

19 September 2025

Environment and Communications References Committee PO Box 6100 Parliament House Canberra ACT 2600

Submitted via the submission form.

Dear Environment and Communications References Committee

TIO submission on the Internet Search Engine Services Online Safety Code

The Telecommunications Industry Ombudsman (TIO) offers information to assist the Environment and Communications References Committee (the Committee) in their consideration of regulations aimed at protecting children and young people online.

The TIO helps people, small businesses and not-for-profit organisations to resolve their phone and internet disputes. Since 1993, we have been providing free, fair and independent dispute resolution services.

Digital platforms bring real benefits to Australians, providing opportunities for connection across communities, and opening businesses to new markets. However, we know from the work of the eSafety Commissioner and the Independent Review of the *Online Safety Act 2021* that there are serious harms caused by technology-facilitated abuse, and limited recourse for consumers when things go wrong.

The TIO welcomes the government's efforts to protect young Australians online, restricting access to harmful apps, and developing a Digital Duty of Care. The TIO echoes recommendations from the ACCC and the Independent Review of the *Online Safety Act 2021* for a digital platforms ombuds scheme.^{1 2} This would complement the government's reforms by providing consumers access to an external dispute resolution (EDR) process when internal appeals processes fail.

Our submission addresses subsections (a), (b), (c), (e), and (f) of the Committee's Terms of Reference. We highlight the clear benefits of an EDR scheme to:

¹ ACCC (2025) Digital platform services inquiry. Final report

² Rickard, D (2024) Report of the Statutory Review of the Online Safety Act 2021

- Work with consumers and industry to strengthen privacy and data protection, as the TIO does with telcos to efficiently resolve complaints, improve industry practice and mitigate regulatory gaps;
- Improve the consumer experience of the age verification and content filtering rollout, and reducing potential economic impacts to small businesses; and
- Provide Australian consumers with key protections that other countries are embedding into digital regulations worldwide.

External dispute resolution would mitigate data and technology risks identified in the terms of reference

The ACCC's Digital Platform Services Inquiry found that trust and confidence are essential in effective, well-functioning markets.³ An EDR scheme would play a vital role in uplifting trust and confidence in the digital economy by providing individual redress for consumers when they are unsatisfied with how a platform has handled their complaint.

Such a scheme would also work with digital platforms to improve standards by addressing systemic issues causing consumer harm. In sectors where an effective EDR scheme is established, it has proven instrumental in identifying patterns of harm, informing policy, and driving accountability.⁴ In addition to resolving individual complaints, EDR schemes provide regulators and government with critical data and insights into consumer experiences and emerging issues, enabling timely and targeted interventions.

An EDR scheme can facilitate increased compliance and fairer outcomes through systemic investigations without resorting to regulatory action, providing more cost effective and efficient access to justice for Australian consumers. For example, in 2025 new obligations on telcos commenced to support consumers experiencing domestic, family and sexual violence. Prior to those obligations commencing, the TIO used its systemic investigations function to work with providers to improve their practices supporting victim survivors, in the absence of regulatory obligations. These investigations helped the TIO provide insights to regulators and government on regulatory gaps to be addressed in this area – ultimately contributing to the development of the *Domestic, Family and Sexual Violence Standard 2025*.

External dispute resolution would strengthen technical implementation and regulatory oversight of age verification and online safety codes

The ACCC's 5-year inquiry into digital platforms highlighted the need for appropriate regulation and dispute resolution to address power imbalances in the digital economy. The Independent Review of the *Online Safety Act* reinforced the ACCC's recommendation, and called for an ombuds scheme to consider the full range of harms outlined in the review.

The age verification technology rollout could lead to an increase in complaints related to incorrect account lockouts across social media platforms, impacting consumers, content creators, and small businesses. When internal appeals processes fail, media attention is one of few avenues available to consumers to reinstate account access and business operations.⁵ A digital platforms ombudsman would play a critical role in ensuring consumers

³ ACCC (2025) Digital platform services inquiry. Final report

⁴ Queen Margaret University (2022) Independent Review of TIO 2022.pdf

⁵ ABC News (2025) Small businesses struggle after wrongful Facebook, Instagram suspensions.

have fair and consistent access to justice when internal appeals fail, or when digital platforms get things wrong.

The internet search engine services online safety code moves to protect internet users aged under 18 from pornographic and extremely violent content through search functions, algorithms, and embedded tools. The implementation of these codes may lead to user complaints relating to age assurance checks, content integration across platforms, and material incorrectly blocked or removed.⁶ Online users have limited options to escalate these types of grievances. A digital platform ombuds scheme would provide a free and fair channel for consumers to resolve these complaints, and work with industry to address systemic issues. The ombudsman would then liaise with the regulator on potential rule changes and member non-compliance, reducing the compliance burden on regulators.

Many OECD countries are strengthening digital platforms regulations and consumer protections.

Growing international efforts to strengthen online safety demonstrate the importance of effective EDR schemes to buttress regulatory measures and consumer protections. The *EU Digital Services Act (2022)* aims to prevent illegal and harmful activities online and limit the spread of disinformation. The Act requires online platforms to ensure their services offer a high level of privacy, safety and security to children.⁷ The Act introduced mechanisms to investigate and sanction online platforms for breaches of the Act and established external dispute resolution processes to escalate complaints handling.⁸

In the UK, the *Online Safety Act (2023)* legislated user protections from illegal and harmful content. The Act grants powers to the communications regulator, Ofcom, to enforce compliance for all digital services companies operating in the UK. Ofcom can also receive complaints to consider systemic grievances against regulated services. The UK's *Digital Markets, Competition and Consumers Act (2024)* includes provisions for accrediting out-of-court dispute resolution for consumers, with requirements for accessibility and ease of use.

Other countries including Canada and Japan are similarly prioritising digital platform regulation and consumer safety. If enacted, Canada's proposed *Online Harms Act* would make online platforms responsible for reducing online harms and increasing safety, particularly for children. The Act would also create a Digital Safety Ombudsman to be a resource and advocate for users, with regulatory and enforcement powers administered by a Digital Safety Commission.¹⁰

With growing international investment in strengthening online safety and consumer protections, Australian consumers should not miss out on safeguards available for other services, and which are increasingly available in other OECD countries.

⁶ The Conversation (2025, July 2) <u>Australians will soon need their age checked to log into online</u> search tools – here's why

⁷ European Commission (2023) <u>The Digital Services Act (DSA) explained - Publications Office of the</u> EU

⁸ European Commission (2025) <u>Out-of-court dispute settlement bodies under the Digital Services Act</u> (DSA) | Shaping Europe's digital future

⁹ Ofcom (2025) Online safety rules: what you need to know - Ofcom

¹⁰ Canadian Heritage (2024) <u>Backgrounder – Government of Canada introduces legislation to combat harmful content online, including the sexual exploitation of children. - Canada.ca</u>

The TIO is the natural home for complaints about digital platforms

As digital technology continues to play a greater role in the way Australians live and work, more users are approaching the TIO with complaints relating to digital platforms, which are currently outside our jurisdiction. In 2023 and 2024, over 500 users contacted the TIO with complaints relating to digital platforms. 82% of consumers surveyed by the ACCC believe there should be an independent EDR body to help resolve their complaints with digital platforms. Telecommunications and digital platforms are both vital to the way Australians communicate, stay connected and do business. We believe the TIO is best placed to take on the role of digital platforms ombudsman. By expanding our remit to include digital platforms, the TIO can provide consumers with a fair, independent and reliable avenue to resolve complaints, and work to standardise consumer protections for digital platforms users in Australia.

We hope this information is of assistance to the Committee. If you have questions relating to our submission, please do not hesitate to contact me.

Kind regards,

Cynthia Gebert

Telecommunications Industry Ombudsman