take it or leave it' basis. There is therefore little to no scope for SBS to require specific measures to deal with scams within these agreements.

SBS's view remains that, due to the limited control it has over scam ads that arise through the ad tech supply chain, new obligations being placed on its online services would be inappropriate. Instead, obligations would be more effective and efficient if targeted at DSPs and SSPs which occupy points in the supply chain where advertisers and their ads can be registered, verified, and checked prior to ads appearing across online services.

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<sup>3</sup> SBS, 4 October 2024, *SBS submission to the Treasury in response to the Exposure Draft Treasury Laws Amendment Bill 2024: Scams Prevention Framework*, [https://www.sbs.com.au/aboutus/wp-content/uploads/2024/10/SBS-submission\\_Scams-Prevention-Framework\\_4-Oct-2024.pdf](https://www.sbs.com.au/aboutus/wp-content/uploads/2024/10/SBS-submission_Scams-Prevention-Framework_4-Oct-2024.pdf); SBS, 5 March 2024, *SBS submission in response to the Treasury's Scams – Mandatory Industry Codes consultation paper*, [https://www.sbs.com.au/aboutus/wp-content/uploads/2024/06/SBS-submission\\_Scams-%E2%80%93-mandatory-industry-codes\\_March-2024.pdf](https://www.sbs.com.au/aboutus/wp-content/uploads/2024/06/SBS-submission_Scams-%E2%80%93-mandatory-industry-codes_March-2024.pdf)



### **III. The inclusion of broadcast services is unwarranted, with robust measures already in place**

SBS's linear broadcast television and radio services present an extremely low risk of scams, with robust, effective, and long-standing regulatory mechanisms and controls already in place. The inclusion of 'broadcasting services', currently highlighted in the Bill as a sector that could be designated, is therefore unwarranted.

The regulatory frameworks and processes that apply to SBS's content across its platforms and which mitigate the risk of scams include:

- The *Special Broadcasting Service Act 1991*, which establishes the SBS and its Charter, imposes duties on the SBS board to maintain the independence and integrity of SBS, to develop codes of practice relating to its programming, to ensure SBS does not contravene the SBS Act or any other Act, and to develop policies on the handling of complaints, among other requirements.
- The SBS Code of Practice sets out the principles and policies SBS uses to guide its content. It details SBS's obligations regarding matters such as accuracy for factual content, impartiality and balance in our news and current affairs, scheduling of content, advertising, and complaints handling. All SBS staff must comply with the Code.
- SBS's Commercial Funding and External Relationships Guidelines provides further relevant detail, outlining that SBS requires advertisers to ensure that their advertising complies with all relevant legal and regulatory requirements, including industry codes of practice (such as the Australian Association of National Advertisers (AANA) Code of Ethics). SBS reserves the right to reject any advertising that does not meet its quality control standards.
- SBS generally will not broadcast advertising on its television broadcasting services that has not been reviewed by ClearAds (Free TV Australia's commercials advice service) or by another advisory service approved by SBS (such as AdCheck). This process ensures that advertising is classified for broadcast in accordance with the placement rules in the Code of Practice and also provides assurance that the advertising material has been assessed against the relevant legal and regulatory standards.

Further, SBS has in place an easily accessible complaint handling process, with possible recourse to the independent SBS Ombudsman and the Australian Communications and Media Authority (ACMA) for complaints about its content and platforms. Complaints about the content of advertisements and sponsorship announcements are managed through the advertising industry's self-regulatory scheme (Ad Standards).

The designation of broadcasting services would be inconsistent with the limited risk of scam activity on these platforms and the standards and processes already in place for advertising. We therefore consider that it would be appropriate to exclude broadcasting services from the scope of the Bill.

### **IV. The potential inclusion of SBS in the Framework could result in burdensome compliance impacts, without delivering material benefits for Australians**

If SBS or its services were designated under the Framework, this would lead to a range of significant compliance requirements that would require the SBS to divert resources away from its core public service priorities to provide multilingual and multicultural broadcasting and digital media services.

It is important that any additional regulation and obligations are clearly linked to the delivery of additional benefits for Australians. As outlined above, the designation of SBS and its services would not align with the negligible risk of scam activity on broadcast services or SBS's capacity to address scams delivered through the ad tech supply chain. The compliance burden of



designation and shift in resources away from SBS's core functions would therefore be disproportionate to the potential benefits Australians could receive.

## **V. SBS plays a vital role in educating and informing audiences about the risk of scams**

SBS plays a distinctive role as Australia's multilingual and multicultural public broadcaster. Over half of the population was born overseas or has a parent who was born overseas.

In an April 2024 report, the ACCC noted that culturally and linguistically diverse communities, new migrants and international students were particularly susceptible to scams:

Research suggests CALD communities have a reduced ability to detect scams and protect themselves and this may explain the increased susceptibility to some scams. This is further exacerbated by the challenges in reaching some communities with traditional scam prevention approaches.<sup>4</sup>

Aligned with our functions and purpose, SBS increases awareness about the risks posed by scams through our services. SBS Audio broadcasts in over 60 languages and has unparalleled reach into the homes of the 5.6 million Australians who speak a language other than English. SBS's dedicated in-language programs regularly broadcast news and other content about new and emerging scams to ensure audiences can protect themselves and their families from scammers, including those that may target particular communities.<sup>5</sup> SBS's *Australia Explained* series, a dedicated information service for new migrants, includes information in multiple languages about avoiding scams and what to do if you are scammed. SBS's free English language learning service, *SBS Learn English*, has released a podcast specifically about scams to support over 870,000 Australians who do not speak English well or at all.

This information is in addition to the trusted reporting about scams provided by SBS News, whose coverage is made available in multiple languages to amplify its reach across diverse audiences.

SBS will continue to provide these services to educate and inform all Australians about online safety and the risk posed by scammers.

## **VI. Conclusion**

SBS appreciates the opportunity to respond to the Senate Economics Legislation Committee inquiry into the Scams Prevention Framework Bill 2024.

SBS plays a critical and distinctive role in Australia's media ecosystem, providing trusted news and information in more than 60 languages and sharing the stories of Australia's multicultural, multilingual and First Nations communities, supporting social inclusion and cohesion. SBS recognises the need for regulatory intervention to protect consumers from deliberately misleading content, ads, and organisations in the online environment, and supports appropriate measures being put in place to prevent and respond to scams. In addition to its role as a public broadcaster, informing and educating audiences to boost scam awareness, SBS has a range of robust frameworks and processes in place to reduce the risk of scams reaching our audiences.

As currently drafted, the Bill could result in SBS's services being captured in a designation applying to 'electronic services' or 'broadcasting services'. Designation of SBS services would introduce significant compliance requirements, detracting from resourcing devoted to SBS's

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<sup>4</sup> Australian Competition and Consumer Commission, 2024, *Targeting scams*, [https://www.scamwatch.gov.au/system/files/Targeting-scams-report-2023\\_0.pdf](https://www.scamwatch.gov.au/system/files/Targeting-scams-report-2023_0.pdf)

<sup>5</sup> For example, SBS Punjabi, 26 September 2024, *It was an 'easy' work-from-home job, until the scam cost her more than \$200,000*, <https://www.sbs.com.au/language/punjabi/en/podcast-episode/it-was-an-easy-work-from-home-job-until-the-scam-cost-her-more-than-200-000/pyculj8km>; and SBS Filipino, 1 July 2024, *Scammers adopting Australian slang to trick victims*, <https://www.sbs.com.au/language/filipino/en/podcast-episode/scammers-adopting-australian-slang-to-trick-victims/casewic2l>



public service priorities, without delivering material benefits in line with the objectives of the Scams Prevention Framework. Measures to prevent online scams would be far more effective and efficient if targeted at the DSPs and SSPs that are nearer the beginning of the ad tech supply chain, with SBS having limited measures at its disposal as an inventory provider to deal with scams delivered through the open programmatic supply chain. With regard to broadcasting services, there are already robust and effective regulatory frameworks and processes in place which mean the risk of scams on these platforms is negligible.

To provide clarity and assurance on the application of the Scams Prevention Framework Bill, we recommend that SBS's online services are clearly excluded from any designation of 'electronic services' and that broadcasting services are clearly excluded from the scope of the Bill.