

Media Release

For immediate release 24th March 2015

Consumers shouldn't have to pay to challenge piracy claims

The Australian Communications Consumer Action Network (<u>ACCAN</u>) is concerned that the proposed anti-piracy Industry Code has some serious flaws in its consumer safeguards. ACCAN has outlined its concerns in a submission to Communications Alliance.

The scheme includes a \$25 fee to challenge a false claim made by a copyright holder. In Australia, these types of dispute resolution schemes have traditionally been fee free (for example the Telecommunications Industry Ombudsman). While there is a provision for fee waivers ACCAN believes the process for applying will be overly bureaucratic and insufficient to improve affordability issues.

"We believe it should be free to challenge a notice," said ACCAN CEO, Teresa Corbin. "The fee is essentially a fine by stealth with consumers forced to jump through bureaucratic hoops to get it waived."

The current draft of the Code raises serious privacy concerns by requiring internet service providers (ISPs) to retain evidence of potentially illegal activity, including records of customer downloads for a minimum of 24 months. There is no requirement on ISPs to de-identify or destroy information gathered after it has served its purpose.

The Code goes beyond recent metadata legislation by requiring ISPs to store information about the contents of specific downloads. "Information collected under the Code will be a treasure trove for hackers who could access information on potentially illegal activities, including download history," added Ms. Corbin.

Within the Code, there are provisions to create a governance body tasked with setting up an independent review mechanism for consumers wrongly accused of piracy.

"Currently the governance body is stacked with four industry representatives and only a single consumer member. We have serious concerns about the ability of this body to make sure consumers get a fair hearing," said Ms. Corbin.

A final area of concern is the period of time given after a piracy claim for a consumer to secure their internet connection. A 14 day quarantine period has been set aside before further claims can be made. This is going to catch out less technical consumers, including mums, dads and grandparents who will require additional time and help to secure their internet connection. ACCAN has provided feedback on how to address each of these consumer safeguard concerns. We've also called for the scheme to be subject to a cost benefit analysis by the government Office of Best Practice Regulation. "We still have no idea what this scheme will cost and many of its proposed benefits are spurious," added Ms. Corbin.

"It's ironic that we are debating outdated costly regulation on the same day Netflix launches in Australia. Ultimately, a market solution providing affordable, available content will have the biggest impact on piracy."

MEDIA CONTACT Luke Sutton Mobile: 0409 966 931 luke.sutton@accan.org.au Phone: 02 9288 4017 TTY: 02 9281 5322 The Australian Communications Consumer Action Network (ACCAN) is Australia's peak communications consumer organisation. The operation of ACCAN is made possible by funding provided by the Commonwealth of Australia under section 593 of the Telecommunications Act 1997. This funding is recovered from charges on telecommunications carriers. Download the full submission on our website.

For more information, please contact Luke Sutton on 0409 966 931 or <u>luke.sutton@accan.org.au</u>.

MEDIA CONTACT Luke Sutton Mobile: 0409 966 931 luke.sutton@accan.org.au Phone: 02 9288 4017 TTY: 02 9281 5322 The Australian Communications Consumer Action Network (ACCAN) is Australia's peak communications consumer organisation. The operation of ACCAN is made possible by funding provided by the Commonwealth of Australia under section 593 of the Telecommunications Act 1997. This funding is recovered from charges on telecommunications carriers.