



Australian Government

Department of Infrastructure, Transport, Regional Development,
Communications, Sport and the Arts

COST RECOVERY IMPLEMENTATION STATEMENT

Classification Regulatory Activities 2025-26

Charging for regulatory activities involves government entities charging individuals or organisations in the non-government sector some or all of the minimum efficient costs of a specific government regulatory activity. The Australian Government Cost Recovery Policy (AGCRP) along with the Australian Government Charging Framework (AGCF) sets out the policy under which government entities design, implement and review charging for regulatory activities. A Cost Recovery Implementation Statement (CRIS) is a public document that provides key information on how cost recovery for a specific government activity is implemented and reports how the activity is performing on an ongoing basis.

Contents

1.	INTRODUCTION.....	3
1.1.	Purpose	3
1.2.	Current Reform Context for the NCS	3
2.	NCS SCOPE OF REGULATORY AND NON-REGULATORY ACTIVITIES	4
2.1.	Current Regulatory Activities	4
2.2.	New Regulatory Activities (currently not charged)	8
2.3.	Non-cost recovered Activities	9
3.	POLICY AND STATUTORY AUTHORITY TO CHARGE (COST RECOVER)	10
3.1.	Government policy approval to charge for this regulatory activity	10
3.2.	Statutory authority to charge	10
4.	CHARGING (COST RECOVERY) MODEL.....	11
4.1.	Outputs and business processes of the activity	11
4.2.	Costs of the regulatory activity	12
4.3.	Design of the regulatory charge	14
5.	RISK ASSESSMENT	15
6.	STAKEHOLDER ENGAGEMENT	16
7.	FINANCIAL PERFORMANCE.....	17
7.1.	Financial Outcomes and Financial Estimates	17
7.2.	Financial Outcomes	18
8.	NON-FINANCIAL PERFORMANCE.....	19
9.	KEY FORWARD DATES AND EVENTS	21
10.	CRIS APPROVAL AND CHANGE REGISTER	21
	Attachment A: Costs by Activity and Outputs 2025-26	22
	Attachment B: National Classification Scheme Charging Risk Assessment	27

1. INTRODUCTION

1.1. Purpose

This CRIS provides information on how the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts (the Department) implements cost recovery charging for the regulation of the National Classification Scheme (NCS). It reports financial and non-financial performance information for the NCS and contains financial and demand forecasts for 2025-26.

1.2. Current Reform Context for the NCS

The NCS regulates the classification of films, computer games, and submittable publications prior to their legal distribution in Australia. The Classification Board (the Board) and Classification Review Board (the Review Board) are established under the NCS, as are options for industry self-classification. The Classification Branch (the Branch) of the Department provides administrative support to the two Boards. The Branch also provides support to industry and other stakeholders, as well as performing other functions such as providing policy advice.

This CRIS acknowledges the evolving media and regulatory landscape, where digital content proliferation and new modes of distribution have significantly altered how Australians access and engage with media and how in response, the government has initiated reforms to modernise the NCS.

The first set of changes, referred to as Stage 1 reforms, which commenced in March 2024, have radically reshaped the delivery and oversight of classification activities by expanding the options for industry self-classification of films and computer games. Stage 2 reforms have the potential for further significant regulatory change, and will require a broader review of cost recovery arrangements.

Stakeholders were recently invited to provide feedback on the current cost recovery arrangements for classification. Industry peak bodies advised that while their members continue to assess the impact of Stage 1 reforms on their businesses, they have a strong preference for progressing Stage 2 reforms prior to any adjustments being made to the existing fees.

This CRIS serves as an interim update that maintains the existing fee structure for classification activities and provides stakeholders with stability and continuity during a period of regulatory transition while the broader review of the classification regulatory arrangements is undertaken to ensure transparency, equity and sustainability in cost recovery practices, in accordance with the AGCRP and AGCF.

The Department is committed to actively managing a charging review for classification activities and to keeping industry and other stakeholders abreast of developments in this area. An examination of cost recovery and charging arrangements will be included in a proposal to obtain agreement from Government on Stage 2 reforms in the first half of 2026. It is anticipated that the outcome of that review, including a proposal for updated cost recovery arrangements, will be reported in the Department's 2026 Portfolio Charging Review (PCR).

2. NCS SCOPE OF REGULATORY AND NON-REGULATORY ACTIVITIES

The current cost recovery model for classification services is based on a fee-for-service structure. This model was developed in accordance with the AGCF and the AGCRP issued by the Department of Finance.

The AGCF provides that where an individual or organisation creates a demand for a government activity, the recipients of those activities should be charged some or all of the costs of those activities, according to Australian Government policy decisions. This approach helps maintain financial sustainability of regulatory and non-regulatory activities and ensures that the costs are fairly distributed among those who create the demand for a specific regulatory activity.

2.1. Current Regulatory Activities

Current regulatory activities are set out in the *Classification (Publications, Films and Computer Games) Act 1995 (Cth)* (the Act), which provides that fees may be prescribed for a range of classification activities, including:

- applying to classify a film, computer game, or publication
- training to become an authorised assessor or accredited classifier
- applying to be accredited to classify films and/or computer games
- making a classification tool decision
- applying for approval of advertisements for unclassified films and unclassified computer games
- applying to revoke a tool or accredited classifier decision
- applying to the Review Board for a review of a classification decision
- applying for a Section 87 Evidentiary Certificate
- applying for a classification certificate or a notice
- applying for a title change for a film, computer game or publication
- applying for priority processing of an application to classify a film or computer game, and
- applying to be a registered event or approved cultural institution that may display classified material, and such organisations applying for a conditional cultural exemption from certain classification requirements.

The fees are prescribed in the *Classification (Publications, Films and Computer Games) Regulations 2005* (Classification Regulations)¹. The costs of supporting the Board and the Review Board, as well as the Branch are partly recovered through classification fees.

Description of activities

Classification of films—public exhibition

This activity involves the processing of an application for the classification of a film for public exhibition. The application is submitted by the applicant via the Classification Portal, with all details registered in the Department's Classification Customer Relationship Management system (the CRM). The Branch activity includes checking that the application is valid, receipting and accounting for fees paid, checking the media and projecting the film in a custom-built theatre so the Board can view it.

The fee structure to classify a film for public exhibition is based on the duration of the film, with the durations structured into five time slots. The duration that is used to set each fee level is based on the historical median

¹ Note that the Act provides (at ss.6D, 6F and 6H) that Registered Event, Approved Cultural Institutions and Exemption fees are as prescribed in the *Classification (Publications, Films and Computer Games) (Conditional Cultural Exemption Rules) Instrument 2015*.

running time in minutes in that time slot. For example, the fee for Public Exhibition 0-60 minutes is based on a median of 32 minutes. This data is obtained from the CRM.

The Director of the Board determines the procedure for applications for films for public exhibition in accordance with section 56 of the Act, including the number of Board members allocated. A decision report is produced which is ratified by a senior Board member and a classification certificate is provided to the applicant. The Branch makes arrangements to return any physical material to the applicant or have it destroyed. The classification information is published on the NCD.

Classification of films—other

This activity involves the processing of an application for the classification of a film for purposes other than public exhibition, for example, a film to be made available for sale or hire online or in physical format. The application is submitted by the applicant via the Classification Portal, with all details registered in the CRM. The Branch activity includes checking that the application is valid, receipting and accounting for fees paid and checking the media.

The fee structure to classify a film is based on the duration of the film with the durations structured into several time slots. The actual viewing time for each fee is based on the historical median running time in minutes within that time slot. For example, the fee for Film-other 0-60 minutes is based on a median of 41 minutes. This data has been obtained from the CRM.

The Director of the Board determines the procedure for applications for ‘films-other’ in accordance with section 56 of the Act including the number of Board members allocated to undertake the classification. A report is produced which is ratified by a senior Board member and a classification certificate is provided to the applicant. The classification information is published on the NCD.

Classification of films - Additional Content Assessor (ACA) Scheme

Under the ACA Scheme, trained and authorised assessors make a recommendation to the Board for the classification and consumer advice for additional film content such as ‘making-of’ documentaries, out-takes and commentaries/interviews with the director or actors.

The application is submitted by the applicant via the Classification Portal, with all details registered in the CRM. The Branch activity includes checking that the application is valid, receipting and accounting for fees paid, receiving the media and viewing the assessment made by the assessor.

Classification applications that are accompanied by an assessment attract a lower, flat fee which applies regardless of the length of the film. The lower fee reflects potential savings in the Board’s time in relation to the viewing of additional content.

The Director of the Board determines the procedure for these applications in accordance with section 56 of the Act. Depending on the assessment of the recommended classification, the content may be scheduled for viewing by the Board. A decision report is produced which is ratified by a senior Board member and a classification certificate is provided to the applicant. The classification information is published on the NCD.

Classification of computer games

This activity involves the processing of an application for the classification of a computer game. The application is submitted by the applicant via the Classification Portal, with all details registered in the CRM. The Branch activity includes checking that the application is valid, receipting and accounting for fees paid and checking the media.

The cost of classifying a computer game is directly linked to the level of information provided by the applicant to the Board.

Computer Game Level 1 applications are rarely submitted and involve the Board playing the computer game. Computer Game Level 2 applications have a lower fee than Computer Games Level 1 because they do not require the Board to play the game, and instead the applicant provides a recording that demonstrates typical gameplay, including any part of the computer game that is likely to contain contentious material.

Applications can also be submitted by a trained and authorised assessor who provides a recommendation for a classification and consumer advice to the Board. The Branch activity includes checking that the application is valid, receipting and accounting for fees paid and checking the media. Depending on the assessment of the recommended classification, the content may be scheduled for viewing by the Board. Classification applications that are accompanied by an assessment attract a lower, flat fee which reflects potential savings in the Board's time in relation to the viewing of material.

The Director of the Board determines the procedure for applications for computer games in accordance with section 56 of the Act, including the number of Board members allocated to undertake the classification. A report is produced which is ratified by a senior Board member and a classification certificate is provided to the applicant. The classification information is published on the NCD.

Classification of publications

This activity involves the processing of an application for the classification of a publication. The application is submitted by the applicant via the Classification Portal, with all details registered in the CRM. The Branch activity includes checking that the application is valid, receipting and accounting for fees paid and checking the media.

The fee structure to classify a publication is based on the number of pages in the publication. The actual viewing time for each fee is based on the median number of pages within a defined range. For example, the fee for Publications 0–76 pages is based on a historical median² length of 44 pages. This data has been obtained from the CRM.

Serial declarations involve the processing of an application for a publication to be given a serial classification under section 13(3) of the Act. The Board may declare that a classification granted for an original issue of a periodical may apply for all future issues, a specified number of future issues, or all future issues within a specified timeframe. The serial classification fee includes the cost of an audit to ensure that the applicant has met the conditions of the serial declaration.

The Director of the Board determines the procedure for applications for publications in accordance with section 56 of the Act, including the number of Board members allocated to undertake the classification. A decision report is produced which is ratified by a senior Board member and a classification certificate is provided to the applicant. The Branch makes arrangements to return any physical material to the applicant or have it destroyed. The classification information is published on the National Classification Database (NCD).

Assessment of likely classification of a film or a game for advertising purposes

This activity involves the processing of an application for an assessment of the likely classification of a film or computer game, for advertising purposes.

The application is submitted by the applicant via the Classification Portal, with all details registered in the CRM. The Branch activity includes checking that the application is valid, receipting and accounting for fees paid, checking the media and viewing the material.

The Director of the Board determines the procedure for these applications in accordance with section 56 of the Act, including the number of Board members allocated to undertake the classification. A report is produced which is ratified by a senior Board member and a notification of the assessment of the likely classification is provided to the applicant. The classification information is published on the NCD.

The Authorised Advertising Assessor (AAA) scheme also provides an avenue for the classification of advertising material, allowing trained and authorised assessors to assess the likely classification of unclassified films or computer games. There is no requirement to submit these assessments for consideration by the Board and there is no prescribed fee for this activity.

² "Historical median" refers to the median (i.e., the middle value) from a historical dataset, in this instance, the number of pages of the publication submitted for a classification review.

Withdrawal of applications

An applicant can request to withdraw an application after submitting it to the Board. The fee for withdrawing the application is dependent upon the stage of the workflow at which the application is withdrawn. The two points for identifying the level of activity already undertaken in the processing of an application are:

- **stage one**, while the classification application is being processed by the Department and prior to the application being provided to the Board (generally up to 5 days after application lodgement for non-priority fee applications); and
- **stage two**, when the application is with the Board but prior to a decision being made (generally more than 5 days after application lodgement for non-priority fee applications).

The purpose of charging for cancellation of applications is to deter frivolous applications and to limit the number of applications cancelled after work has already commenced. The fees recover costs incurred in the classification process up until cancellation.

Similar fees exist for cancellation of priority applications to the Board and applications to the Review Board for review of a classification decision and represent the maximum amount of the original classification fee paid that may not be refunded upon cancellation.

Review of Board Decisions

The Review Board is an independent statutory body of part-time members. Section 74(2) of the Act requires that members of the Review Board are to be broadly representative of the Australian community.

Generally, Review Board members meet in person to consider an application for a review of a decision made by the Board.

If an original applicant disagrees with a decision made by the Board, they may apply for a review of the decision. The Minister, on his or her own behalf or at the request of a participating State or Territory Minister, can also apply for a review, as can a 'person aggrieved' by the decision.

This activity involves the processing of an application for a review of a classification, organising an appropriate time for the Review Board to convene to consider the matter, organising travel and accommodation for interstate Review Board members (if required) and checking the media. The Review Board makes a new decision after viewing the material.

The Convenor of the Review Board determines the procedure for applications in accordance with sections 77 and 78 of the Act, including nominating at least three Review Board members to undertake a review. A report is prepared and a classification certificate is produced and provided to the applicant. The report, and the classification information, is published on the NCD.

The cost of a review is partially recovered from industry reflecting Government policy on providing access to justice. The fee for a review of a classification is \$10,000 compared to the current full cost of \$17,836. The fee has been set at a level that deters potentially vexatious applications that may compromise the review process or cause delays that may affect the marketing and release of the material, resulting in financial hardship to the original applicant.

Section 87 Evidentiary Certificates

A person may apply under section 87 of the Act for a certificate regarding action taken, or not taken, under the Act, namely whether material has or has not been classified. Section 87 certificates are predominantly used by Commonwealth, State and Territory law enforcement agencies. The cost of these applications for law enforcement is budget funded up to a certain number of applications per jurisdiction.

The activity includes processing an application for a Section 87 Evidentiary Certificate to ensure that it is a valid application, registering the application in the CRM and may include receiving and viewing media.

An evidentiary certificate is provided to the applicant and the Branch makes arrangements to return any physical material to the applicant or have it destroyed.

The Director of the Board determines the procedure for applications for evidentiary certificates in accordance with section 56 of the Act.

Copies of certificates

This activity involves the processing of an application for a copy of a classification certificate. Copies of certificates may be requested due to loss or misplacement of the original certificate.

A certificate is supplied to the applicant via email. The procedures for this activity are determined by the Director of the Board in accordance with section 56 of the Act.

Title change application

This activity involves the processing of an application for a certificate for a title change of a previously classified film, computer game or publication.

This is an administrative process that involves checking the resubmitted product against the classification records to ascertain that it is the identical product. The application is submitted by the applicant via the Classification Portal, with all details registered in the CRM. The Branch activity involves receipt and registration of the application. Once the Branch has verified that the resubmitted product is identical to the original product, a new decision is created in the CRM, replicating the classification rating and consumer advice of the original decision. A record of this decision is generated and then ratified in accordance with the Board procedures.

A certificate is produced and supplied to the applicant via email. The Branch makes arrangements to return any physical material to the applicant or have it destroyed. The procedures for this activity are determined by the Director of the Board in accordance with section 56 of the Act.

Priority Processing

This service is accessed by applicants who require a faster turnaround time than the 20-business day statutory timeframe for the making of a classification decision that is prescribed in section 87A of the Act.

The provision of a priority service costs more than the standard service due to the potential requirement to schedule temporary Board members to complete the work within the shorter timeframe.

2.2. New Regulatory Activities (currently not charged)

As the NCS has been modernised, several operational and financial impacts have emerged. These changes have significantly altered the cost structure of modern service delivery. The evolution of NCS regulation has already undergone Stage 1 reforms to improve efficiencies and to expand options for self-classification by industry. The second stage of classification reform is currently underway as part of a broader effort to modernise the NCS. The public consultation for Stage 2 reforms occurred in May 2024, and a formal approach to Government outlining areas of proposed regulatory reform is anticipated in the first half of 2026. Stage 2 reforms are expected to be more comprehensive and are anticipated to result in a review of the broader regulatory framework. They have the potential to re-shape NCS regulation holistically to be fit-for-purpose and have long term sustainability.

While efficiencies have been gained through automation and digitisation, other areas have seen increased resource demands as a result of Stage 1 reforms. Current cost recovery arrangements were developed prior to the emergence of industry self-classification and no longer accurately reflect the actual cost of undertaking classification activities or the equitable distribution of those costs across different user groups. A comprehensive review of funding arrangements for the NCS is required to ensure the scheme remains fair, transparent, financially sustainable, and consistent with policy decisions of the Australian Government.

This review will incorporate recommendations that any changes to the regulatory structure and regulatory activities will flow through to related charging mechanisms (i.e. fee-for-service and/or a cost recovery levy). Charges will also be aligned with the government's decision on the extent of partial cost recovery. As noted previously, in the recent stakeholder engagement process, industry bodies have presented a strong preference for settling the regulatory framework prior to introducing or changing any fees or charges.

Introduction of industry self-classification

Legislative reforms in 2014 to allow classification tools, and the subsequent approval of four tools, has enabled industry to classify films and computer games without applying to the Board.

Along with the introduction of accredited classifiers and the ability to use broadcaster classification decisions in March 2024, the volume of applications for the classification of films and computer games submitted to the Board has significantly decreased. The strong industry uptake of these classification options has led to an accelerated change, in a relatively short period of time, in the proportion of classification decisions made by industry.

Quality assurance of industry decisions

In parallel with an increase in industry self-classification, the role of the Board has evolved from being the primary decision-maker in classifying content, to setting the standards for classification that are reflected in industry training and classification tool logic rules, as well as undertaking significant monitoring and quality assurance activity of industry decisions.

The increase in industry self-classification decisions has also placed a stronger emphasis on stakeholder engagement and training, with the Branch and Board providing increased levels of support and advice to industry participants.

The quality assurance of industry decisions will need to be taken into consideration in the broader charging review which determines what activities may or may not be charged for, and to what extent.

Transition to digital services

When the current fees were established in 2011, the majority of media was supplied in physical format and classification applications were processed via paper-based files.

The shift to digital service delivery has seen a move away from manual handling of media and applications, with:

- persons applying to the Board and the Review Board via the Classification Portal
- persons providing content for classification in digital formats
- persons applying to the Department to be accredited and submitting decisions via the Classification Portal, and
- tool owners submitting decisions via an Application Programming Interface to be published on the NCD.

This has required substantial investment in IT systems, cybersecurity, and user interface design. These systems require ongoing maintenance, updates, and technical support to remain secure, accessible and responsive to user needs. These activities are resource intensive and have not always been directly linked to fee paying services.

2.3. Non-cost recovered Activities

In addition, the costs associated with certain non-regulatory activities undertaken by the Branch and/or the Board are not recovered or only partially recovered through fees. These activities are principally services provided for government, community and industry, such as:

- policy development and ministerial support
- classification of publications, films and computer games for enforcement purposes
- exemptions for unclassified films for cultural events
- classification services for which payment of all or part of the fees is waived such as public interest cases, and
- processing of permission to import/export applications.

3. POLICY AND STATUTORY AUTHORITY TO CHARGE (COST RECOVER)

3.1. Government policy approval to charge for this regulatory activity

In the 2006-07 Budget context, the Australian Government committed \$12.5 million over five years to the then Office of Film and Literature Classification (OFLC) to fund the regulation of films, computer games and publications and to address the increased workload arising from new digital technologies, such as digital versatile discs (DVDs) and computer games. The budget decision announced that this appropriation would be offset by the implementation of new OFLC fee arrangements. The Government also provided \$5 million over four years to the OFLC to continue activities that were not cost recovered. This funding was intended to support the provision of policy advice and public education programmes. Government also committed that 'Classification services for film festivals and other public interest cases will also continue to be provided without a fee'³. These budget decisions signify the original intent to partially cost recover some of the regulatory activities associated with classification.

The previous 2018 CRIS for classification services⁴, foreshadowed a comprehensive review of the classification function with a view to establishing more cost-effective service delivery arrangements which will modernise the NCS and that an outcome of this review will be the development of an appropriate charging framework.

In 2024, the Australian Government implemented Stage 1 reforms to update the NCS. The changes were intended to reduce unnecessary regulation and reduce costs by allowing industry to self-classify films and computer games using accredited classifiers. The Board has an important role in oversight of industry decisions, with the legislation empowering the Board to revoke and replace an industry decision under certain circumstances. Other reforms allow classification decisions for broadcast content to be used for non-broadcast formats and expanded exemptions from classification for certain low-risk content.

The second stage of reforms will be more comprehensive in scope, aiming to ensure that the NCS is fit for purpose in a modern media environment and the current classification criteria are responsive to evolving community standards, expectations and evidence.

The intent is that as the reforms progress and a regulatory position is solidified, the Department will utilise the 2026 Infrastructure, Transport, Regional Development, Communications, Sport and the Arts PCR, as a vehicle to bring cost recovery arrangements for a revised NCS regulatory framework forward and, if necessary, propose refreshed policy authority (including the extent of partial cost recovery of NCS regulatory activities) for consideration by the Australian Government.

3.2. Statutory authority to charge

The Act establishes the Board and the Review Board as independent statutory bodies. Under the Act, the Board makes a classification decision upon receipt of a valid application. An application must be accompanied by the prescribed fee. If an application is made to the Review Board, it reviews the Board's classification decision and generates a new classification decision.

The Act provides the primary source of legislative authority to charge a fee for certain NCS regulatory activities. The Act covers what material is to be classified; the establishment of the Board and the Review Board and their powers; classification tools; exemptions, modifications, and advertising; markings for the

³ *Australian Government, 2006-07 Budget Paper No.2 – Budget Measures 2006-07, p.124.*

⁴ 2018 CRIS for classification services: <https://www.classification.gov.au/sites/default/files/2019-08/cost-recovery-implementation-statement-classification-fees.pdf>

display of classification information; authorised assessor schemes; accredited classifiers; festivals and events; and deeming classifications.

There is also a range of legislative instruments that support the Act, which detail fees, rules and procedures for regulatory activities. These instruments include:

- *Classification (Publications, Films and Computer Games) Regulations 2005*
- *Classification (Advertising of Unclassified Films and Computer Games) Determination 2009*
- *Classification (Publications, Films and Computer Games) (Markings and Consumer Advice) Determination 2014*
- *Classification (Publications, Films and Computer Games) (Modifications of Films) Instrument 2015*
- *Classification (Publications, Films and Computer Games) (Modifications of Computer Games) Instrument 2015*
- *Classification (Publications, Films and Computer Games) (Conditional Cultural Exemption Rules) Instrument 2015*
- *Classification (Approved Classification Tools) (Application for Revocation of Classification) Determination 2015*
- *Classification (Accredited Persons) (Application for Revocation of Classification) Determination 2024*
- *Classification (Publications, Films and Computer Games) (Consumer Advice Terms) Determination 2024*

Intergovernmental Agreement

The NCS is a co-operative scheme between the Commonwealth and the States and Territories created by the Intergovernmental Agreement on Censorship 1995 (IGA) and the Act⁵.

With limited exceptions, every film, computer game and certain publications must be classified before being legally distributed in Australia. Material must be classified in accordance with the National Classification Code (the Code) and classification guidelines.

The Minister for Communications (the Minister) and participating State and Territory ministers need to approve certain changes to the NCS, including amendments to the Code and classification guidelines.

Under the NCS, State and Territory classification enforcement legislation⁶:

- prohibits the sale or hire of unclassified material; and
- restricts the sale, hire and advertising of certain classified material.

4. CHARGING (COST RECOVERY) MODEL

4.1. Outputs and business processes of the activity

Currently, there are 30 core activities recognised within the cost model for classification activity. Each activity delivers distinct outputs and each output is a result of distinct key tasks. Within the cost model, the activity catalogue reflects the key activities, outputs and tasks designed to meet the NCS's policy and regulatory requirements. Techniques such as process modelling and workflow analysis have been used to identify and refine these processes.

⁵ <https://www.legislation.gov.au/C2004A04863/asmade/text>

⁶ This link provides access to the relevant State and Territory Legislation relating to the enforcement of the NCS - <https://www.classification.gov.au/about-us/legislation>

Each activity has been categorised into their key regulatory function. These functions are defined either by the product to be classified (films, computer games or publications), or by the classification workflow to be adopted (classification by the Board or by an industry method). Every individual output involves a set of key tasks, which represent the business processes responsible for producing that output. For example, the business processes involved in the assessment of a *'Film Other Application'* Activity includes the following key tasks/business processes:

- receiving an application - process payment
- checking the accuracy of information in the application - receiving and checking media, and correspondence with applicants
- assessing the application - validating and scheduling application
- Board views content, drafting decision report and finalise the decision
- Close application - notifying the applicant of the decision.

The Department notes that many of the effort and volume assumptions in the cost model have been made during a transitional period of regulatory and process change. It is the Department's intent to carefully monitor and validate these assumptions so that any adjustments can feed into the forthcoming review of charging arrangements.

4.2. Costs of the regulatory activity

The classification cost model for the NCS was constructed using a bottom-up approach to ensure transparency and alignment with the AGCF. Direct costs, such as Board and Branch time for making classification decisions and quality assurance, were allocated to specific outputs including film and computer game classifications, tool approvals, and quality assurance processes. Indirect costs, including corporate overheads, shared services and IT system maintenance, were apportioned using proxies such as time spent or volume of applications processed.

Cost drivers include, but are not limited to, the number of classification applications, the volume of industry decisions checked by the Board, and the frequency of updates needed to classification tools. Assumptions about output quantities were based on historical demand and projected growth in digital content, enabling calculation of unit costs per classification type, total annual costs per output, and overall activity costs. Some resources, such as departmental IT systems, system upgrades and training platforms, are shared with other government functions and have been apportioned accordingly. Outsourced services, like IT development and maintenance, are costed based on contractual terms.

Table 1 provides a breakdown of the Key Activities into Direct and Indirect Costs for the Branch and Board, for the current budget year (2025-26). The outputs have been grouped under activities - for more detail on the tasks grouped under each activity, refer to [Attachment A: Costs by Activity and Outputs 2025-26](#).

Table 1: Branch and Board Activities Costs for 2025-26

Costs by Activity for 2025-26				
Ref	Activity	Total Direct Costs (\$)	Total Indirect Costs (\$)	Total Program Costs (\$)
01	Film Other (FO)	109,901	22,240	132,141
02	Authorised Assessor ⁸	-	-	-
03	Public Exhibition (PE)	572,895	94,148	667,043
04	Advertising approval	5,724	1,083	6,807
05	Computer Game	68,398	14,061	82,459
06	Publication (Pub)	5,078	1,096	6,174
07	Other fees	2,446	737	3,183
08	Priority processing	2,213	748	2,961
09	Applications requiring further action	1,350	362	1,712
10	Review Board application	32,619	3,053	35,672
11	Section 87 Evidentiary Certificate	8,191	2,324	10,515
12	Fee waiver	15,515	3,331	18,846
13	Business enabling activities	3,636,888	599,346	4,236,234
14	Board check of accredited classifier decision - No Notice of Possible Revocation issued	30,484	6,181	36,665
15	Board check of accredited classifier decision - Notice of Possible Revocation issued	52,842	10,385	63,227
16	Board check of film tool decision	181,032	39,398	220,430
17	Board delegate check of IARC tool decisions	84,612	23,300	107,912
18	IARC tool certificate requests	30,154	6,620	36,774
19	Training enrolment	2,118	877	2,995
20	Application for accreditation	20,433	3,955	24,388
21	Requests for accredited classifier to complete further training - no further training required	8,485	1,831	10,316
22	Requests for accredited classifier to complete further training - further training required AND accredited classifier completes requested further training	9,442	2,086	11,528
23	Requests for accredited classifier to complete further training - further training required BUT accredited classifier does not complete requested further training within specified time	2,108	444	2,552
24	Update approved training for accredited classifiers	9,162	1,621	10,783
25	Tool logic rules update	12,557	2,534	15,091
26	Enforcement - FO	7,019	1,439	8,458
27	Enforcement - Pub	30,817	6,759	37,576
28	Board check of IARC tool decisions	55,111	11,738	66,849
29	Accredited classifier accreditation revoked for other reasons under section 22P(2) of the Classification Act	1,443	312	1,755
30	Refresh accredited classifier and authorised assessor training/updates to consumer advice determination	42,675	8,918	51,593
	Total	5,041,712	870,927	5,912,639

⁷ Direct and Indirect Costs has been rounded to the nearest whole dollar (\$)

⁸ At the time of publishing this CRIS, the Department has not estimated any applications for Authorised Assessors for 2025-26.

4.3. Design of the regulatory charge

Current Fee Structure

The fee schedule was established in 2011 and is based on a fee-for-service model. The fee structure for applying for classification is based primarily on the format in which the content to be classified will be distributed. The fee structure includes further differentiation based on duration for films and the number of pages for publications. The fee structure for applying to classify a computer game is dependent on whether gameplay footage is supplied with the application.

The Classification Regulations currently do not prescribe fees for some classification-related activities, including those related to the Stage 1 reforms, for example, activities which support industry self-classification such as training and accreditation. Similarly, no fees relating to conditional cultural exemptions have been prescribed under the *Classification (Publications, Films and Computer Games) (Conditional Cultural Exemption Rules) Instrument 2015*.

The NCS is in the midst of a period of reform and change in response to significant shifts in the classification environment. It is considered prudent by the Department, supported by feedback from industry engagement in 2025, that ongoing reform of the NCS regulatory framework be settled and agreed with States and Territories, before a revised charging position is established. As part of this process, the Department will seek the Australian Government's agreement to the new regulatory framework, including its view on partial cost recovery arrangements.

It is acknowledged that there is a potential risk to industry associated with keeping regulatory fees static for 2025-26. An overview of the cost-recovery position based on the new cost model was shared with stakeholders in June 2025, with explicit reference to the fact that the current cost recovery arrangement may lead to under-recovery in some areas and over-recovery in others, creating inequities and inefficiencies. In response, there was strong support from industry to have fees remain unchanged until the impact of Stage 1 reforms are fully realised and Stage 2 reforms have been progressed.

Table 2 reflects those designated classification formats, the unit cost, the current fee and the potential revenue that will be generated based on the volumes currently being processed.

Table 2: Current Fee Structure, Estimated Volume and Revenue for 2025-26

Outputs - Current Fee Structure ⁹	Unit Cost ¹⁰	2025 Volume Estimate ¹¹	Total Cost	2025-26 Fee	2025-26 Potential Revenue
Publications		4	\$6,174		\$2,230
Standard 0-76 pages	\$1,154	0	\$0	\$420	\$0
Standard 77-152 pages	\$1,283	3	\$3,850	\$480	\$1,440
Standard 153-252 pages	\$1,869	0	\$0	\$560	\$0
Standard 253-500 pages	\$2,324	1	\$2,324	\$790	\$790
Standard 501-800 pages	\$4,099	0	\$0	\$1,230	\$0
Standard >800 Pages	\$4,099	0	\$0	\$1,860	\$0
Films - Public Exhibition		409	\$667,043		\$1,018,520
Film PE 0 - 60 mins	\$1,032	5	\$5,162	\$1,180	\$5,900
Film PE 61-120 mins	\$1,509	186	\$280,627	\$2,180	\$405,480
Film PE 121-180 mins	\$1,735	211	\$366,106	\$2,760	\$582,360
Film PE 181-240 mins	\$2,164	7	\$15,148	\$3,540	\$24,780

⁹ This Table only includes those outputs that have legislated fees.

¹⁰ Unit costs have been rounded to the nearest whole dollar.

¹¹ Where a volume estimate is zero, no revenue is expected to be generated for this output.

Outputs - Current Fee Structure ⁹	Unit Cost ¹⁰	2025 Volume Estimate ¹¹	Total Cost	2025-26 Fee	2025-26 Potential Revenue
Film PE >240 mins	\$2,386	0	\$0	\$6,540	\$0
Films - Other		219	\$132,141		\$139,830
0-60 mins	\$314	146	\$45,892	\$550	\$80,300
61-120 mins	\$1,045	57	\$59,548	\$730	\$41,610
121-180 mins	\$1,325	8	\$10,597	\$900	\$7,200
181-240 mins	\$1,877	0	\$0	\$1,090	\$0
241-300 mins	\$1,937	7	\$13,560	\$1,290	\$9,030
301-400 mins	\$2,545	1	\$2,545	\$1,690	\$1,690
401-500 mins	\$3,281	0	\$0	\$2,010	\$0
501-600 mins	\$3,892	0	\$0	\$2,530	\$0
ACA Scheme		0	\$0		\$0
ACA - Certified	\$139	0	\$0	\$480	\$0
ACA - Non-Certified	\$154	0	\$0	\$230	\$0
Advertising		22	\$6,807		\$12,980
Assessment of likely classification of a film or a game for advertising purposes	\$309	22	\$6,807	\$590	\$12,980
Computer Games		121	\$82,459		\$107,690
Computer game - level 1	\$1,040	0	\$0	\$1,210	\$0
Computer game - level 2	\$681	121	\$82,459	\$890	\$107,690
Section 87 evidentiary certificates		40	\$10,515		\$56,400
Certification of verification	\$263	40	\$10,515	\$1,410	\$56,400
Priority processing		144	\$2,961		\$60,480
Film - Other & Computer Games	\$21	144	\$2,961	\$420	\$60,480
Other		88	\$3,183		\$16,190
Copy of Classification Certificate or Copy of S26 Notice of Decision	\$21	12	\$246	\$50	\$600
Withdrawal of application - Cancellation Stage 1	\$14	38	\$521	\$180	\$6,840
Withdrawal of application - Cancellation Stage 2	\$115	9	\$1,038	\$360	\$3,240
Title Change - Film - Other	\$48	29	\$1,378	\$190	\$5,510
Review of a classification		2	\$35,672		\$20,000
Review of a classification	\$17,836	2	\$35,672	\$10,000	\$20,000
Total			\$946,955		\$1,434,320

5. RISK ASSESSMENT

The Department has undertaken a Charging Risk Assessment (CRA) with the risk level identified as **Medium**, which has been shared with the Department of Finance.

Eight of the nine implementation risks were considered low risk. The implementation risk considered as medium was in relation to the consultation that has occurred with payers and other stakeholders about proposed charges (i.e. issues raised, but can be addressed).

The NCS reforms and their implications have also been considered in this CRA and it is the Department's view that an ongoing commitment to engaging with industry and stakeholders generally will mitigate any emerging risks.

Attachment B provides the full CRA.

6. STAKEHOLDER ENGAGEMENT

Between 2023 and 2025, the Australian Government undertook a series of interconnected industry consultations about modernising the NCS. Together, these consultations represent a coordinated effort to ensure the classification framework remains effective, efficient, and aligned with the contemporary media landscapes, stakeholder needs and Australian Government policy requirements.

The Stage 1 reforms in 2024 introduced foundational changes such as expanding industry self-classification and exemptions for low-risk content. Building on this, consultation on the Stage 2 reforms in 2024 sought broader input on the NCS's scope, governance, and alignment with community standards, reflecting a commitment to long-term structural reform.

In accordance with the AGCF, in June 2025 the Department commenced a public stakeholder engagement process as part of preparing an updated CRIS.

An engagement paper, *Cost Recovery Implementation Statement for Classification Services*¹², was published on the Department's website. It sought to inform stakeholders of the current regulatory and financial position and the need for revised cost recovery arrangements for classification activities. This engagement was designed to be inclusive, transparent, and responsive to the diverse needs of industry participants across sectors.

Feedback was invited from a broad and representative group of stakeholders with written submissions received from¹³:

- **Film and Television:** Motion Picture Distributors Association of Australia (MPDAA), Australian Independent Distributors Association (AIDA), Australia New Zealand Screen Association (ANZSA), Australian Home Entertainment Distributors Association (AHEDA), independent filmmakers.
- **Publications:** Books Create Australia, comprising the Australian Library and Information Association; the Australian Publishers Association; the Australian Society of Authors and BookPeople.
- **Computer Games:** Interactive Games and Entertainment Association (IGEA), U&I Entertainment Ltd.
- **Streaming/Self-Classifiers:** HBO Max (Warner Bros.).
- **Government and Regulatory Bodies:** Director of the Board.
- **Private Individuals:** Including individuals with industry experience.

Submissions received in relation to the CRIS stakeholder engagement provided considered and constructive feedback across several key areas:

Timing of fee changes:

¹² <https://www.infrastructure.gov.au/have-your-say/cost-recovery-implementation-statement-classification-services>

¹³ The submissions are published on the Classification website, except for those where a request was made not to have the submission published.

Industry peak bodies recognised the ongoing regulatory reform and that their members are still in the process of adjusting to the implications of the Stage 1 reforms for their business. They expressed a preference that any change to fees and charging are addressed as part of the outcomes of the Stage 2 reforms.

Fee Structure and Equity:

Strong support was expressed for tiered or activity-based fee models that reflect the scale and nature of content. Concerns were raised about the disproportionate impact of flat fees on small publishers, independent filmmakers and niche content providers. Several stakeholders proposed waiving fees for self-classified content and reducing fees for classification reviews where the Board decision is replaced.

Business and Market Impact:

Stakeholders highlighted the fragility of key sectors. The film industry continues to recover from COVID-19 disruptions, while the publishing sector faces declining profitability and rising costs. The computer games industry expressed concern that fee increases could reduce market participation and consumer access.

Monitoring and Oversight:

A range of views was expressed on the role of the Board in monitoring self-classification. While some supported risk-based oversight and penalties for non-compliance, others cautioned against duplicative processes that could undermine the efficiencies gained through reform.

Transparency and Cost Modelling:

There was some support for aligning cost recovery with actual service delivery and a desire to see operational efficiencies being explored further. Stakeholders called for clear disclosure of cost drivers and requested CRA and Policy Impact Assessments prior to implementing revised fees.

Other sector-specific considerations:

Publications: Lack of self-classification options, regulatory overlaps, and concerns about the impact of fees on literary diversity.

Streaming Services: Support for reasonable fees for training and support, with caution against penalising new entrants based on launch volumes.

Computer Games: Emphasis on international competitiveness and affordability for developers and publishers.

The Department is committed to continuing to engage actively with stakeholders throughout all stages of the regulatory reform process. Ongoing consultation is anticipated during the identification and progressing of Stage 2 reforms, including further engagement around the revised cost-recovery approach that is expected to result from this process.

7. FINANCIAL PERFORMANCE

7.1. Financial Outcomes and Financial Estimates

The estimated costs and revenue associated with the delivery of classification activities have been examined over the forward estimates period. These estimates are based on projected activity volumes, staffing requirements, and operational needs as they are currently understood, considering the impact of recent reforms on business activities.

Table 3 summarises estimated costs and revenue under the current cost recovery arrangement for 2025-26 and the forward estimates.

Direct costs will remain relatively stable across the outyears, with the main cost drivers being salary increases, and CPI increases of 2.5 per cent for supplier costs. Indirect costs also remain steady with incremental increases largely due to estimated increases in workers compensation premiums, human resources support costs, desktop ICT costs, property operating costs and staff training costs increasing by 3 per cent of salary each year.

At the time of drafting this 2025-26 CRIS, the revenue estimates remain static from 2025-26 into the forward estimates. However, changes to the NCS regulatory framework stemming from the Stage 2 reforms will likely have an impact on these forward estimates. Pending agreement of the revised NCS regulatory framework by the Australian Government, a revised CRIS will be drafted for consultation with industry, prior to implementing any new regulatory and fee structures.

Based on current program assumptions, the cost recovery rate over the budget and forward years estimates will remain static at approximately 28 per cent of total program costs. Following a period of validation of the assumptions around new processes which are included in the cost model, the Department may revise effort/volume estimates, therefore leading to an adjustment of the costs and recovery rate for forward years.

Table 3: Financial estimates for the current Budget and Forward years

Cost & Revenue Summary (using current fees)	Budget Year	Forward Years Financial Estimates			
	2025-26	2026-27	2027-28	2028-29	2029-30
Direct Costs	\$5,041,712	\$4,684,862	\$4,838,101	\$4,996,413	\$5,159,922
Indirect Costs	\$870,927	\$893,584	\$916,847	\$940,743	\$965,250
Total Program Costs	\$5,912,639	\$5,578,446	\$5,754,948	\$5,937,156	\$6,125,172
Fees for Service	\$1,434,320	\$1,434,320	\$1,434,320	\$1,434,320	\$1,434,320
Reimbursements	\$220,430	\$227,611	\$235,031	\$242,695	\$250,611
Program Revenue	\$1,654,750	\$1,661,931	\$1,669,351	\$1,677,015	\$1,684,931
Variance (\$)	-\$4,257,889	-\$3,916,515	-\$4,085,597	-\$4,260,141	-\$4,440,241
Cost Recovery Rate (%)	28%	30%	29%	28%	28%

7.2. Financial Outcomes

Table 4 includes the actual historical (2022-23 to 2024-25) costs and revenue of undertaking classification activities. This table does not reflect any new fees or charges for services.

The forward estimates reflect that the Department's recovery rate has reduced from 53% in 2022-23 to approximately 28%, based on the current fee structure.

Table 4: Historical Data and Current Budget 2025-26

Cost & Revenue Summary (using current fees)	Historical Financial Actuals			Budget Year
	2022-23	2023-24	2024-25	2025-26
Direct Costs	\$5,191,000	\$5,956,000	\$5,926,000	\$5,041,712
Indirect Costs	\$880,834	\$991,246	\$927,623	\$870,927
Total Program Costs	\$6,071,834	\$6,947,246	\$6,853,623	\$5,912,639
Fees for Service	\$2,915,910	\$2,315,375	\$1,336,410	\$1,434,320
Reimbursements	\$304,000	\$307,000	\$275,000	\$220,430
Program Revenue	\$3,219,910	\$2,622,375	\$1,611,410	\$1,654,750
Variance (\$)	-\$2,851,924	-\$4,324,871	-\$5,242,213	-\$4,257,889
Cost Recovery Rate (%)	53%	38%	24%	28%

Historical costs have fluctuated between 2022-23 and 2025-26, with the key cost drivers being associated with salaries and supplier costs. Indirect costs have mirrored the same fluctuations as for direct costs and again, are predominantly driven by staff-related indirect cost items.

Revenue for the program has significantly dropped and this is reflective of the introduction of four Australian Government approved self-classification tools:

- the IARC Global Rating Tool (computer games) in 2014
- the Netflix Classification Tool (films) in 2016
- the Spherex Classification Tool (films) in 2022, and
- the Amazon Classification Tool (films) in 2024.

In addition, in March 2024, the Stage 1 reforms meant that trained and accredited individuals (accredited classifiers) can classify films and computer games rather than applying to the Board, significantly reducing time and costs for industry participants.

The net effect of an increase in decisions made by industry, using classification tools or accredited classifiers, is that the cost recovery rate dropped from 53 % to 28 % over a 24-month period.

8. NON-FINANCIAL PERFORMANCE

An assessment of the volume of different application types supports the Branch’s ongoing management of key operational workflows. Table 5 provides a breakdown of actual historical volumes and estimated volumes going forward.

Table 5: Volume Demands of Key Activities (Actuals and Forecasted Estimates)

Activity Description	Volume Category	2021-22	2022-23	2023-24	2024-25	2025-26 CRIS	2026-27	2027-28	2028-29	2029-30
Public Exhibition	Actuals	480	566	545	413					
	Estimated					409	409	409	409	409
Film Other	Actuals	1461	1072	931	224					
	Estimated					219	219	219	219	219
Computer Game	Actuals	298	310	223	125					
	Estimated					121	121	121	121	121
Publications	Actuals	0	1	3	13					
	Estimated					4	4	4	4	4
Authorised Assessor	Actuals	94	80	76	0					
	Estimated					0	0	0	0	0
Advertising Approval	Actuals	3	6	8	23					
	Estimated					21	21	21	21	21
Enforcement - Film Other	Actuals	2	19	8	0					
	Estimated					4	4	4	4	4
Enforcement - Publication	Actuals	0	30	20	1					
	Estimated					14	14	14	14	14
Title Change	Actuals	25	25	17	16					
	Estimated					29	29	29	29	29
Film Tool check decision by Board	Actuals	43	79	94	100					
	Estimated					208	208	208	208	208
Total		2406	2188	1925	916	1030	1030	1030	1030	1030

No estimated volumes were available for the period of 2021-22 to 2024-25. From 2025-26 onwards, the Branch will collect both actual and estimated data for comparison purposes. The Branch will use this data to refine volume forecasting for regulatory fee items. It is noted that during this period of reform, the regulatory structure may change resulting in adjustments to the way that actual volumes and estimates are recorded.

Table 5 also shows no increase in volume beyond 2025-26. This is a deliberate approach pending how the NCS regulatory framework might change in the coming years. Once the NCS regulatory framework is settled, the Branch will review volume assumptions and make any appropriate adjustments for forward years.

The Branch is acutely aware that activity volume estimates drive the calculation of the minimum efficient cost per output and therefore the price for a regulatory activity under the AGCF. During this period of regulatory review, the Branch will engage industry and key stakeholders to garner their views on non-financial performance indicators.

The publishing of classification decisions is a core regulatory function of the NCS. It supports transparency, public trust, and informed media consumption by ensuring Australians can access accurate classification information for content they view, read, or play.

In the Department's Annual Report 2023–24¹⁴, the Department reported that it met its performance target, with 97% of decisions published on the NCD based on a sample of 860 out of 393,279 total decisions. The NCD, accessed via classification.gov.au, is hosted on the Government Content Manager System (GovCMS) and managed by the Department of Finance. While a small proportion of decisions were not published (3%), the Department has robust procedures in place to investigate and resolve system-related issues. These include collaboration with the Department of Finance and classification tool owners, and ongoing engagement with GovCMS to improve data validation and system reliability.

This performance measure supports the non-financial objectives of the NCS by:

- **Demonstrating service delivery quality:** High publication rates reflect the Department's commitment to maintaining a reliable and accessible classification system.
- **Supporting transparency and accountability:** The NCD serves as a public record of classification decisions, reinforcing the integrity of the Scheme.
- **Justifying cost recovery:** The infrastructure and processes required to maintain the NCD, including the Department's CRM and GovCMS, represent essential operational costs that underpin the rationale for cost recovery.
- **Driving continuous improvement:** The Department is actively pursuing system enhancements and quality assurance measures to maintain performance and reduce publication gaps.

A further non-financial performance measure for the NCS is the adherence to statutory deadlines for the making of classification decisions. These are defined in the legislation as 20 days for standard applications and 5 days for priority applications.

Instances of failure to meet the statutory timeframes are extremely rare. For example, the Board's annual report for 2022-23 reports four classification certificates that were delayed, being issued in the 24-hour period that followed the statutory timeframe. This was noted as being due to processing anomalies during transition to a new CRM. No instances of failure to comply with the statutory timeframes have been recorded in subsequent annual reports.

¹⁴ <https://www.infrastructure.gov.au/sites/default/files/documents/2023-24-annual-report-for-the-australian-government-department-of-infrastructure-transport-regional-development-communications-and-arts.pdf>

9. KEY FORWARD DATES AND EVENTS

As discussed through this CRIS, regulatory reform is ongoing. Table 6 details estimated forward dates for several milestones:

Table 6: Key Forward Events and Dates

Key Event	Description	Estimated Timeline
Publish 2025-26 CRIS	Publish the 2025-26 CRIS; ongoing consideration of Stage 2 reforms.	Oct-Dec 2025
Cost Model validation	Validate revised cost model parameters; capture and review effort data	Oct 2025 – Mar 2026
Progressing Stage 2 reforms	Submit proposed changes to the NCS to Government, including seeking authority to review the charging and cost recovery arrangements for classification	Mid-2026
Infrastructure PCR	Include key charging outcomes (fees and/or levies) in the scheduled 2026 PCR	2026

10. CRIS APPROVAL AND CHANGE REGISTER

The following Table provides an outline of the key approval processes:

Table 7: CRIS Approval and Change Register

Date of change	CRIS change	Approver	Basis for change
18/12/2025	Draft NCS CRIS approved for Minister’s consideration	Secretary	Updated Draft CRIS for Minister’s approval for release
14/04/2026	Approval for the CRIS release	Minister for Communications and Sport	Updated NCS CRIS agreed and approved for release

Attachment A: Costs by Activity and Outputs 2025-26

Activity	Ref	Output	Total Direct Costs (\$)	Total Indirect Costs (\$)	Total Program Costs (\$)
Film Other (FO)	01.01	FO setup	7,849	2,656	10,505
	01.02	FO-0-60 mins	31,998	4,889	36,887
	01.03	FO-61-120 mins	46,574	9,458	56,032
	01.04	FO-121-180 mins	8,367	1,737	10,104
	01.05	FO-181-240 mins	0	0	0
	01.06	FO-241-300 mins	10,827	2,301	13,128
	01.07	FO-301-400 mins	2,043	440	2,483
	01.08	FO-401-500 mins	0	0	0
	01.09	FO-501-600 mins	0	0	0
	01.10	FO close	2,243	759	3,002
Authorised Assessor	02.01	Additional Content Assessor (ACA) - Certified	0	0	0
	02.02	Authorised Assessor Computer Games (AACG) - Certified	0	0	0
Public Exhibition (PE)	03.01	PE setup	30,875	9,959	40,834
	03.02	PE-0-60 mins	4,083	448	4,531
	03.03	PE-61-120 mins	224,307	32,849	257,156
	03.04	PE-121-180 mins	293,486	45,994	339,480
	03.05	PE-181-240 mins	12,190	2,075	14,265
	03.06	PE>240 mins	0	0	0
	03.07	PE close	7,954	2,823	10,777
Advertising approval	04.01	Assessment of likely classification - Advertising Approval Film	5,463	1,035	6,498
	04.02	Assessment of likely classification - Advertising Approval Game	261	48	309
Computer Game	05.01	CG-Level 1	0	0	0
	05.02	CG-Level 2	68,398	14,061	82,459
	05.03	Computer Game (CG) - demonstrated application	0	0	0
Publication (Pub)	06.01	Publication setup	280	110	390

OFFICIAL

Activity	Ref	Output	Total Direct Costs (\$)	Total Indirect Costs (\$)	Total Program Costs (\$)
	06.02	Pub-0-76 pg	0	0	0
	06.03	Pub-77-152 pg	2,930	586	3,516
	06.04	Pub-153-252 pg	0	0	0
	06.05	Pub-253-500 pg	1,827	386	2,213
	06.06	Pub-501-800 pg	0	0	0
	06.07	Pub>800 pg	0	0	0
	06.08	Publication close	41	14	55
Other Fees	07.01	OF-Title Change	1,072	306	1,378
	07.02	OF-Copy of Classification Certificate	184	62	246
	07.03	OF-Withdrawal of Application-Cancellation Stg 1	389	132	521
	07.04	OF-Withdrawal of Application-Cancellation Stg 2	801	237	1,038
Priority Processing	08.01	Priority Processing (PP) requested upon submission	2,213	748	2,961
Applications requiring further action	09.01	Further action required for applications	1,350	362	1,712
Review Board application	10.01	Review of Decision	32,619	3,053	35,672
S87 Evidentiary Certificate	11.01	S87-Certificate of Verification	8,191	2,324	10,515
Fee Waiver	12.01	Fee Waiver	15,515	3,331	18,846
Business Enabling Activities	13.01	Senate Estimates, Question on notice (QONs) and Back pocket briefs	81,305	8,189	89,494
	13.02	Media correspondence	14,924	1,350	16,274
	13.03	Freedom of Information Requests - receive via contact form	11,646	1,005	12,651
	13.04	Freedom of Information Requests - receive via FOI team	13,667	1,309	14,976
	13.05	Amazon Classification Tool administration (film tool)	24,799	5,404	30,203
	13.06	Spherex Classification Tool administration (film tool)	24,527	5,359	29,886
	13.07	Netflix Classification Tool administration (film tool)	24,527	5,359	29,886
	13.08	Game tool (IARC) administration	34,376	7,609	41,985
	13.09	Projects and procurement	78,391	19,076	97,467
	13.10	Office Coordination and Audit of Assets	15,398	5,003	20,401

OFFICIAL

Activity	Ref	Output	Total Direct Costs (\$)	Total Indirect Costs (\$)	Total Program Costs (\$)
	13.11	Board Secretariat Support	7,915	993	8,908
	13.12	Correspondence / complaints (industry/public)	108,525	25,513	134,038
	13.13	Request for Legal Advice	17,637	3,381	21,018
	13.14	Australian Border Force (ABF) Training	1,877	471	2,348
	13.15	Board workshops/standards review	7,009	1,337	8,346
	13.16	Board meetings	30,140	5,865	36,005
	13.17	Accredited classifier light checks	35,251	7,296	42,547
	13.18	Tool light checks	134,222	29,433	163,655
	13.19	Administration of accredited classifier program	297,873	68,073	365,946
	13.20	Contributing to Government and Stakeholders consultation processes	27,819	3,591	31,410
	13.21	Business process improvement	29,788	4,702	34,490
	13.22	Ministerial Correspondence	9,112	970	10,082
	13.23	Stakeholder engagement	72,252	10,393	82,645
	13.24	Governance and compliance	30,198	5,113	35,311
	13.25	Information sharing	34,770	4,754	39,524
	13.26	Wellbeing	86,151	14,352	100,503
	13.27	Policy development	66,048	9,985	76,033
	13.28	Website updates	10,489	889	11,378
	13.29	Board programming	53,150	8,890	62,040
	13.30	Maintain fit-for-purpose Classification IT systems	426,010	32,825	458,835
	13.31	Report on film tools (bi-annual report)	1,666	388	2,054
	13.32	Report on film tools or AC program (quarterly/bi-annual report)	2,499	583	3,082
	13.33	Annual report for Board and Review Board	91,902	18,550	110,452
	13.34	Application for exemption or declaration (6H)	5,285	1,056	6,341
	13.35	Permission to Import/export application	333	73	406

OFFICIAL

Activity	Ref	Output	Total Direct Costs (\$)	Total Indirect Costs (\$)	Total Program Costs (\$)
	13.36	Permission to Import/export check (from Enforcement)	2,754	751	3,505
	13.37	Freedom of Information - Board report requests	17,595	442	18,037
	13.38	Policy	736,236	59,402	795,638
	13.39	State and Territory Engagement	133,482	17,734	151,216
	13.40	Appointments	184,647	45,060	229,707
	13.41	Parliamentary Processes	11,100	2,468	13,568
	13.42	Coordination	72,478	14,659	87,137
	13.43	Governance	152,723	36,096	188,819
	13.44	Reporting	39,447	8,813	48,260
	13.45	New tool development	105,785	22,300	128,085
	13.46	Tool governance	6,355	1,387	7,742
	13.47	Trend analysis	8,975	1,182	10,157
	13.48	Annual CRIS review	6,235	1,208	7,443
	13.49	Report on film tools or AC program (quarterly/bi-annual report)	925	120	1,045
	13.50	Board Support Officer	144,570	34,752	179,322
	13.51	Executive Assistant	102,100	33,833	135,933
Board check of accredited classifier decision - no Notice of Possible Revocation issued	14.01	Outcome of check: classification remains in effect	30,484	6,181	36,665
Board check of accredited classifier decision - Notice of Possible Revocation issued	15.01	Board revokes accredited classifier decision and replaces with Board decision	52,842	10,385	63,227
Board check of film tool decision	16.01	Board finalises check of film tool decision	181,032	39,398	220,430
Board delegate check of IARC Tool decisions	17.01	Board delegate finalises check of IARC Tool decision	76,247	21,165	97,412
	17.02	Board delegate game testing of IARC Tool decisions	8,365	2,135	10,500

OFFICIAL

Activity	Ref	Output	Total Direct Costs (\$)	Total Indirect Costs (\$)	Total Program Costs (\$)
IARC Tool certificate requests	18.01	IARC Tool certificate	30,154	6,620	36,774
Training Enrolment	19.01	Training - Accredited classifiers (AC) and Authorised Assessors (AA)	2,118	877	2,995
Application for accreditation	20.01	Accreditation or non-accreditation of applicant	20,433	3,955	24,388
Requests for accredited classifier to complete further training - no further training required	21.01	Delegate notes an accredited classifier has had 2 or more revocation in the previous 12 months, but does not require further training currently	8,485	1,831	10,316
Requests for accredited classifier to complete further training - further training required AND accredited classifier completes requested further training	22.01	Accredited classifier requested to complete further training to maintain their accreditation	9,442	2,086	11,528
Requests for accredited classifier to complete further training - further training required BUT accredited classifier does not complete requested further training within specified time	23.01	Accredited classifier's accreditation is revoked	2,108	444	2,552
Update approved training for accredited classifiers	24.01	New approved training for accredited classifiers	9,162	1,621	10,783
Tool logic rules update	25.01	Updated tool logic rules	12,557	2,534	15,091
Enforcement - Film Other	26.01	Film other setup	164	55	219
	26.02	Enforcement - FO-0-60 mins	6,814	1,370	8,184
	26.03	Enforcement - FO-61-120 mins	0	0	0
	26.04	Enforcement - FO-121-180 mins	0	0	0
	26.05	Enforcement - FO-181-240 mins	0	0	0
	26.06	Enforcement - FO-241-300 mins	0	0	0
	26.07	Enforcement - FO-301-400 mins	0	0	0
	26.08	Enforcement - FO-401-500 mins	0	0	0
	26.09	Enforcement - FO-501-600 mins	0	0	0
	26.10	Film other close	41	14	55

OFFICIAL

Activity	Ref	Output	Total Direct Costs (\$)	Total Indirect Costs (\$)	Total Program Costs (\$)
Enforcement - Publication	27.01	Publication setup	1,050	408	1,458
	27.02	Enforcement - Pub-0-76 pg	10,903	2,277	13,180
	27.03	Enforcement - Pub-77-152 pg	9,229	1,972	11,201
	27.04	Enforcement - Pub-153-252 pg	9,492	2,054	11,546
	27.05	Enforcement - Pub-253-500 pg	0	0	0
	27.06	Enforcement - Pub-501-800 pg	0	0	0
	27.07	Enforcement - Pub>800 pg	0	0	0
	27.08	Publication close	143	48	191
Board check of IARC Tool decisions	28.01	Board finalises check of IARC Tool decision	55,111	11,738	66,849
AC accreditation revoked for other reasons under s22P (2) of the Classification Act	29.01	Revocation of accredited classifier accreditation	1,443	312	1,755
Refresh accredited classifier and authorised assessor training/updates to consumer advice determination	30.01	Refreshed training modules/new consumer advice determination	42,675	8,918	51,593
Total			5,041,712	870,927	5,912,639

Attachment B: National Classification Scheme Charging Risk Assessment



Australian Government
Department of Finance

Australian Government Charging Framework Charging Risk Assessment (CRA) – Existing Charging Activity

Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts - Classification Regulatory Activities

This template is to be used for assessing existing charging activity risk. For new charging activity, use the CRA – New Charging Activity template. This template is to be used in conjunction with the [RMG-302 Implementing the Charging Framework](#) and Risk Assessment Information Sheet.

Implementation risks	Low	Medium	High
1. What is the expected percentage change in total annual revenue after the proposed changes?	<input checked="" type="checkbox"/> 0 to 10%	<input type="checkbox"/> 11 to 20%	<input type="checkbox"/> >20%
2. What is the expected change in total annual revenue after the proposed changes?	<input checked="" type="checkbox"/> 0 to \$10m	<input type="checkbox"/> \$11m to \$20m	<input type="checkbox"/> \$20m+
3. What is the highest percentage increase in price a payer ¹ may experience?	<input checked="" type="checkbox"/> 0 to 5%	<input type="checkbox"/> 6 to 10%	<input type="checkbox"/> >10%
4. What type of charges are changing?	<input checked="" type="checkbox"/> Fees only	<input type="checkbox"/> Levies only or fees and levies	<input type="checkbox"/> Fees, levies and other charges ¹
5. What does the revised proposal involve?	<input checked="" type="checkbox"/> Change in the level of existing regulatory charges only	<input type="checkbox"/> Change in the structure of existing regulatory charges and/or composition of payees	<input type="checkbox"/> Commencing charging for an existing activity (or some of its components)
6. Does the revision require legislative changes? <ul style="list-style-type: none"> Primary legislation (enabling Act or taxation Act) Subordinate legislation (Regulations, Determinations) 	<input checked="" type="checkbox"/> Existing legislative mechanisms are in place and only requires a change to subordinate legislation to specify the \$ value of fees and/ or charges	<input type="checkbox"/> Requires a change to existing legislative mechanism/s	<input type="checkbox"/> Requires a new primary legislative mechanism or new subordinate legislative mechanism
7. What will the impact on payers ¹¹ be? Have you considered: <ul style="list-style-type: none"> The number of people affected The nature of who will be charged (individuals, S/M/L business) 	<input checked="" type="checkbox"/> Low	<input type="checkbox"/> Medium	<input type="checkbox"/> High / Unknown
8. Does the proposal involve working with other Commonwealth, State/Territory and/or local government entities?	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Other Commonwealth entities only	<input type="checkbox"/> Commonwealth, State/Territory and/or local government entities
9. What consultation has occurred with payers and other stakeholders about the proposed charges?	<input type="checkbox"/> Consulted - no significant issues raised Indexation/admin changes previously consulted on.	<input checked="" type="checkbox"/> Consulted – issues raised but can be addressed	<input type="checkbox"/> Not consulted or consulted and significant issues raised but ongoing sensitivities
Overall CRA rating:	<input type="checkbox"/> LOW (all “Low”)	<input checked="" type="checkbox"/> MEDIUM	<input type="checkbox"/> HIGH (three or more “High”)

OFFICIAL

Supporting analysis & risk mitigation strategy: It is the Department's view that an ongoing commitment to engaging with industry and stakeholders generally will mitigate any emerging risks.			
Entity sign-off:	Date:	Finance comment:	Date:

† Other charges defined as a charge outside of the fee and levy category (for example, general taxation, resource or commercial charge).
‡ Payer defined as "a person or organisation that gives someone money that is due for work done, goods received, or a debt incurred."