



## OUTPUT 1.1

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Operation of the national classification scheme.

### **Objective One**

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To manage the classification system to time, cost and quality standards.

The Classification Board (the Board) is required under the Classification Act to make classification decisions within prescribed time frames. The cost of making classification decisions is recovered from applicants. Consumers and industry depend on the Board for consistency in decision-making, which moves in line with evolving community standards.

Consistency is a significant measure of quality as it reflects the application of community standards to the classification of product, and ensures members of the community and industry can make choices in a predictable environment. Consistency in decision-making can, in part, be measured by feedback from clients and the community.

### Key achievements

- The Board and the Director finalised 7,880 applications in 2003-2004, resulting in 7,483 decisions, including 7,007 classification decisions, a significant increase compared with 2002-2003
- The Board made 6,859 decisions about commercial films, computer games, publications and advertising approvals
- Of these, 6,835 items, or 99.65 per cent of Board decisions on commercial product were made within the service target of 20 business days

### Timeliness of decisions

In 2003-2004, 6,835 or 99.65 per cent of Board decisions on commercial applications were made in under 20 business days out of a total of 6,859 commercial classification decisions. A breakdown of these figures follows:

**TABLE 03: Timeliness of decisions on commercial applications by application type**

Application type	No. under 20 business days	No. over 20 business days
Commercial film (public exhibition)	471	2
Commercial film (sale or hire)	3,973	19
Commercial computer games	655	0
Commercial publications	1,724	3
Commercial approval of advertisements	12	0
<b>Total</b>	<b>6,835</b>	<b>24</b>
<b>Percentage of total</b>	<b>99.65 %</b>	<b>0.35 %</b>

**TABLE 04: Overdue applications by reason for delay**

Reason	Number
Consideration by full Board	6
Workflow delay	18
<b>Total</b>	<b>24</b>

The Board and the OFLC conduct ongoing reviews of applications procedures to ensure that the obligations for timely decisions are met. As a significant volume of product for classification includes longer formats, such as DVDs with additional material, a number of new internal procedures have been implemented to ensure timely and consistent service to clients.

### Classification Board workload

The Board dealt with a significantly increased volume of applications with a total of 7,880 finalised, compared with 6,412 in 2002-2003, a 17.58 per cent increase. This resulted in 7,483 decisions, including 7,007 classification decisions. Of the decisions, the Director approved 247 film festival exemptions and 31 fee waiver applications. Table 5 contains a summary of the classification workload of the Board and the Director.

**TABLE 05: Commercial and other applications finalised by format/source**

Format/source	Applications finalised	Decisions <sup>1</sup>	Classification decisions
Commercial film (public exhibition)	482	473	473
Commercial film (sale or hire)	4,084	3,992	3,961
Commercial computer games	663	655	654
Commercial publications	1,735	1,727	1,727
Certificates of Exemption for advertising eligible films <sup>2</sup>	106	106	n/a
Certificates of Approval for advertisements	26	12	n/a
Internet content <sup>3</sup>	21	21	n/a
Enforcement <sup>4</sup>	458	192	192
Advice to Australian Customs Service	27	27	n/a
Approvals to exempt classification of films for festivals/events <sup>5</sup>	247	247	n/a
Fee waiver applications	31	31	n/a
<b>Total</b>	<b>7,880</b>	<b>7,483</b>	<b>7,007</b>

In comparison with last year, the number of commercial films submitted for classification for public exhibition was marginally higher (6.84 per cent increase). The number of films in the sale or hire format increased significantly (31.21 per cent increase). Computer game applications and publication applications remained similar to the previous reporting period.

The significant increase in the number of films being submitted for classification for sale or hire is influenced by the back catalogue of popular and classic titles being

1 This includes all applications except for withdrawn applications.

2 The number of certificates of exemption issued, not the number of eligible films.

3 Decisions about Internet content are made under the BSA, not under the Classification Act.

4 Enforcement applications finalised include requests for evidentiary certificates, which are granted under section 87 of the Classification Act. These certificates do not constitute a decision by the Board.

5 This includes the number of film festivals exempted, not the number of films.

released in the DVD format. The DVD has been widely successful in the Australian market.

## **Cost**

The current fees for classification services were introduced in November 1997 and are prescribed in the Commonwealth Classification (Publications, Films and Computer Games) Regulations.

The increased workload stemming from the demand for DVDs and multi-platform computer games combined with recent DVD technological advances has resulted in a financial deficit for 2003-2004.

The Australian Government has agreed to additional funding for the OFLC for 2004-2005 as the costs continue to increase pending stakeholder consultation regarding alternative funding options.

OFLC continues to conduct efficiency reviews and strives for industry best practice to make the most of the funding available

## **New technology**

Technology advances continue to have an impact on the OFLC and operations of both Boards. The convergence of entertainment products into ever changing media forms poses ongoing challenges in classification. More DVDs now contain interactive elements (including computer games), and an increasing number of games include film components, with many games containing levels commencing with footage taken directly from feature films.

Advances in DVD technology, combined with the popularity of this film format, are resulting in publishers and distributors including increased content on each disc. In addition, the increase in popularity of large screen and surround sound systems in the home entertainment market requires the OFLC to acquire similar equipment so as to enable both Boards to mirror the experience of the consumer in the home. The next generation of DVDs will pose a new challenge.

The three major consoles for computer games; GameCube, Playstation 2 and Xbox (together with PC games) continue to dominate the games market. The introduction of new consoles from each of the platform owners is anticipated for 2005. In addition, during 2003-2004 Microsoft and Sony both introduced online gaming for their consoles.

In the handheld gaming market, the introduction of the Nokia N-Gage has presented an alternative to the GameBoy Advance. The N-Gage also has the option for remote game play against other N-Gage users.

Perhaps the most significant technology change is the increasing "leakage" of entertainment content across traditional technology borders. Many mobile phones now access content such as films and computer games. Most computer games introduced to the market can access multiplayer gaming over the Internet, including accessing additional content for games. Much of the content is user developed, and the freedom of access to online gaming produces a significant obstacle to content regulation.

## Quality decision-making

The Board employs a number of practices and procedures to ensure quality decision-making:

- regular internal meetings are held to ensure current standards are communicated, and a forum is provided to debate and discuss classification issues and ensure a consistent approach to decision-making
- a Senior Classifier provides weekly standards briefings to other sections of the OFLC to share relevant information
- a training records and classification education database provides an essential link between the Board and other areas of the OFLC and ensures the Board's standards are reflected in both internal and external education and training sessions.

## Classification trends and issues

The Board made 7,483 decisions in 2003-2004, of which 8 were subject to applications for review by the Review Board.

## Publications

The Board finalised 1,735 commercial applications for classification of publications and made 1,727 decisions.

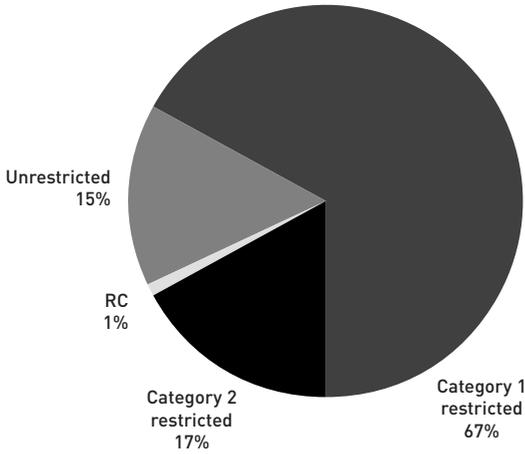
**TABLE 06: Commercial publications applications finalised by classification**

Classification	Applications finalised	Classification decisions
Unrestricted	253	253
Category 1 restricted	1,167	1,167
Category 2 restricted	285	285
RC	22	22
Withdrawn	8	n/a
<b>Total</b>	<b>1,735</b>	<b>1,727</b>

As indicated in Figure 1 on page 38, approximately 67 per cent of publication classifications were Category 1. Category 2 and Unrestricted classifications were similar with 17 per cent and 15 per cent.

The Board classified 22 publications RC (refused classification) for reasons including the portrayal of minors, incest and offensive fantasy or fetish. This compares to 30 RC publications during 2002-2003 for reasons including bestiality and sexual violence.

**Figure 1 – Publication classifications**



**TABLE 07: Commercial publications applications refused classification by reason**

Reason	Number
Incest fantasy & incest fantasy/offensive fetish	2
Minors	8
Minors & incest fantasy	1
Non-consent	1
Offensive fantasy	7
Offensive fetish	3
<b>Total</b>	<b>22</b>

### Publications complaints

The OFLC received 17 complaints about publications. These complaints concerned unsealed publications, breaches in classification requirements and unsolicited marketing material. Complaints also concerned material available to children.

### Films – public exhibition

The Board finalised 482 applications for the classification of ‘public exhibition’, or cinema films, and made 473 classification decisions. No films for public exhibition were classified RC during 2003-2004.

**TABLE 08: Commercial films (public exhibition) applications finalised by classification**

Classification	Applications finalised	Classification decisions
G	48	48
PG	109	109
M	210	210
MA	92	92
R	14	14
RC	0	0
Withdrawn	9	n/a
Decline to deal	0	n/a
<b>Total</b>	<b>482</b>	<b>473</b>

As indicated in Figure 2, approximately 78 per cent of public exhibition film classifications during the year were in the advisory categories of G, PG and M, with the highest number of decisions in the M category.

### Films – public exhibition – complaints

There were 139 complaints about commercial public exhibition films, with 33 complaints about the R classification of *Irreversible*. Four complaints objected to the review of the film’s classification.

Thirteen complaints were received about the Board’s M decision for the film *Harry Potter and the Prisoner of Azkaban* being too high. The Review Board subsequently classified the film PG. Seven complaints were received about the reduced PG classification. Further details on complaints about Review Board decisions are included in the Review Board Annual Report on page 92.

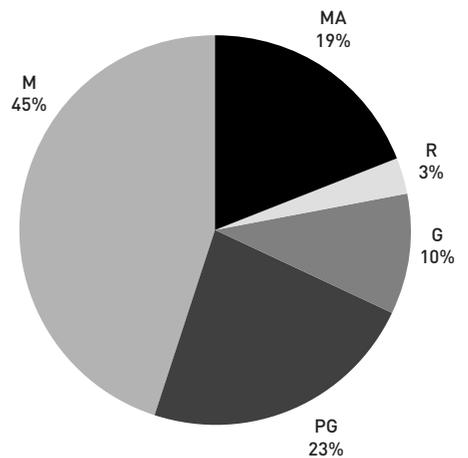
Other cinema complaints included 19 about coarse language in the film *The Cat in the Hat* (G), 12 complaints that the MA classification of *The Passion of the Christ* was too low due to the depiction of graphic violence and 11 complaints about simulated sex scenes in *Love Actually* (M). There were four complaints about nudity in *Lost in Translation* (PG) and three complaints about violence in *Finding Nemo* (G). Three complaints were received about the R classification for *Kill Bill: Volume 1* being too high. There were two complaints each for *The Texas Chainsaw Massacre* (MA), *The Missing* (M), *The Real Cancun* (M), *Gettin’ Square* (M), *Freddy vs Jason* (MA) and *In the Cut* (R). Key issues in these complaints were violence, coarse language or sexual activity.

Individual complaints were also received about other films relating to content, particularly violence. Titles include *Monster* (MA), *Lord of the Rings: Return of the King* (M), *Secret Window* (M) and *Brother Bear* (G).

### Films – sale or hire

4,084 applications for classification of commercial films for sale or hire (videotapes, DVDs and enhanced CDs) were received and 3,961 classification decisions were made.

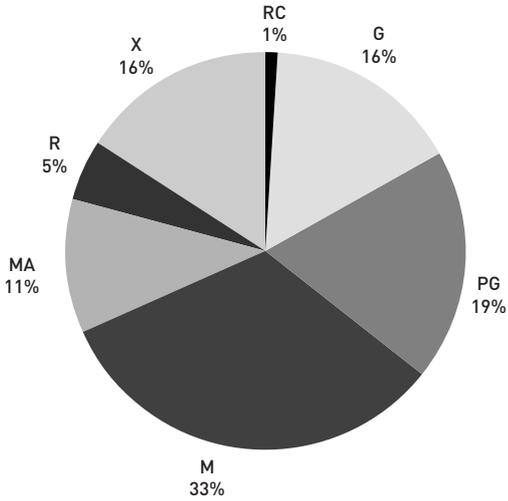
**Figure 2 – Public exhibition film classifications**



**TABLE 09: Commercial films (sale or hire) applications finalised by classification**

Classification	Applications finalised	Classification decisions
G	636	636
PG	772	772
M	1,268	1,268
MA	450	450
R	183	183
X	640	640
RC	12	12
Withdrawn	92	n/a
Decline to deal	31	n/a
<b>Total</b>	<b>4,084</b>	<b>3,961</b>

**Figure 3 – Sale or hire film classifications**



**TABLE 10: Commercial films (sale or hire) applications refused classification by reason**

Reason	Number
Child pornography	2
Offensive fantasy	1
Non-consent & coercion	2
Sexual violence	1
Violence	6
<b>Total</b>	<b>12</b>

There has been a 31.21 per cent increase in the number of films submitted for classification for sale or hire since the last reporting period. The significant increase in the number of sale or hire films being submitted for classification is influenced by the back catalogue of popular and classic titles being released in the DVD format.

As indicated in Figure 3, approximately 68 per cent of sale or hire film classifications during the year were in the advisory categories of G, PG and M, with the highest number of decisions in the M category.

The Board classified 12 sale or hire films RC. These films contained sexually explicit material with elements that exceeded the R and X classifications.

**Films – sale or hire – complaints**

There were 34 complaints about videos and DVDs which concerned a range of films. Four complaints were about real crime scene footage included as additional material on the *Wonderland* (M) DVD. Two complaints were received about violence in *My Little Eye* (MA), two complaints about nudity and strong themes in *The Life of David Gale* (MA) and two complaints were received from children concerned that the PG classification of *Harry Potter and the Chamber of Secrets* was too low.

Individual complaints were also received about other films relating to content, particularly violence, which in the opinion of the complainants placed the material in the incorrect classification category. Titles include *Amores Perros* (MA), *Jurassic Park* (PG), *Ned Kelly* (M), *Doctor Who: The Two Doctors* (G) and *The Assignment* (MA).

## Computer games

The Board finalised 663 applications for computer games and made 654 classification decisions.

**TABLE 11: Commercial computer games applications finalised by classification**

Classification	Applications finalised	Classification decisions
G	275	275
G(8+)	181	181
M(15+)	136	136
MA(15+)	59	59
RC	3	3
Withdrawn	8	n/a
Decline to deal	1	n/a
<b>Total</b>	<b>663</b>	<b>654</b>

Approximately 90 per cent of computer game classifications during the year were in the advisory categories of G, G(8+) and M(15+), with the highest number of decisions in the G category.

The Board classified the computer games *Silverball* and *I Touch* RC for offering depictions of nudity as an incentive or reward to interactive game play. *Silverball* and *I Touch* were submitted in the format of amusement machines containing numerous games including quizzes, puzzles and card games.

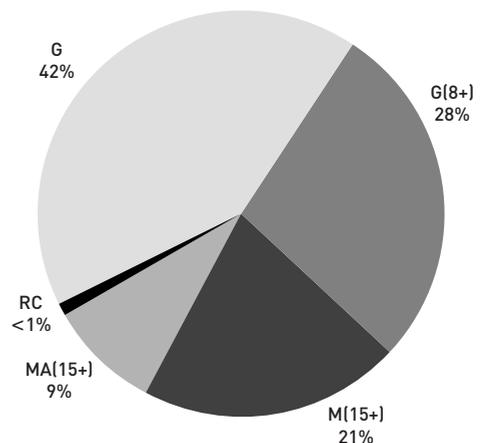
The distributor of *Silverball* then submitted the computer game to the Review Board for a review of the Board's decision. The Review Board determined an M(15+) classification for the game with the consumer advice 'Contains some nudity'.

The Board classified the game *Shellshock Nam67* RC for nudity and drug use related to incentives or rewards. *Shellshock Nam67* is a multiplatform shooter game based on the Vietnam War. The distributor has indicated an intention to submit a modified version of the computer game for classification in the next reporting period.

**TABLE 12: Commercial computer games applications refused classification by reason**

Reason	Number
Nudity & drug use	1
Nudity	2
<b>Total</b>	<b>3</b>

**Figure 4 – Computer game classifications**



### **Computer games – complaints**

The OFLC received 21 complaints about computer games including five complaints about the lack of an R classification for computer games. Two complaints were about incorrect reports that an R classification was to be introduced.

Five complaints concerned alleged breaches in classification requirements including incorrect labelling and the sale of MA(15+) games to persons under 15.

There were four complaints about the violent content of the MA(15+) classified game *Manhunt*. Two complaints were received about the Board's decision to classify *Shellshock Nam67* RC.

Individual complaints were received about coarse language in the G(8+) title *Rally Fusion: Race of Champions* and violence in the G(8+) titles, *The Simpsons: Hit & Run* and *Indiana Jones and the Emperor's Tomb*.

### **Film festivals**

Under State and Territory enforcement legislation, a film festival or event may make an application to show an unclassified film. Exemptions are granted in accordance with the Film Festival Exemption guidelines approved by Censorship Ministers and any relevant Ministerial direction.

Exemptions are available from the Director for all jurisdictions except South Australia and Queensland who have retained the power to grant exemptions to film festivals in those States. Classification certificates are not issued for the Director's approval of film festival exemptions.

The Director approved 247 film festivals, which included 4,437 unclassified films, for exemption from State and Territory classification enforcement provisions in 2003-2004. This reflects an increase in film festivals of approximately 31 per cent compared to the 2002-2003 reporting period.

Film festivals are becoming increasingly popular among community, cultural and regional groups and the populations of major capital cities. The significant increase in film festivals is also influenced by the availability of cost effective new media which allows the screening of DVDs on cinema sized screens.

### **New Film Festival Exemption guidelines**

As a result of the public interest that was generated by the film, *Ken Park*, in 2003, the administrative processes related to the film festival exemption scheme were reviewed and Censorship Ministers agreed to amend the guidelines in November 2003. The amendments, which were procedural in nature:

- enable a person or organisation in all jurisdictions (except Queensland) to obtain an exemption from classification for an unclassified film for film festival purposes without first having to obtain 'approved organisation' status;
- correct terminology, up-date references and remove obsolete references; and
- recast the previous guidelines so as to make them more user friendly.

The amended Film Festival Exemption guidelines commenced on 1 February 2004. These guidelines are available on the OFLC website at [www.oflc.gov.au](http://www.oflc.gov.au)

### Sydney Film Festival Direction

On a related matter, on 10 May 2004, the NSW Attorney-General issued a direction to the Director of the Board under section 51 of the NSW *Classification (Publications, Films and Computer Games) Enforcement Act 1995*, in respect of the Sydney Film Festival.

The intention of the direction is to grant the Sydney Film Festival a general exemption to screen films including certain types of unclassified films and films classified RC. The exemption does not extend to material classified X (such as that sold by mail-order in the ACT and NT), RC material from the X genre or child pornography. The Director has no discretion in granting permission for the screening of films under the direction.

There is general information about film festivals in the overview of the national classification scheme on page 8.

### Film festivals – complaints

The OFLC received 28 complaints about the film *Ken Park* receiving an RC decision and therefore not being screened at the Sydney Film Festival in June 2003. The complaints covered a range of views on the RC decision and the film festival exemption scheme. The complaints were the later stage of a letter writing campaign which began towards the end of the previous reporting period.

### Advertisements

In accordance with section 29 of the Classification Act, 12 certificates of approval for advertisements were granted.

*35mm projectors are used for screening films during the classification process.*

### Advertising exemptions

Films that have not been classified by the Board cannot generally be advertised. However, the Advertising Exemption Scheme allows applicants to advertise a limited number of 'eligible films' each calendar year.

Section 33 of the Classification Act and the Classification (Eligible Films) Determination 2002 provides for certificates of exemption for advertising purposes to be granted to 100 eligible films in a calendar year. During the 2003 calendar year, certificates of exemption were granted in relation to 100 films.

In the reporting period 1 July 2003 – 30 June 2004, 102 eligible films were granted exemption and 106 certificates of exemption were issued in relation to those films. In some cases, an eligible film may be granted more than one certificate. The year for exemption is the calendar year and not the reporting year, hence the apparent discrepancy in numbers.

### Fee waivers

The Classification Act allows the Director to waive all or part of the fees payable under the Act in specific circumstances, such as where it is in the public interest to do so for public health or



educational reasons. There are also fee waiver provisions for non-profit organisations, documentary records or cultural events, and short films from new and emerging film-makers.

**TABLE 13: Fee waiver applications finalised**

Type	Applications finalised	Decisions
Full fee waiver approved, public exhibition film <sup>1</sup>	16	16
50% fee payable, public exhibition film	0	0
75% fee payable, public exhibition film	1	1
Fee waiver application refused, public exhibition film	0	0
Full fee waiver approved, sale or hire film	14	14
50% fee payable, sale or hire film	0	0
75% fee payable, sale or hire film	0	0
Fee waiver application refused, sale or hire film	0	0
Applications withdrawn	0	n/a
<b>Total</b>	<b>31</b>	<b>31</b>

## CLASSIFICATION SERVICES FOR OTHER AGENCIES

### Enforcement agencies

The Board classifies films, publications and computer games submitted by enforcement agencies, such as State and Territory police. These classification decisions are often used in legal proceedings undertaken by the agency involved.

The OFLC also provides evidentiary certificates under section 87 of the Classification Act to assist with enforcement of the national classification scheme and other prosecutions.

**TABLE 14: Enforcement applications finalised by agency**

Enforcement agency	Publications	Films sale/hire	Films public exhibition	Computer games	Section 87 Certificates	Total
Australian Federal Police	0	0	0	0	2	2
ACT Office of Fair Trading	0	10	0	0	21	31
NSW Police	15	61	0	0	87	163
NT Police	0	74	0	0	73	147
Qld Office of Fair Trading	1	7	0	0	10	18
Victoria Police	1	0	0	0	13	14
SA Police	6	16	0	0	50	72
Tasmania Police	0	1	0	0	3	4
WA Police	0	0	0	0	1	1
Withdrawn	0	3	0	0	3	6
<b>Total</b>	<b>23</b>	<b>172</b>	<b>0</b>	<b>0</b>	<b>263</b>	<b>458</b>

<sup>1</sup> Includes three dual applications for public exhibition and sale or hire.

## Internet content

Under Schedule 5 of the *Broadcasting Services Act 1992*, the Board classifies certain Internet content submitted by the Australian Broadcasting Authority.

**TABLE 15: Internet content finalised by classification**

Classification	Applications finalised	Decisions
G	3	3
PG	2	2
M	4	4
MA	1	1
R	3	3
X	4	4
RC	4	4
Withdrawn	0	n/a
<b>Total</b>	<b>21</b>	<b>21</b>

**TABLE 16: Internet content refused classification by reason**

Reason	Number
Offensive fetish	2
Child pornography	2
<b>Total</b>	<b>4</b>

## Australian Customs Service

The Board provides advice to the ACS to assist it in making decisions on the status of material under the Prohibited Imports Regulations and the Prohibited Export Regulations.

In addition to this advice, the OFLC considers its training sessions for ACS staff are important in ensuring consistent decision-making by those officers.

**TABLE 17: Advice to Australian Customs Service by format**

Format	Applications finalised	Classification Decisions
Films	10	10
Publications	16	16
Computer Games	0	0
Other	1	1
Withdrawn	0	n/a
<b>Total</b>	<b>27</b>	<b>27</b>

## **Commencement and induction of new Board members**

During 2003-2004 two new Senior Classifiers were appointed to the Board. Wendy Banfield and Marie-Louise Carroll were appointed on 19 February 2004 until 10 October 2006 and 18 February 2007 respectively. The Director, Des Clark, was re-appointed for a term of three years from 17 April 2004.

## **Customer service charter**

The customer service charter represents the OFLC's commitment to providing high quality service to all clients, including those who apply to have publications, films (including videos and DVDs) and computer games classified, and to consumers of these products in the wider Australian community.

The customer service charter outlines the objectives, responsibilities and service standards of the Board and the OFLC and outlines how clients can give feedback to the OFLC.

The standards in the charter include response to correspondence within 20 working days, classification decisions within 20 working days, issue of receipts for payment within three working days, and regular consultation with industry and the public.

The OFLC's performance against the 'classification decisions within 20 working days' standard is already outlined on page 34-5.

As part of its commitment to customer service, the OFLC acknowledges all email correspondence. The response informs the correspondent that they will receive, where requested, a full response within 20 working days, provided they have supplied their name and postal address.

The OFLC has incorporated the customer service charter standards into its induction training for new staff to ensure staff are aware of, and meet, these standards.

The OFLC customer service charter complies with the Australian Public Service Commission's *Customer Service Charter Principles* (June 2000). Members of the public can obtain a copy of the charter from the OFLC. It is also available on the OFLC website ([www.oflc.gov.au](http://www.oflc.gov.au)) by selecting 'Contact Us'.

## **Telephone enquiries and other assistance**

The OFLC responds to telephone queries from the public and clients requesting information about the national classification scheme.

Education and training officers are responsible for providing information and education on certain classification matters to ACS officers and authorised assessors.

Senior Classifiers respond to telephone enquiries from the public about Board decisions. The Board reflects current community standards in its decision-making and this feedback from the community is informative.

## **Complaints**

The OFLC welcomes community input as a strategy to keep the Board informed of community views.

A total of 361 complaints were received in 2003-2004 compared to 632 during 2002-2003. When given contact details, the OFLC generally responded in writing or by telephone to complaints within 20 working days.

**Classification decisions**

As mentioned previously, there were 139 complaints about public exhibition films, 34 about films for sale or hire, 17 about publications and 21 about computer games.

Out of all complaints, only 88 individual titles of films, computer games or publications were complained about. This compares with 7,267 classification decisions.

**General**

The OFLC received 127 general complaints.

Of these 28 were about the film *Ken Park* being classified RC and not being screened at the Sydney Film Festival in June 2003.

There were 26 complaints about a wide range of classification issues including requests for specific consumer advice, concerns about increasing depictions of nudity and violence, the depiction of smoking and blasphemous language.

Remaining complaints concerned calls for reduced censorship, film advertising, cinema trailers perceived to be inappropriate, inadequate or lack of visibility of consumer advice and the OFLC website.

**Miscellaneous**

The OFLC also received 23 complaints about entertainment products or media that fell outside its area of responsibility. There were 10 complaints about the content of television programs and five complaints about theatre productions. Two complaints were received about product advertisements. One complaint was received about song lyrics that were considered to be offensive. In these cases, complaints were referred to the relevant agency.

See also Ministerial Correspondence in Objective Two for discussion of the issues in correspondence directed to the Attorney-General.

<b>TABLE 18: Complaints</b>		
<b>Complaints</b>	<b>Total</b>	<b>%</b>
General	127	35
Publications	17	5
Films – public exhibition	139	39
Films – sale/hire	34	9
Computer games	21	6
Miscellaneous	23	6
<b>Total</b>	<b>361</b>	<b>100%</b>



## OUTPUT 1.2

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Provision of services ancillary to the operation of the national classification scheme including research, the Community Liaison Scheme, policy development and ministerial support.

## Objective Two

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To enhance confidence in, and utilisation of, OFLC classification systems among existing and potential clients.

This objective addresses the OFLC's relationships with key government and industry stakeholders. It addresses the requirement to effectively advise the Australian Attorney-General on policy matters and service the Standing Committee of Attorneys-General (SCAG) (Censorship), review aspects of the national classification scheme, OFLC communication with other industry, consumer and classification bodies, training and research.

### **Key achievements**

- The *Classification (Publications, Films and Computer Games) Amendment Act 2004* was enacted
- A three day international conference, *Classification in a Convergent World*, which was attended by 124 delegates representing 16 countries was held in September 2003
- An international interest and focus on the national classification scheme was created as a result of the international conference
- A review of the initial period of operation of the *Guidelines for the Classification of Films and Computer Games 2003* commenced
- Thirty-nine training sessions for industry, the Board, the Review Board, the Australian Customs Service and OFLC staff were provided
- The CLS worked with the Cinema Advertising Working Group, to implement measures for improving compliance with the display of classification information on advertising and in cinemas

### **Standing Committee of Attorneys-General (Censorship) meetings**

The *Intergovernmental Agreement on Censorship* requires that certain changes to the national classification scheme must be considered and agreed to by all Censorship Ministers. The Classification Act provides that all Ministers must agree to amendments to the Code (section 6) and determine guidelines (or amendments to such guidelines) to assist in the application of the criteria in the Code (section 12). Ministers deal with these matters at SCAG (Censorship) meetings.

SCAG (Censorship) meetings involve all Censorship Ministers. At the end of 2003-2004 all the Censorship Ministers were Attorneys-General, with the exception of the Queensland member (Minister for Tourism, Fair Trading and Wine Industry Development) and the Western Australian member (Minister for Police, Emergency Services and Justice).

One meeting was held in 2003-2004 to discuss censorship matters on 13 November 2003 in Hobart. Matters considered at the meeting included:

- amended film festival exemption guidelines
- Community Assessment Panels
- National Classification Code

A separate Annual Report is prepared regarding significant decisions made by SCAG (Censorship). It is available on the OFLC website ([www.oflc.gov.au](http://www.oflc.gov.au)) by selecting 'About us' then 'Other information.'

The OFLC provides secretariat and policy support for the SCAG (Censorship) meetings.

## Censorship officials meetings

State and Territory censorship officials meet prior to SCAG (Censorship) Ministers' meetings and at other times as required. The OFLC hosts these meetings in Sydney. Officials met on 16 October 2003, 12 February 2004 and 17 June 2004.

## Changes to Classification Act

With the agreement of all Censorship Ministers the Government introduced the Classification (Publications, Films and Computer Games) Amendment Bill 2004 (the Bill) into the Commonwealth Parliament on 24 March 2004.

On 1 April 2004, the House of Representatives passed the Bill. On 13 May 2004, it was passed by the Senate. The *Classification (Publications, Films and Computer Games) Amendment Act 2004* (the 2004 Amendment Act) received Royal Assent on 26 May 2004. Sections 1 to 3 of the 2004 Amendment Act commenced on assent. Schedules 1 and 2 must commence within 12 months of assent. This time frame will enable States and Territories to enact complementary amendments to their classification enforcement legislation.

The amendments are designed to improve the understanding and effectiveness of the classification scheme by creating common classifications for films and computer games based on the existing film classifications. The amendments do not affect the material permissible within each classification.

The common classifications introduced by the 2004 Amendment Act are G, PG, M (advisory classifications) and MA15+, R18+, X18+ (restricted classifications).

The Bill was initiated in response to community demands for a simple, common sense classification system that is the same across all classified products. Research by the OFLC indicates that less than half of the population is aware of the computer games classification scheme and that consumers are very confused about the MA classification. The renamed computer games classifications will assist parents in choosing games for their children.

The amendments also address the poor understanding of the MA classification through renaming this classification as MA15+. All parents need to know that films and computer games classified MA15+ are unsuitable for people under 15 years.

The final form of the amendments was the outcome of extensive consultation by the OFLC and the Attorney-General's Department. Consultation meetings were held with consumers (including parents), film exhibitors, film distributors, computer games distributors, home entertainment distributors, generalist retailers, specialist retailers, the video, DVD and computer games rental industry, and the television sector. The Government responded to the issues raised during that consultation process and decided not to proceed with the earlier proposal to rename the MA and MA(15+) classifications as A15+.



*Renowned Australian film director, Mr Rolf de Heer, speaks as part of the International Ratings Conference panel 'An industry viewpoint: Practitioner perspective' which discussed the way the entertainment industry interacts with the national classification scheme.*

Consequential amendments were made to the *Broadcasting Services Act 1992* (the BSA) by the 2004 Amendment Act.

### International conference

The International Ratings Conference was held at the Crowne Plaza Hotel, Darling Harbour, Sydney, from Sunday 21 to Wednesday 24 September 2003. The theme of the conference, *Classification in a Convergent World*, highlighted the challenges and issues facing regulators and policy makers, and those associated with developing, marketing and distributing product, as new forms of entertainment media contribute to increasing convergence.

The conference attracted 124 delegates, who saw the conference as an opportunity to consider and debate a variety of issues affecting classification across the world.

Delegates represented 16 countries, including France, Singapore, the USA, the UK, Netherlands, Norway, New Zealand, Austria, Sweden and Canada.



*The three-day international conference was attended by 124 delegates representing 16 countries.*

In total, 43 regulators and experts addressed the conference, including 5 keynote presenters: Dr Jeffrey E. Brand, Associate Professor of Communication and Media, Director for the Centre for New Media Research and Education (Australia), Dr Guy Cumberbatch, Director, The Communications Research Group (UK), Mr Douglas Lowenstein, President, Entertainment Software Association (USA), Mr Robin Duval, Director, British Board of Film Classification, Professor Craig A. Anderson, Chair, Department of Psychology, Iowa State University (USA), and Mr Nigel Williams, Chief Executive, Childnet International (UK).

Papers and panel presentations over the three days covered a vast range of research across various media streams, including film, computer games, the Internet, and television. Topics included:

- 'Should we cut or classify?' (Mr Robin Duval, UK)
- 'Arm your child rather than your computer' (Mr Cor Crans, Netherlands)
- 'Diverse Worlds Project: Narrative, style, characters and the physical world in popular computer and video games' (Dr Jeffrey E. Brand, Australia)
- 'Sexual violence in film and rap music' (Dr Guy Cumberbatch, UK)
- 'Industry versus Government regulation' (Mr Douglas Lowenstein, USA)
- 'Protecting whom from what?' (Ms Gunnel Arrback, Sweden)
- 'Digital development and traditional media' (Mr Nigel Williams, UK)
- 'Effects of playing violent video games' (Professor Craig A. Anderson, USA)
- 'An industry viewpoint: Practitioner perspective' (Mr Rolf de Heer, Mr Peter Abbott, and Mr John de Margheriti, all from Australia)
- Adolescents and restricted media (Ms Sonya Thompson and Ms Berna J Skrypnel, both from Canada)

These presentations, as well as other selected papers and presentations delivered throughout the conference are available for viewing on the OFLC website ([www.oflc.gov.au](http://www.oflc.gov.au)) at 'About Us' then '2003 International Conference'.

### **Review of the initial period of operation of the 2003 Guidelines**

In the previous reporting period, the then Attorney-General, the Hon Daryl Williams AM QC MP, asked the OFLC to conduct a review of the initial twelve months of operation of the *Guidelines for the Classification of Films and Computer Games 2003* (the 2003 Guidelines). The 2003 Guidelines came into effect on 30 March 2003.

The purpose of the Operational Review is to assess whether changes to the film and computer games guidelines have had the effect of changing classification standards. The review will be examining classification decisions before and after the introduction of the 2003 Guidelines.

The review process commenced in March 2004. The review methodology includes a desktop review of classification decisions, complaints data and other environmental factors which could affect classification decisions for the first twelve months immediately preceding and following the introduction of the 2003 Guidelines.

The review also includes the opportunity for, and analysis of, public submissions.

Advertisements for public input to the review were placed in nine major and national newspapers and on the OFLC website. The initial closing date for submissions of 31 May 2004 was subsequently extended to 21 June 2004. Over 170 submissions were received.

The OFLC also commenced a select tender process to recruit a consultant to assist with the review.

The OFLC intends reporting to the Attorney-General on the outcome of the Operational Review in the next annual reporting period. The report will also take into account the findings of the most recent Community Assessment Panel (CAPs). More information about CAPs is included in Objective Three at pages 61-2.

### **Broadcasting Codes of Practice**

The national classification scheme and the regulation of television are interconnected through a combination of statute and practice. Policy decisions by Censorship Ministers or the Director of the Board regarding the various components of the national classification scheme may have direct consequences for broadcasters given a statutory requirement under the BSA that they apply the 'film classification system' administered by the OFLC in their codes of practice.

For these reasons, issues related to the regulation of broadcasting, and particularly the content of television codes of practice, are of interest to the OFLC.

### **Commercial television code of practice**

In the reporting period the OFLC made substantial submissions to Commercial Television Australia (CTVA), now known as Free TV, regarding the review of its code of practice. Copies of these submissions were also provided to the Australian



*Television classifier Richard Lyle, OFLC Director, Des Clark and Australian Attorney-General, the Hon Philip Ruddock MP, at an OFLC function. The relationship between the film classification system administered by the OFLC and the industry codes of practice which regulate classification of television content is set out in the BSA.*

Broadcasting Authority (ABA) and the Department of Communications, Information Technology and the Arts (DCITA). The OFLC supplemented formal submissions with meetings and liaison with broadcasters, the ABA and DCITA.

The key recommendations in the OFLC's submission to CTVA included:

- The 2003 Guidelines should be incorporated in full and by reference into the CTVA Code of Practice to incorporate amendments as they occur from time to time;
- Text and voice-over describing 'MA' in the CTVA Code needs to accurately describe the classification type as set out in the classification system administered by the OFLC as amended from time to time;
- The CTVA Code should provide for consumer advices consistent with Board consumer advices; and
- The CTVA Code should include provisions requiring that television advertisements for material classified by the Board or granted advertising exemption are only broadcast during programs of the same or a higher classification.

Prior to registration of the CTVA Code, it was understood that CTVA was giving consideration to making a distinction between the classification of "films" and other "programs" in its code of practice. The two-pronged approach would see the OFLC guidelines applied to films and separate classification guidelines used for other programs. However, the same classification markings would be used for both films and programs. Due to concerns about the impact of this approach on the national classification scheme, the OFLC recommended that this approach not be included in the new code.

The ABA approved a new code of practice for commercial television during the reporting period. The new code, which commenced on 1 July 2004, implemented the two-pronged approach.

The co-regulatory nature of the current broadcasting policy framework clearly creates significant challenges for the national classification scheme.

### **Commercial radio code of practice**

During the reporting period the OFLC provided a submission to the review of the Commercial Radio Code of Practice.

The key recommendations in the OFLC's submission were directed to issues such as the advertising of classified and unclassified films, computer games and submittable publications on radio and the broadcasting of material that exceeds Level 2 of the ARIA/AMRA *Recorded Music Labelling Code of Practice*.

The review of this code is ongoing but expected to be completed in the next reporting period.

### **Review of the ARIA/AMRA Code**

Audio recordings are not classified under the national classification scheme except where they also contain visual material.

Since 31 October 1996 the Australian Record Industry Association (ARIA) has administered an industry code of practice for providing advice labels on audio recordings that contain potentially offensive lyrics and/or themes. On its introduction, the code was provisionally endorsed by Censorship Ministers on the basis that its operation and effectiveness would be monitored. Censorship Ministers have continued to monitor the code on an annual basis.

Following a review of the code requested by Ministers on 22 March 2001, ARIA and Australian Music Retailers Association (AMRA) implemented a revised code, the *Recorded Music Labelling Code of Practice* (the ARIA/AMRA Code), on 1 April 2003. The ARIA/AMRA Code is jointly administered by ARIA at the distributor/record level, and AMRA at the retail level.

The ARIA/AMRA Code replaced the previous two-tier labelling system for audio recordings and established a new three-tier system. Under the ARIA/AMRA Code, the third tier contains content that is not to be sold to persons under the age of 18. There is also provision for a centralised Complaint Handling Service (CHS) and facility for a music Ombudsman. The music Ombudsman reports on the operation and effectiveness of the ARIA/AMRA Code and acts as a final level of review where the complainant is not satisfied that the CHS has adequately handled the complaint. Ms Una Lawrence was appointed as Ombudsman on 1 August 2003. In the reporting period, ARIA and AMRA provided the OFLC with a report by the music Ombudsman on the first 12 months of operation of the ARIA/AMRA Code.

### **Administrative agreement with the Australian Broadcasting Authority**

In 2003, the OFLC and the ABA completed an administrative agreement setting out arrangements for the classification of Internet content by the Board and the Review Board under the BSA and the Classification Act.

Since the agreement came into effect on May 2003, the OFLC has published on its online database, each item of Internet content that has been classified by the Board in response to a request from the ABA. The information includes the ABA item reference numbers, classification decision and the date of classification. However, under the arrangements, information that may allow a person to identify, locate and view prohibited Internet content is not made available to the public by either the ABA or the OFLC.

## **Review of the administrative agreement with the Australian Customs Service**

In 2003, the OFLC began a review of its administrative agreement with the ACS with the aim of clearly identifying the responsibilities of each agency. The existing agreement, signed in October 2000, outlines the processes for the operation of import and export controls over objectionable goods under Regulation 4A of the Prohibited Imports Regulations and Regulation 3 of the Prohibited Export Regulations. Work on the review is ongoing.

## **Ministerial correspondence**

The OFLC processed 250 items of ministerial correspondence, including letters, emails and facsimiles, referred by the Attorney-General in the reporting period. This compares with 931 items of ministerial correspondence during 2002-2003.

Main issues raised in the correspondence were:

- the Board's classification of the film *Irreversible* (82 items)
- the theatre production *La Fura Des Baus XXX* and the lack of a classification system for theatre (30 items)
- the decision to refuse classification for the film *Ken Park* (28 items)
- the classification standards in the 2003 guidelines (21 items)

## **Training**

During 2003-2004, the OFLC continued to conduct training on classification matters for industry, the ACS, the Board, the Review Board and some enforcement agencies.

### **The computer games industry**

The Classification Act provides that the Director may authorise certain people to assess and make recommendations on the classification of computer games in the advisory categories of G, G(8+) and M(15+). The Board takes into account the recommendation from an authorised assessor when making a classification decision. The OFLC provided seven training sessions for 10 games businesses for this purpose. Twenty-one people were trained and subsequently authorised by the Director to recommend classifications.

### **Tailored industry training**

A tailored training program was conducted for industry during the reporting year. This included two sessions for ARIA which were attended by 36 participants from six different music labels, as well as representatives from AMRA and the music Ombudsman.



*Education and Communication Manager, Kathryn Reidy, conducts one of the 39 classification education activities undertaken during 2003-2004.*

### **Customs training**

At the request of the ACS, nine sessions were held for ACS officers in Adelaide, Brisbane, Darwin, Melbourne and Sydney, resulting in 137 people being trained.

Officers were trained in applying Regulation 4A of the Prohibited Imports Regulations, and comparing this regulation, and the refused classification category of the Code.

The training enables ACS officers to make decisions about intercepted material and only refer items to the Board where there is a need for advice.

### **Telephone enquiries**

Formal training is supplemented by a telephone enquiry function. OFLC education and training officers responded to telephone queries from clients requesting information about the national classification scheme. They provided information and education on certain classification matters to members of the publication, computer games and film industries. Education and training officers also continued to offer support for ACS officers and authorised assessors following their training sessions.

### **Classification Board training**

Two Senior Classifiers were appointed in April 2004. As one of these appointments was a new Board member, an intensive two-week training program was provided.

### **Classification Review Board training**

At the request of the Convenor of the Review Board, two training sessions were provided for newly appointed members.

### **Community Liaison Scheme**

The CLS is a joint Commonwealth, State and Territory initiative which educates creators, importers, distributors, retailers and consumers of classifiable material about how to comply with their legal obligations under the national classification scheme.

The CLS visits distributors, suppliers and retailers in each State and Territory. Site visits are used to detect unclassified or incorrectly marked products such as publications, films and computer games. Site visits provide CLS staff with the opportunity to educate retailers about compliance requirements, answer general questions about the national classification scheme and attend to specific matters raised by State and Territory censorship officials. Importantly, the annual site visits program enables the collection of valuable data about how the national classification scheme operates on a practical level. Information gained from site visits also assists in formulating policy and informing reviews periodically undertaken by the OFLC.

During the reporting period, CLS staff conducted approximately 160 days of site visits, covering all capital cities and many regional and rural centres. Over 1,500 individual site visits were conducted in cinemas, computer games retail outlets, video and DVD stores, service stations, games arcades, newsagents, major retail variety stores and adult premises. CLS staff also attended the adult industry showcase, Sexpo.

The CLS uses analysis of trends to target industry sectors where compliance is poor and provide them with information and education tailored to their needs. In the reporting period, CLS work has included identifying distributors of unclassified adult publications that clearly fall into the "submittable" category and advising of legislative requirements. This has achieved limited success due to the difficulties in locating smaller distributors.

Another more successful project used mail-outs to remind games arcade owners and managers of compliance obligations. This has resulted in greater awareness and a positive reaction from the games arcade peak body, including an invitation for the CLS to provide an article on classification issues in their industry newsletter.

The CLS also targeted the growing DVD market by educating distributors and retailers to assist them in fulfilling their responsibilities under the national classification scheme. During the reporting period, the CLS noted a marked improvement in the display of classification information on computer games stemming from work undertaken with the computer games industry in the previous year.

During the reporting period, the CLS worked with the film industry, through the Cinema Advertising Working Group, to develop and implement a package of practical measures for improving compliance with the display of classification information in cinemas and associated advertising. Anecdotal evidence shows an improvement with compliance in cinema advertising, particularly in the print environment.

### **Client and industry liaison**

The Director, Deputy Director and other senior staff continued to meet regularly with peak bodies such as the Motion Picture Distributors Association of Australia, the Australian Visual Software Distributors Association, the Interactive Entertainment Association of Australia, ARIA, AMRA and individual clients to maintain an open channel for discussing issues related to the national classification scheme.

In addition, the Director strengthened the OFLC's presence with industry by speaking to the Arts Management Advisory Group in association with the Arts Law Centre of Australia and at the Telecommunications Industry Ombudsman's Conference. The Director also spoke at the 8th National Conference of the Cinema Owners Association of Australia.

Substantial consultation occurred with industry in the context of developing the Classification (Publications, Films and Computer Games) Bill 2004. More information about the Bill is available at page 50.

## **Industry events**

The Director, CLS staff and senior staff attended the Australian International Movie Convention on the Gold Coast, Queensland in August 2003 and provided information on compliance and the 2003 Guidelines. The Director addressed the convention on the guidelines and other initiatives of the OFLC.

The Director and senior staff attended the Cinema Owners Association of Australia 8th Annual Conference in Canberra in June 2004. The Director addressed the delegates on the importance of the OFLC – Exhibitor partnership.

Other conferences attended by the Director included the Australian Broadcasting Summit 2004 in March 2004 and the ABA Conference in Canberra in June 2004.

## **Liaison with other classification bodies**

The OFLC continued to liaise and consult with other classification bodies who utilise the national classification scheme, including television classifiers and the ABA. The OFLC has also had ongoing communication with representatives from the New Zealand Office of Film and Literature Classification and the British Board of Film Classification. Consultations have also been held with the Singapore Media Development Authority, the Korean Publications Ethics Commission of the National Academy of Korean Language, the Hong Kong Government Television and Entertainment Licensing Authority and representatives from the People's Republic of China's State Administration of Radio, Film and Television.

In May 2004 the Deputy Director attended the Electronic Entertainment Exposition (E3) in Los Angeles which is the world's largest trade event for new technologies and products for computers, video game consoles and the Internet. Whilst attending E3, the Deputy Director took the opportunity to discuss the American and Australian systems for classifying computer games, in particular the 2003 Guidelines. These discussions were held with members from the Korean Game Development and Promotion Institute, the Electronic Software Ratings Board and the Pan European Games Index.

## **International liaison**

As a result of the International Ratings Conference, various international speakers and delegates visited the office in September 2003. These included:

- Ms Sharon McCann, Alberta Film Classification Board, Canada;
- Mr John Kelleher, Official Censor of Films, Ireland;
- Mr Erik Wallander, Assistant Director, Statens biografbyrå (Swedish Film Classification Board);
- Ms Amy Chua, Mr Ng Eng Ping, Ms Tan Lee Cheng, and Ms Wendy Tan, Media Development Authority, Singapore;
- Mr Palmeesh Cuttaree, Chairman, Film Censorship Board, Mauritius and Mr Seeneevassen Ramasamy, Administrative Secretary to the Chairman of the Film Censorship Board, Mauritius;
- Mr Cor Crans, Co-ordinator Media Expertise Centre, Netherlands; and
- Mr Guy Cumberbatch, Director, The Communications Research Group Birmingham, UK.

Other international guests who visited the OFLC in 2003-2004 included:

- Sixteen members from the Chinese Politburo delegation, led by Mr Liu Yunshan and the Embassy of the People's Republic of China, for a briefing on the national classification scheme
- A delegation from the Korean Publications Ethics Commission of the National Academy of Korean Language visited the office in November 2003, for an education session on the classification of publications in Australia;
- Sir Quentin Thomas, Chairman of the British Board of Film Classification was visiting Sydney and met with the Board on 23 December 2003;
- Ms Penny Averill, Deputy Director of the British Board of Film Classification, visited the OFLC in February 2004 to meet with the Director, the Board and OFLC staff;
- Ms Lorna Wong, the Commissioner at the Television and Entertainment Licensing Authority in Hong Kong met with the Director at the OFLC in March 2004;
- Mr David Wilson, Department of Internal Affairs in New Zealand, met with the Director in June 2004; and
- Six Members of a New Zealand Parliamentary Committee visited the OFLC to examine the cross-ratings system used for the classification of film in New Zealand using Australian ratings, the Film Festival Exemption Scheme and the workings of the Review Board in June 2004.



*Senior Classifier, Wendy Banfield, OFLC Director, Des Clark, Education and Communication Manager, Kathryn Reidy and Review Board Convenor, Maureen Shelley meet with a delegation from the Korean Publications Ethics Commission of the National Academy of Korean Language. The OFLC greeted visitors from 11 countries during 2003-2004.*

During his attendance at E3 in May 2004, the Deputy Director met with international computer game industry representatives from the Electronic Software Association, the Interactive Software Federation of Europe, Microsoft (Games for Windows), Electronic Arts and Activision.



## OUTPUT 1.2

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Provision of services ancillary to the operation of the national classification scheme including research, the Community Liaison Scheme, policy development and ministerial support.

## Objective Three

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To enhance community understanding of, and confidence in, classification systems and outcomes.

This objective addresses the requirements that decisions of the Board reflect community standards, and that our communities are aware of the OFLC's role and the implications of classification decisions.

### Key achievements

- Three Community Assessment Panels were conducted
- A Cinema Advertising Compliance Package was finalised and formally accepted by all major and independent film distributors and cinema exhibitors
- A review of the consumer advice used on film and computer games commenced
- A review of the determined markings for films and computer games commenced
- Education about the national classification scheme continued with speakers provided for a variety of events
- Media reporting assisted in enhancing public understanding of, and confidence in, the classification services provided by the Board and the OFLC

### Community Assessment Panels

On 14 November 2003, Censorship Ministers agreed to recommence the Community Assessment Panels (CAPs) which had previously operated between 1997 and 2000. While Ministers were going to revisit initiating CAPs in 2005, the panels were brought forward to coincide with the review of the initial period of operation of the 2003 Guidelines (see page 52).

*CAPs provides an opportunity to compare the Board's decisions with those of ordinary Australians. The 2004 CAPs included computer games for the first time.*



CAPs is designed to explore the extent to which the Board makes decisions which reflect community standards. The previous CAPs only considered film, however in 2004, Ministers agreed that computer games and consumer advice should be tested for the first time. CAPs is jointly funded by the Commonwealth and the States and Territories.

In these panels members of the public assess films and computer games, applying the same criteria as the Board without knowing the Board's decision. Each panel's decisions are then compared with those of the Board. This process provides valuable feedback to the Board which in turn enables it to make more informed decisions about films and computer games.

An independent research consultant, UrbisJHD, was engaged to facilitate the panels. In order to provide input from a broad cross-section of the Australian population, this round of panels was conducted in Canberra on 2-4 April, Alice Springs on 14-16 May, and Melbourne on 4-6 June 2004. Previous panels were held in Adelaide, Bendigo, Brisbane, Perth, Sydney and Wagga Wagga.

A Research Reference Group (RRG) was convened to oversee CAPs and ensure that appropriate research methodologies and instruments were developed and utilised, and to monitor film and computer game selection and reporting processes.

The members of the RRG were:

- Professor Trang Thomas AM, Professor of Psychology, RMIT University (Chair)
- Dr Jeffrey Brand, Centre for New Media Research and Education, Bond University
- Elizabeth Kelly, ACT Censorship Official, ACT Department of Justice and Community Safety
- Iain Anderson, First Assistant Secretary, Legal Services and Native Title Division, Australian Government Attorney-General's Department
- Patricia Flanagan, Senior Executive, Strategy and Communications, OFLC.

Under the terms of its contract, UrbisJHD will provide the OFLC with a final report on the outcome of the three panels in the next reporting period and these will be presented to Censorship Ministers thereafter.

### **Review of advertising provisions in the national classification scheme**

As part of the ongoing review of advertising provisions, work continued through the Cinema Advertising Working Group.

The Cinema Advertising Working Group was established in mid 2002. The Working Group is chaired by the OFLC, and comprises industry bodies and major and independent distributors and exhibitors.

At their November 2003 meeting, Ministers were advised that the Working Group had drafted a Cinema Advertising Compliance Package, consisting of practical measures to improve the timely flow of the display of classification information on cinema advertising.

The measures focus on industry taking greater responsibility for ensuring classification information is constantly updated. The proposals include mechanisms for collating and

reporting on improvements in compliance, with a view to demonstrating to Censorship Ministers that industry is capable of successfully operating in the current legislative regime.

Formal acceptance of the Cinema Advertising Compliance Package was finalised by 31 January 2004. All major and independent film distributors and cinema exhibitors agreed to the package. The Motion Picture Distributors Association of Australia and the Australian Theatre Checking Services also provided in principle support for the package.

The Working Group met on 3 June 2004 to discuss progress in implementing the initiatives. Progress is positive and monitoring will continue.

### **Review of consumer advice**

When making classification decisions, the Board assigns consumer advice to inform consumers about some of the content which may be present in a film or computer game. Currently, the Board's practice is to provide consumer advice for the classifiable elements which cause a film or computer game to be classified in a certain category. It does not usually represent all of the elements which may be present in a film or computer game.

The OFLC, in conjunction with the Board and Review Board, is currently undertaking a review of consumer advice. The review is being conducted in stages and seeks to make a recommendation to both Boards about a consumer advice model and consumer advice lines that communicate effective messages to consumers about the content of films and computer games.

### **Determined markings review**

Section 8 of the Classification Act states that the Director of the Board may determine markings for each type of classification giving information about the classification and the manner for which the markings are to be displayed. The current *Determination of Markings for Computer Games* came into effect on 1 January 1996. The current *Determination of Markings for Films* came into effect on 6 March 2001.

During the reporting period, the OFLC commenced a review of the 'determined markings' for films and computer games. 'Determined markings' are the visual depiction of the classification and related classification information. For example, the determined marking for the M classification is:



State and Territory legislation requires that all classified publications, films and computer games, sold or hired, must have the markings displayed on the container or wrapping of the product. Advertisements for classified products must also clearly display the determined markings.

In May 2005, classification types will change when the 2004 Amendment Act comes into effect. The amendments will implement common classification types for films and computer games, based on the existing film classifications.

The review of the determined markings is, in part, a consequence of these forthcoming changes to the classification types. The redesigned new markings will come into effect at the same time as the 2004 Amendment Act, and will reflect and enhance the changes to the types.

During the reporting period, the OFLC researched issues related to the determined markings, developed a comprehensive project plan for the review and undertook preliminary consultation with industry and community groups and the Office of Regulation Review. The OFLC also commenced the recruitment of a branding and design firm.

A multi-faceted public consultation process will precede the implementation of the new markings. The major vehicles for consultation include liaison with industry, a discussion paper and online questionnaire which is expected to be launched in the next reporting period, and consultation on the draft markings. A regulatory impact statement will also be prepared.

The review process will assist the Director in making decisions in respect of issuing the new Determination.

### **Development of community education resources**

In August 2003, the OFLC developed a fact sheet for schools about showing films and playing computer games in the classroom. The fact sheet outlined the role of the Board and the OFLC, and gave information about the classification categories including the classification symbols. Copies of the fact sheet were sent to State and Territory government education departments as well as the National Catholic Education Commission and the National Council of Independent Schools; for circulation through their distribution networks, and electronic copies were placed on the OFLC's website.

### **Website**

The OFLC website has continued to undergo improvements. During the reporting period, the structure of the website underwent a subtle enhancement, which included the addition of a 'Home' page and a 'Research' page and the insertion of additional material designed to make the Classification Database clearer and easier to use.

### **Media liaison**

The Communication and Marketing team managed 272 media enquiries for the Board and the Review Board in 2003-2004. The media continued to be interested in the classification of the film *Ken Park* in the early part of the year. Classification decisions of other high-profile films, namely *Thirteen*, *The Passion of the Christ*, *Harry Potter and the Prisoner of Azkaban* and *Irreversible* drew attention in later months. In June the R classification of the film *Anatomy of Hell* generated media interest. Requests for general information on the classification process and the 2003 Guidelines were also received from the media.



*President and Chief Executive Officer of computer games production company, Microforte, John De Margheriti, OFLC Director, Des Clark and Southern Star Endemol producer, Peter Abbott, respond to questions from journalists at the OFLC's International Conference. Media reporting of the conference proceedings was useful in promoting the national classification scheme.*

During 2003-2004, informational media releases were circulated. The releases addressed the International Ratings Conference and the M and MA classification categories. This strategy resulted in a substantial amount of positive media coverage for the International Ratings Conference and interview opportunities for the Director.

The OFLC's media service to the Review Board included taking calls, distributing media releases and coordinating interviews on behalf of the Convenor.

### **Speaking engagements**

During the reporting period, the OFLC provided speakers for a range of events as set out in Table 19 on page 66.

**TABLE 19: Speaking engagements**

<b>Organisation/Event</b>	<b>Topic</b>	<b>Location</b>	<b>Date</b>	<b>Speaker</b>
2003 Australian Movie Convention	Update on new classification guidelines and other initiatives	Gold Coast	14/8/03	Des Clark
Liberal Forum	Classification and Censorship: the balance	Sydney	29/8/03	Des Clark
OFLC International Ratings Conference	A Practical Response to Classification of Convergent Media in the Australian Context: The Combined Guidelines for Films and Computer Games	Sydney	21-24/9/03	Des Clark
OFLC International Ratings Conference	Current classification systems around the world for games	Sydney	21-24/9/03	Paul Hunt
OFLC International Ratings Conference	The impact of coverage on marketing	Sydney	21-24/9/03	Patricia Flanagan
Arts Management Advisory Group in Association with the Arts Law Centre of Australia	Censorship and Artistic Expression	Melbourne	21/10/03	Des Clark
Sydney College of the Arts	The national classification scheme	Sydney	21/11/03	Wendy Banfield Lynn Townsend
Australian Christian Lobby Conference – “The Future of the Family”	The national classification scheme	Canberra	1/11/03	Paul Hunt
Telecommunications Industry Ombudsman’s Conference	Convergence: Redrawing the Boundaries	Melbourne	25/11/03	Des Clark
Australian Video Industry Video Awards	The national classification scheme	Sydney	21/11/03	Des Clark
Joint meeting of CEO’s representing the Australian film industry with a Chinese Delegation from the State Administration of Radio, Film and Television	The national classification scheme	Sydney	2/12/03	Des Clark
Australia-Israel Chamber Chamber of Commerce	Censorship and Freedom of Speech	Adelaide	31/3/04	Des Clark
8th Annual National Conference of the Cinema Owners Association of Australia	Our Partnership and the cinema consumer	Canberra	8/6/04	Des Clark

A grayscale photograph of film reels and a roll of film strip. The top reel is partially unspooled, showing the film's texture. Below it, two more reels are visible, with film strips wrapped around them. The film strips show some faint, indistinct images. The background is a plain, light color.

## OUTPUT 1.1

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Operation of the national classification scheme.

## OUTPUT 1.2

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Provision of services ancillary to the operation of the national classification scheme including research, the Community Liaison Scheme, policy development and ministerial support.

## Objective Four

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To provide access to information that clearly sets out:

- roles and responsibilities
- work processes
- basis for classification decisions
- emerging issues.

This objective is directed toward ensuring that people requiring information relating to the activities or operation of the OFLC are able to access accurate information in a convenient, timely manner.

### **Key achievements**

- Continued success of Business Online which enables business clients to track their applications for classification of films, computer games or publications
- A strategy for the development of a comprehensive information management plan was finalised
- A revised approach to annual planning processes was developed and will result in a new look corporate annual plan for 2004–2005
- Effective information sharing and consulting within the organisation was maintained

### **Business Online**

Business Online enables applicants to lodge applications electronically, track their applications as they progress through the classification process, and automatically download classification certificates after material is classified.

Business Online has proved an efficient way to conduct business, with savings in application lodgement time and resources for both the OFLC and clients. Business Online now accounts for 32 per cent of all classification applications. This has increased from 20 per cent in the first six months of operation.

The OFLC intends to re-evaluate the use of Business Online as part of the review of information management in the 2004–2005 reporting period and build on its success, encouraging other clients to use the service.

### **Website**

As discussed in Objective Three, improvements were made to the OFLC website including the addition of 'Home' and 'Research' pages.

The website remains an important communication strategy for the OFLC. Interested parties are directed to the media centre for notification of important classification decisions.

The website was used during the reporting period to promote the International Ratings Conference and host the keynote speaker papers. The site was also used to invite public submissions to the review of the initial period of operation of the 2003 Guidelines.

### **Information management**

A strategy for the development of a comprehensive Information Management Plan was developed and approved. The application of the system design methodology at the core of the strategy will commence early in 2004–2005.

## Improvements to internal information provision

The OFLC continues to improve its electronic information system, BOSS, to maximise efficiency in processing material for classification by the Board, and in handling and processing correspondence. The replacement of this major system, including Business Online and the links with the website and financial systems, will commence in 2004–2005 with an expected 'go-live' date of March 2006.

## Communication model

A communications model is maintained for sharing information and internal consultation.

The model comprises:

- regular section meetings to brief staff and gather comments and suggestions on organisation wide office matters, as well as those relevant to their work area
- fortnightly briefings of all staff and Board members by the Director and Managers on significant corporate issues
- a Consultative Committee acting as the peak workplace relations forum with minutes circulated to the office and presented at corporate management team meetings
- meeting of the corporate management team with summary minutes circulated.

## Roles and responsibilities

Duty statements for all APS staff and Board members are maintained and available on the OFLC's internal server together with broad work level standards for APS classification levels.

## Corporate plan and annual plan

All OFLC staff and Board members were involved in producing the 2003–2004 Annual Plan which sets strategies to support the objectives in the Corporate Plan 2001–2006. Towards the end of the reporting period, the executive management team initiated a review of the OFLC's business planning process. A significant outcome was the decision to better align the Annual Plan with the Performance Management and Development Review Scheme. This will provide a link from the Australian Government's outcome and outputs reporting framework through to an individual's performance management framework, supported by a Strategic Plan, Corporate Annual Plan, Section Plans and Work Team Plans.

*Policy Manager, Paul McCarthy, Human Resource Manager, Manus McFadyen, Deputy Director, Paul Hunt and Applications Manager, Heather Cole discuss corporate management issues.*



## Provision of accurate and timely advice

The OFLC continued to provide accurate and timely information and

*Staff from the Applications section plot out the time frames for annual plan projects at an office wide planning day.*



advice to members of the public enquiring or complaining about classification matters. The OFLC endeavours to respond to written correspondence within 20 working days as set out in the OFLC customer service charter. For more information on the charter see page 46.

In 2003-2004, revised protocols and procedures were implemented for the consistent and efficient recording and allocation of written correspondence and telephone enquiries.

A grayscale photograph of a stack of film reels and a roll of film strip. The top reel is partially unspooled, showing the film strip. The film strip is curved and shows a grid of frames, likely from a security camera or surveillance footage. The background is a plain, light color.

## OUTPUT 1.1

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Operation of the national classification scheme.

## OUTPUT 1.2

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Provision of services ancillary to the operation of the national classification scheme including research, the Community Liaison Scheme, policy development and ministerial support.

## Objective Five

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Provide OFLC people with the skills and support to maximise their contribution to the organisation.

This objective is directed towards ensuring that the Board, the Review Board and APS staff who comprise the OFLC are appropriately resourced, diversity is recognised and valued, and that members and staff have the information and support required to perform their role and optimise their contribution to the broader objectives of the national classification scheme.

### **Key achievements**

- Commenced a review of the OFLC's Performance and Development Review Scheme
- Completed the recruitment and induction of two Senior Classifiers
- Established a new Occupational Health and Safety Agreement
- Recruited four ongoing and five non ongoing APS staff members
- Maintained formal structured induction and training programs for both APS staff and members of both boards.

These outcomes have contributed significantly to ensuring both Boards are adequately resourced, and Board members and OFLC staff have the skills and support to maximise their contribution to the organisation.

Staffing statistics for 2003-2004 are at Appendix Five.

### **Performance management**

In February 2004, work commenced on the review of the OFLC's performance management scheme, the Performance and Development Review Scheme. It is anticipated that a revised scheme will be implemented early in the 2004-2005 financial year.

### **Training and development strategies**

There was ongoing training, both formal and informal, across a wide range of areas. The total number of person days spent in participation by staff in training and development programs during the year was 93. There were 67 attendances at training and development activities in 2003-2004.

The OFLC also assisted staff in work-related study with both financial and leave assistance through the staff development assistance program.

### **Features of Certified Agreements and Australian Workplace Agreements**

The *OFLC Agency Agreement 2003-2006* was certified by the Industrial Relations Commission in June 2003. The certified agreement was made with the Community and Public Sector Union under section 170LJ of the *Workplace Relations Act 1996*. It covers all APS employees in the OFLC (38 as at 30 June 2004) below the SES level. Main features of the agreement include:

- a flexible, cooperative and fair approach to staffing work organisation, procedures and practices to meet changing operational needs and priorities

- ongoing streamlining of processes and transactions across the organisation to reduce costs and ensure the efficiency of operations
- review of the Performance and Development Review Scheme to improve its effectiveness.

Salary ranges for staff covered by the OFLC's agency agreement are on page 109. Non-salary benefits provided by the OFLC to employees covered by the agreement include:

- superannuation under the *Superannuation Act 1990* or the *Superannuation Act 1976*
- access to flexible remuneration packaging on a salary sacrifice basis
- reimbursement of certain health improvement related expenditure
- reimbursement of dependant care related expenditure in certain circumstances.

### **Occupational health and safety**

In recognition of the importance and value of taking all reasonable steps to ensure the safety and wellbeing of staff, the OFLC has established an occupational health and safety policy which recognises the nature of work undertaken in the office. In accordance with the *Occupational Health and Safety (Commonwealth Employment) Act 1991* (the OH&S Act), the OFLC has established an agreement for consultation with staff and the relevant union.

The OFLC has its own qualified and accredited health and safety representatives. Staff safety and welfare is monitored and any safety concerns are addressed through designated work group meetings and the Consultative Committee which operates as the OFLC's occupational health and safety committee. The Human Resources Manager has been designated by the Director as the person responsible for health and safety.

During 2003-2004, the OFLC's Employee Assistance Program provider continued to provide self-care training on stress management to Board members and APS staff in frequent contact with the more confronting material handled by the OFLC. This training was directed at developing abilities to identify and manage responses to viewing the more distressing material and to provide a range of options for dealing with it or seeking assistance. This training has been incorporated into induction programs for Board members and APS staff in relevant areas.

For Board members and APS staff who come into contact with confronting material, there is also a program of regular group debriefing sessions facilitated by a professional psychologist.

The Employee Assistance Program continued to be available to the Board and APS staff for individual confidential counselling on a wide range of personal and work related matters.



*Project management training was identified as a high priority for 2003-2004. Officers of the Strategy and Communication Division participated in training conducted by the Australian Institute of Management.*

Board members and staff were also provided with ergonomic assessments of their work stations and instruction in their setup and adjustment.

In 2003-2004, there were no accidents or dangerous occurrences arising out of the conduct of the OFLC's undertakings that required the giving of notice under section 68 of the OH&S Act. Similarly, no occupational health and safety investigations on undertakings by the OFLC were carried out during the reporting period and no directions or notices were given under the OH&S Act.

### **Workplace diversity**

The OFLC sought to maintain a just, equitable and safe working environment to aid the development of committed and professional staff.

The *OFLC Agency Agreement 2003-2006* maintains provisions to help employees balance their work and family lives. These include:

- flextime
- carer's leave
- miscellaneous leave including paid parental leave and leave for days of cultural or religious significance
- provisions for part-time work
- reimbursement of dependant care related expenditure in certain circumstances.

*Policy Officer, Ben Phelps, assists in the induction and training of Assistant Policy Officers, Caitlin Parmeter and Michelle Simmons.*



In consultation with staff, the OFLC has developed an harassment policy and procedures that support diversity by helping to establish and maintain a working environment free from discrimination and harassment.

The Human Resources Manager, who has been designated as the officer responsible for workplace diversity, provides advice to the Director on workplace diversity issues and oversees implementation and operation of workplace diversity programs.

### **Participative work practices**

The peak consultative mechanism, the Consultative Committee, continued to provide a forum for formal discussion and consultation on the operation of business and employment arrangements within the OFLC.

Consultation and discussion on a range of workplace matters also occurred through participative work practices, and section and team meetings. Special group forums and information sessions were used to brief and consult with staff on organisational and employment related developments such as organisational change and the review of performance management arrangements.