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NATIONAL PRESS CLUB ADDRESS PAUL FLETCHER 06 OCTOBER 2021

LAURA TINGLE: Good afternoon, welcome to the National Press Club Westpac address. I'm the Club's President, Laura Tingle. Because of continuing lockdowns in Canberra, Melbourne and Sydney, I'm well coming you from the ABC studios in Canberra. And our guest today, Paul Fletcher, is speaking to us from an ABC studio in Sydney. Mr Fletcher is the Federal Minister for Communications, Urban Infrastructure, Cities and the Arts, and he has written a new book, *Governing in the Internet Age*, about some of the policy challenges that lie ahead. Paul Fletcher, welcome to the virtual National Press Club.

PAUL FLETCHER: Well, thank you, Laura. And it's a pleasure to speak, once again, at the National Press Club, albeit in the rather unusual circumstances dictated by COVID.

When I was asked to write a short book for Monash University publishings in the National Interest series, I decided I wanted to say something about governing in the internet age. Twenty-five years ago, as the internet was starting to transform from an academic and research tool, into a mass market consumer phenomenon, I was an advisor to then Minister for Communications, Richard Alston. At that time the standard residential internet service was 56 kilobits per second. Today a typical NBN service is about 1000 times as fast.

In that role, subsequently as an executive at Optus, in the work I did as a backbench MP, and today as Minister for Communications, I've been lucky to have a ringside seat to consider these issues. So, I decided to use this mini book to take a slightly more reflective look at what the internet means for Governments, and the task of governing.

I argue, in the book, that the internet's remarkable growth after it arrived in the 90s caught Governments by surprise. But almost 30 years on, Governments have a clearer idea of how to deploy the internet's capacities to the benefit of citizens, and how to regulate for the risks and dangers it can bring. Of course, there remains much work to do, both in Australia

and around the world. But I would argue that our progress on these issues in Australia compares pretty well globally, with a good example being the news media bargaining code legislated earlier this year, as I'll touch on a bit later.

I want to start though by sketching out the set of changes which has brought us the internet, and some implications of those changes. Next, I'll look at some case studies of the internet and public policy. And last, I'll suggest some principles for governing in the internet age.

But, first, what exactly has the internet changed? Multiple technological breakthroughs underpin the internet coming into widespread use. Amongst the most important were the development of packet switching in the 60s. In the 80s, Tim Burners-Lee coming up with a way to connect multiple computers in the World Wide Web. And the Netscape browser in the 90s that meant the web could be used without needing to learn complicated computer code. This came at the same time as the rise of personal computing. The IBM PC came on the market in 1981, its operating system developed by a young programming genius called Bill Gates. And over the next decade personal computers became faster and smaller. Soon laptop computers were small enough to carry into meetings. Then modems came along, meaning you could take your computer with you and still remain connected to your office network.

Over the same period deregulation, privatisation and competition came to telecommunications in many countries including Australia, where historically there had been a Government-owned monopoly telephone company. This meant it was not just technically possible to send data between computers spread around the world, thanks to sharp price drops and new services from the telcos, it was economically possible for companies, and even individuals, to do so. The numbers show just how sharply the internet has grown. Here in Australia in 1996 there were 287,000 households connected to the internet, by 2000 it was 2.3 million, by 2016 it was 88 per cent of the population.

One other development stands out - the arrive ideal of the mobile phone, and subsequently the smartphone. Thirty years ago mobile phones were an expensive luxury few could afford. There was roughly one mobile phone per 100 Australians. Today, mobile phones are ubiquitous, and the technology they embody has advanced relentlessly over that 30 years. Text messaging took off in 1999 when cross platform SMS came along, and before long it markedly changed social behaviour. 3G launched early this century, now your phone connected you directly to the exploding universe of information and opportunity on the internet. Then 2007 brought us the iPhone. Apple took existing technologies, including 3G, and combined them into a well-designed, user-friendly package. Before too long most

people were carrying a device that, amongst other things, let them take photos and videos and send them instantaneously to all the people they knew and many they did not. I'll come back to some of the implications of this.

In governing in the Internet age I argue, uncontroversially I think, that the combined effect of these changes has been a substantial net economic and social positive - allowing people to connect, work and imagine in new ways. For example, the internet has been a boon to consumers, bringing extraordinary choice and competition to sector after sector. Price comparison sites make it much easier to avoid being ripped off, and this has transformed transactions from the trivial to the life defining. Remember how time consuming it once was to compare interest rates when seeking a home loan. Not too long ago Australian consumers had little alternative to buying from local merchants. Today you can choose from sellers all around the world, and for products and services that can be both purchased and consumed online - music, books, movies, financial services - the benefits are inestimable. Has there ever been an incomparable time in human history to be a music lover, or book lover, or music aficionado?

For all the benefits it brings to its users new and old, the internet also brings new risks. Governments have a duty to keep their citizens safe, and this has meant there is more work for us to do in managing online harms - whether it is addressing the problem of trolls, spewing racism and hatred, or working to protect citizens from online scams.

A country's Government sets the law for all those wanting to do business within its jurisdiction, but today an internet-based business can sell goods and services in very large numbers all around the world. It's not straightforward for a national Government to assert its sovereignty and legal power over a global internet company that may have no assets - no physical assets - in that country and no employees there.

So I want to turn now to some case studies of how the internet has created new challenges in public policy, and how Governments are responding. Let me start with an area where Government has long been an active player - the regulation of content. Whether it's the text of books or newspapers, or what is broadcast on radio and television, Governments have always imposed limits. Defamation law stops you from undue public criticism of others. Material that is extremely violent or sexually explicit is prevented from being broadcast. If you print a work without the agreement of the rights holder, you breach copyright and can be sued. There are laws restricting content that instructs people on how to make a chemical weapon or nuclear bomb, or that reveals secrets that could endanger national security.

But enforcing such laws is now much more complicated in an online world where just about anybody can make a statement, or release an image that can potentially reach billions of people. There's no better example than the significant social problem of so-called revenge porn, although image-based abuse is a much better term, not least because it removes the entirely unjustified implication that the victim may have done something to deserve this gross violation of her privacy. I say, her, because the evidence suggests that it's overwhelmingly women and girls who are the victims, extraordinarily almost one quarter of Australian women and girls who are the victims. Extraordinarily, almost one quarter of Australian women aged between 18 and 24 have had a nude or sexual image of them posted online without their consent. Even 20 years ago this just could not have happened. but today almost all of us carry a device that can take high resolution photos and videos. That device is connected to the internet, meaning an image can be uploaded and viewed instantly by a virtually unlimited audience. And finally, these technological developments have coincided with changing social behaviours, so that is now common for those in sexual relationships to exchange intimate photographs. Of course, this change in behaviour is also a consequence of the technology. In a world where your nude selfie would be seen by the local chemist when you picked up your photos from being developed, unsurprisingly, people in the main did not take or share such photos.

The implications of the internet for content regulation have been profound, traditionally Governments were dealing with a small number of organisations that were well resourced, incentivised to behave lawfully and operating, in the main, within the borders of one country, essentially media organisations. Today, by contrast, content can be posted to the internet by anybody, anywhere. It's visible to potentially billions of people. And unlike traditional media organisations, online media platforms do not commission, curate or check the content of their platforms, at least not in any remotely satisfactory way. Image-based abuse is just one of numerous problems that have resulted.

Just in the past week, Facebook has been hauled before a US congressional committee examining the implications of its business model for user safety. Here in Australia, while we face very much the same challenges, our regulatory framework on these issues is significantly more developed than in the US. In 2015, our Liberal-National Government legislated to establish an office, then called the Children's eSafety Commissioner, and gave it statutory powers to deal with damaging online content targeted at an Australian child. So far, nearly 3400 Australian children have been assisted by the scheme. In 2017 we expanded the office to support all Australians, it's now the eSafety Commissioner and gave it new powers. In 2018, we added laws dealing with the unauthorised sharing of intimate images and since then, about 6700 complains of image-based abuse have been addressed.

We consistently hear that what most victims want, whether they faced image-based abuse, cyber bullying or other harms, is for the harmful material to be removed from the internet as quickly as possible so their humiliation can end. We are responding to this feedback with our new online safety act which passed the Parliament earlier this year after extensive consultation. It will strengthen the existing measures, for example, by reducing to 24 hours the time period within which an online platform must act on a takedown notice from the eSafety Commissioner. It will also add a new world-leading power for eSafety to issue a takedown notice directed at serious online abuse of an adult. These are very important public safety measures and particularly important for women's safety as, sadly, women are more likely than men to whether the victims of all kinds of abuse online.

I want to thank the Labor Party for joining with us to support these important measures and express my astonishment that the Greens Party actively opposed this law that amongst other things is designed to make the internet a safer place for Australian women.

I want to turn next to the profound issues the internet raises when it comes to competition policy. Economic activity over the internet has evolved into a market structure where in sector after sector, there are a small number of extremely large globally dominant businesses that enjoy apparently ever-increasing returns to scale that make it impossible - appear to make it impossible for competitors to grow in relative size.

Consider the dominance of Facebook and Google, they capture an enormous share of global digital advertising and the revenue it brings. Their dominance in Australia is highlighted in the recently released report of the ACCC inquiry into ad tech. In the Australian market, Facebook and Google compete with Australian media businesses such as News Corp, 9 Entertainment, Seven West and Australian Community Media. Yet the content which Facebook and Google use to attract to their platforms and which they very successfully monetise with advertising revenue, comes from many places including those very media businesses with which they compete. Whether Facebook and Google should pay for that content and on what terms is a very important competition policy question and in turn of great importance for the sustainability and diversity of the Australian media sector.

The Australian Government began working on these issues in 2018 when the ACCC started its inquiry into the digital platforms at the direction of then Treasurer Scott Morrison. But most Australians really only became aware of how high the stakes were when on 18 February this year, we woke to discover that the Facebook pages of many Australian organisations were off the air. *The Sydney Morning Herald*, Nine News, the ABC, *The Australian* had all been shut down. So too had the Facebook pages of fire, police,

ambulance and other vital services and of many small, online enterprises with no connection to traditional media businesses, including North Shore Mums, a thriving online business in my northern Sydney electorate of Bradfield.

Australians were shocked to learn that this had been done by Facebook itself as a tactic designed to dissuade the Morrison Government from introducing our proposed news media bargaining code. The tactic didn't work. Within days and following intensive negotiations between Treasurer Josh Frydenberg and Facebook CEO Mark Zuckerberg, Facebook restored the pages. The legislation passed the Senate and since then, Google has entered into commercial agreements with 14 news organisations and Facebook with 11.

The code is working as intended and the payments received by these news organisations will contribute to sustaining public interest journalism in Australia. The list of businesses disrupted by internet-based competitors is very long. From Kodak to Encyclopaedia Britannica, to newspaper classified ads, to the impact of Uber on taxis and Airbnb on hotels and TripAdvisor on travel agents and Amazon on bookstores and department stores. What is also remarkable is the successive waves of innovation and disruption. Encyclopaedias were early casualties but the devastating impact of ride share models on taxis came later once smartphones were widely owned. Streaming video on demand or SVOD came later again. It depended on the widespread availability of fixed broadband connections that could support high resolution video. Australians have taken up SVOD services from providers like Amazon, Disney Plus, Netflix and Stan enthusiastically and of course, the pandemic has super charged the category.

As recently as 2014, just one per cent of Australians subscribed to a streaming service. Today, according to Deloitte's latest media consumer survey, four out of five Australian households have at least one paid digital entertainment subscription and most have more than two. Seventy per cent of Australians now subscribe to at least one SVOD service. This is yet another example of a rapid internet driven transformation that raises important policy questions. What does it mean for fair competition if two sets of businesses, traditional free-to-air and paid television on the one hand and the streaming video on demand businesses on the other compete for eyeballs and revenue from Australian viewers but one set has onerous regulatory obligations to produce Australian content and the other does not? What does it mean for our cultural policy objectives of Australian audiences being able to see Australian content on their screens? What does it mean for the Australian screen production sector? And as the streaming sector demands ever more content to show to global audiences, how can we make sure Australian producers are getting their fair share in this market?

As a first step, last year, I requested Australia's four largest SVODs to provide regular reports to Government on their investment in Australian content. Based on the first reports received we now know that Amazon Prime, Disney, Netflix and Stan between them spent over \$150 million on Australian programs in 2019-20. But more intervention may be required. The green paper on media policy, which the Government released last year, proposed a formal Australian content spend requirement on the global streaming services. Right now, we're examining the responses to this proposal that we've received through our consultation processes.

I've argued that the growth of the internet has meant major changes for public policy and pointed to several areas where the Morrison Government is responding. But of course, the impact of the internet is extremely broad across almost every aspect of the work of Government. In my little book, I therefore list some principles which I think can guide Governments in the internet age. In this last part of my speech, I want briefly to run through them.

The first principle for Government is to use the internet to serve your citizens better. The private sector has shown the way. Frankly, for a period, Government was lagging well behind the banks, the travel industry, and many other sectors in using the internet to deliver a more convenient user experience. But through agencies at the state level, like Service New South Wales and at the federal level, like Services Australia, that is now changing. Why make people queue? Why require paper documents? Can people have their licence or evidence of being vaccinated on their smartphone? What other services could be delivered over a smartphone? How can citizens efficiently publish their identity digitally? How much time would this save in opening a bank account, or getting on the electoral roll or getting a passport? This is fruitful territory and ministers like Stuart Robert at the Commonwealth level and Victor Dominello in the New South Wales Government are passionate about using technology to serve citizens better. Consider for example the process of applying for and receiving Government benefits during COVID. Over 90 per cent of those claims are being made online via myGov, and in some cases the first payment has been made to bank accounts within hours. None of this would have been possible in a pre-internet world.

A second principle is that the internet brings greater transparency, visibility and scrutiny to Government as it does to every other institution in our society. Sometimes the tendency can be to resist scrutiny. The better response I argue is using the internet to make all kind of information from on time running data for public transport to the population numbers of endangered species to dashboards that track the progress in government spending programs accessible to citizens. Again, the pandemic has seen many examples of this, such

as the daily reporting of vaccine numbers on the Commonwealth health department website.

In my view, a third principle is that the internet simply reinforces the existing imperative for a country like Australia to foster an open, globally-competitive economy. Of course, as Paul Kelly has argued, this has been the settlement governing Australian political and economic affairs since the 1980s. But when ordinary people can routinely order goods and services online from all around the world, it makes the notion of an open economy vastly more real and tangible for most of us.

My fourth principle is about regulating online activity. Some argue the internet cannot be regulated and governments should not try. I disagree. Our government strongly believes that the rule of law needs to apply to human interactions in the digital town square just as it does in the physical town square. In my little book, I cite some of the arguments regularly heard from the digital giants in resisting regulation proposed by the Australian Government. Your country will become a technological back water, we are told. Our business model does not impose any control of the material posted on our site, we are told. I accept that governments need to think carefully about how to design regulation in this new world but that does not mean governments cannot or should not regulate.

Which brings me to the final principle, in many ways underpinning all of the others. Governments should not give up their sovereignty. Yes, the digital behemoths will make all kinds of claims and threats when you impose the other laws that apply to other businesses in your jurisdiction upon them. But ultimately as our experience with the news media bargaining code and a number of other areas has shown, the global digital giants will accept the rule of law if they are doing business in Australia.

I conclude by noting that my remarks today are intended to summarise the arguments in my mini book about governing in the internet age. This is necessarily an exercise in trying to identify some longer term trends as distinct from the issues of the day. But it's no coincidence that I have instanced several examples drawn from our current policy agenda, from online safety to competition regulation in digital media and digital advertising, to cultural and economic policy situations triggered by streaming video on demand services. And there are many other areas across multiple portfolios that there has not been time to touch on. I could have spoken about cybersecurity and cybercrime, industry policy to boost our tech sector, online privacy, the consumer data right, rolling out the NBN and 5G networks, block chain and currency, digital health and much more besides. Simply listing some of the issues makes the point across the entire work of government responding

to and taking advantage of the capacities of the internet, is a very big part of what we're doing.

At least some of this work responds to dangers and threats. That is inevitable given the responsibilities of government. But I believe strongly that the positives of the internet and technological change greatly exceed the negatives. I would argue that our enthusiastic take-up of technology in Australia - we are a nation of early adopters - suggests that most Australians have a similar view. As I say in the book, my conclusion is an optimistic one. I believe we can manage and identify the risks posed by the internet and at the same time governments should have a focus on how to take advantage of all the internet can do to deliver better lives for citizens. That's a big part of the work of every government and it's certainly a focus for the Morrison Government.

LAURA TINGLE: Thank you so much, Minister. If I could take you up on the couple of the points you have made about e-safety, the new legislation to take down bad content, but also that question of sovereignty and dealing with Google and Facebook. In the last couple of days, we have seen a whistle-blower from Facebook emerge and she has had a couple of disturbing things to say. One of them is that the company knows its systems leads teenagers to anorexia-related content and that it intentionally targets teenagers and children under 13. And more broadly that Facebook has changed its algorithm seemingly on purpose to make the news feed platform more polarising and divisive. That has got to be bad for democracy, hasn't it? And what powers has a government got to deal with those sorts of issues?

PAUL FLETCHER: I think what we've seen over the past few days in the statements from the Facebook whistle-blower in the US congressional hearing and in the associated media coverage is a reminder of the significance of these issues. And I have to say, without commenting on the detailed allegations, it is not greatly surprising to me, given that with just about every change that we have sought to make in our time in government, there has been resistance from the tech giants. That is true of the news media bargaining code, it's true of our online safety legislation, it's true of the change we made a few years ago to remove the exemption from GST for transactions conducted online under a certain threshold - I think it was \$1000. There was strong resistance from Amazon to that.

So, these are significant and important issues. Our eSafety Commissioner, Julie Inman Grant, has been an advocate for some time of what she calls safety by design. She makes the point that the big tech companies have the capacity to identify these issues and to use their technology to respond. And indeed, I think this week's whistle-blower has made similar comments. And Julie Inman Grant also makes the point there is an interesting

analogy with the global automotive sector. When cars are designed, safety is built into the design, be it air bags or protection in doors or seatbelts, and a whole range of ways. Safety is built in from the ground up, and that reflects regulatory expectations that have been in place for many decades. Julie's call for safety by design is in many ways saying to the tech sector you need to be doing what we expect of other major industry sectors. Your products, yes, are very important, they are very popular; over 17 million Australians use Facebook every month according to the ACCC's digital platforms inquiry. But safety must be a consideration. And I argue in the book that we are seeing a maturing of expectations in that area, and this implied special treatment that the internet industry has successfully got away with for some time, I think that's no longer acceptable to the community. Certainly not acceptable to the Morrison Government.

LAURA TINGLE: But can you actually envisage in a legal sense a sovereign government having the power to influence an algorithm used by one of these companies on a global scale?

PAUL FLETCHER: It's a point that goes to the issue that these giant platforms are genuinely global businesses, operating in 100 or more countries. At the same time, the sovereign government of a country like Australia or any other country must retain the right to legislate to deliver safety outcomes for its citizens. Now again, the analogy with the automotive industry is an instructive one, because the majority of cars are made by a small number of global businesses. What we do in Australia in relation to automotive safety, is that we assert the right to set our own safety standards under the Road Vehicle Standards Act, but in many cases we adopt global standards, because that delivers benefits to Australian consumers amongst other things. If a car doesn't have to be redesigned for this market, then it means that the cars are likely to be less expensive when they come here. So these issues of balancing up our expectations of safety and issues of uniformity in global approach, I think in many ways there is a good analogy between regulation of the automotive sector and in the online sector. Now, Australia has been a world leader in our approach to online safety. I am not saying by any means we have solved all the problems; far from it. There is a substantial agenda of work to do. And indeed, since passing the Online Safety Act, we now have a lot of detailed work to do in terms of developing codes. There is also what's called the basic online safety expectations. But my point is, ultimately, a sovereign government must assert the right to impose legal requirements to protect the safety of citizens. And if you're bringing a service to Australia, whether it is in the internet field or anywhere else, you need to comply with the laws of the land.

LAURA TINGLE: The next question is from Jonathon Keersly.

QUESTION: Thanks, Laura, and thanks, Minister. Minister Fletcher, you've make a public interest immunity claim in the Parliament in relation to spreadsheets relating to the commuter car parks fund. This is some of what your Department has released under Freedom of Information relating to that same program. Can I ask you, why in the lead-up to an election, and as a Minister who has declared press freedom is a bedrock principle for a government, do you think the public does not have the right to see documents related to how the Government orchestrated hundreds of millions of dollars in this commuter car parks scandal?

PAUL FLETCHER: Well, there are well-established rules and principles governing the material which is disclosed under Freedom of Information or in relation to requests from the Senate or through other processes. And so I've simply applied the same principles in what I've said about that particular material. So there is nothing particularly unusual in that.

LAURA TINGLE: It might not be particularly unusual, Minister, but isn't there a- nonetheless, it's a huge amount of money. People are entitled to know how the process was gone about, that it was distributed.

PAUL FLETCHER: Well, the process that we went through, as I've explained on many occasions publicly, is that the minister of the day made decisions. The minister of the day has authority under the National Land Transport Act. That is the way that infrastructure funding works. And so the minister of the day made decisions clearly within authority. And as a consequence, we're getting on with delivering infrastructure projects around Australia, including commuter car parks in our major cities so that people are able to move around our big cities and deal with congestion. And that's what people expect governments to do.

LAURA TINGLE: The next question is from Anna Henderson.

QUESTION: Thanks, Minister. Anna Henderson from SBS World News. Firstly, I just wanted to ask whether or not you'd make the same type of decisions or endorse the same type of decisions as the spending on the commuter car parks grants scheme? And secondly, as a Cabinet Minister, I just wanted to hear your view on whether you welcome Tony Abbott heading to Taiwan and what you hope he will achieve from his visit?

PAUL FLETCHER: On the second issue, let me say that Tony Abbott, of course, is a former prime minister, is a person of very substantial standing. And he's visiting as a private citizen of course, but doing so against the backdrop of his deep understanding of national security issues. He had responsibility for these matters while he was Prime

Minister. He chaired the National Security Committee of Cabinet. So I certainly consider that if somebody of Tony Abbott's stature is in Taiwan and engaging with the Government of Taiwan, you know, I certainly don't see any issue with that. On the contrary, I see that as a constructive contribution that he is making. In relation to your- sorry, your other question was, Anna?

LAURA TINGLE: Sorry, we just lost Anna. It was on car parks.

QUESTION: So would you make the same decisions again? Do you think that those decisions would, in the next election campaign environment, be appropriate?

PAUL FLETCHER: My focus as Minister for Urban Infrastructure is on implementing the election commitments we've made. We made a range of election commitments at the last election to deal with the problem of congestion. We know that in Melbourne for example, some 38 per cent of the population does not live within one kilometre of public transport. We also know that commuter car parks had been committed to by the State Government under their program in a range of areas to the north and the west of Melbourne, but they had not made any commitments on the south and east of Melbourne. So the minister at the time, Alan Tudge, made the decisions he did based on the policy need and our commitment to reduce congestion. We're very focused on delivering the wide range of projects we're committed to under the urban congestion fund. And, of course our broader range of projects under the \$110 billion 10-year infrastructure pipeline we have. And so, there's a lot going on in the infrastructure space. If there are more announcements and more projects, then we'll announce them in due course.

LAURA TINGLE: Next question is from Matthew Doran.

QUESTION: Minister, thank you for your speech and your address today. I want to draw your attention, and I'm no doubt you are aware of it, to CNN's decision last week to block Australian users from accessing its Facebook pages because of the concern that the organisation had about liability arising from the recent High Court decision which was related to Dylan Voller's defamation action against a few media organisation, effectively saying that Australian media organisations could be liable for defamatory comments on their Facebook pages made by members of the public. First of all, do you think that CNN is the canary in the coal mine here, that other organisations, particularly international organisations which don't have to rely on Australian traffic as much to get clicks and eyeballs on the content, will follow that? And secondly, what you think of the broader- or well, what do you think are the broader ramifications from that High Court decision on how media use social media for their- to put their stories out there?

PAUL FLETCHER: The High Court decision in Voller concerns Facebook pages operated by several media businesses, including, I think, Nine Entertainment Ltd and a couple of others. And the question essentially was, whether comments made by people on Facebook in response to stories posted by, for example Nine, to its Facebook page, whether those comments were defamatory, and in particular if they were found to be – and in fact, that decision hasn't yet been made, this was a kind of separate issue that was referred up to the High Court. But if they were found to be defamatory, the question then is if I, Paul Fletcher, had gone onto Nine Entertainment's Facebook page and made a comment, which is judged to be defamatory, is Nine Entertainment liable for it? Or in the example you've given, if I commented on CNN's Facebook page, would CNN be liable? Now what the High Court found was, yes, the owner of the Facebook page would be liable, and their reasoning was essentially based upon an application of existing common law and statutory principles, in relation to defamation, including the- in one part of the judgement – I read the judgement a few days ago – they refer to a case that's about 300 years old. So it certainly seeking to apply the existing common law as well as statute. Now, there is separately a public policy process underway in this area. Defamation law is largely state- the Commonwealth has some involvement, but it's largely state, and there is a process underway that's being led, in fact, by Mark Speakman, The New South Wales Attorney-General on behalf of all of the Attorneys-General, Commonwealth and state and territory around the country. They put out a discussion paper earlier this year where they looked at a range of possibilities here. So I guess what I'd say is - there is a process under way to look at that question. For the moment, the law is as stated by the High Court, that's the way our system works. And therefore, the decision by CNN is perfectly understandable. I might say, though, it's not just a media organisation which owns a Facebook page, or which has a Facebook page which faces liability it's anybody with a Facebook page. What the case did not illuminate was the question of whether Facebook themselves are liable, and that is something I anticipate, I can't be certain, but I anticipate in that process, the Attorney General's [indistinct] when New South Wales is leading, there may be something said about that question.

LAURA TINGLE: The next question is from Tom McIlroy.

QUESTION: Minister, Tom McIlroy from the Australian Financial Review. Thank you for your speech. Earlier this year, Joe Biden, the US President, said that he believed vaccine misinformation and disinformation on Facebook and other platforms was killing people. Do you agree with that statement? Has the government done enough to combat this toxic information on the internet, particularly on social media?

PAUL FLETCHER: Look, there's no question that misinformation and disinformation is a problem on social media. You've got comments being made by people who don't necessarily have expertise or deep knowledge on a particular topic, and in the jargon, that's misinformation. Disinformation is when comments are being made or materials being posted deliberately with an intention to confuse or mislead. And as we know, there have been instances of this occurring in the context of elections, certainly in the US. When the ACCC released its Digital Platforms Enquiry Report in 2019, it included a recommendation that there ought to be a code dealing with misinformation and disinformation. We've taken forward that recommendation, so we asked the major players in the digital sector to develop a code as a piece of- an industry developed code, a voluntary code that's been registered with the Australian communications and media. We're watching closely how that works. There's some very tricky issues here, because you've got freedom of speech issues which need to be balanced up with public safety issues. And one of the issues, one of the points I make in the book is that until very recently, almost nobody had the opportunity to have their views heard beyond, say, their family and their workmates and a few friends. Just in the last 20 years, we're in a position now where just about anybody can express a view or post a comment which can potentially be seen by millions, hundreds of millions or even billions. So that is a very new and different issue. The way we've chosen to tackle it for the moment is through this voluntary code on misinformation and disinformation. In doing that, we're following an approach used in the European Union. But we will certainly keep that under close scrutiny. And if we don't think the voluntary code is sufficient, then we will certainly consider more direct regulatory action

LAURA TINGLE: Before we take the next question from our journalist members, Minister, I'll take prerogative and ask you a little bit about another area of your portfolio. You've talked a lot about the media bargaining code today. The screen production industry in Australia is basically being smashed at the moment by pretty unfair deals with the big streaming companies. They're very- there's a big imbalance there. There's not a local content requirement and you explicitly excluded companies like Binge and Stan earlier in the year from having those requirements because they've got a connection with already regulated on free to air sectors. What are you going to do about getting some sort of local content requirement into the streaming services?

PAUL FLETCHER: We're working through this issue very carefully and methodically, Laura. You're right, it's a very important issue. Last year, we started with a paper that was put together by Screen Australia and the Australian Communications and Media Authority that looked at a range of different elements, including the Australian content obligations on our free to air television operators. It also looked at our funding for Australian content, and we took a number of actions following consultation, including an additional \$50 million

in funding. So \$30 million in additional funding to Screen Australia, \$20 million in additional funding to Australian Children's Television Foundation. We then put out a what we're calling a green paper on media reform, which looked at a range of issues, including the question of whether there ought to be an explicit Australian content obligation on our national broadcasters. Most Australians will probably be quite surprised to know that the ABC receives funding this year of \$170 million. It's got a high level statement in the Act about Australian content, but it is not required to meet any specific targets as to Australian content. It's not required to report specifically on the amount of Australian content that it produces. And so the legislation there stands in contrast to the clear legislative obligations on commercial free to air television broadcasters. Now what we also said in the green paper was that we wanted to consider this question of whether there ought to be an Australian content obligation on the streaming services. We've now received some feedback on that proposal, which we're considering. As I mentioned in the speech, as an interim measure, I've asked for formal annual reports from the major streaming players in Australia as to how much they're spending with Australian producers and that number is - or an Australian content, I should say, that number is over 150 million in the first year's report. We're seeing a global transformation in the market for content, with the explosion of the streaming services, that creates great opportunities for the Australian production sector. Indeed, Clickbait, an Australian produced and developed show shot in Melbourne has been, over the last couple of weeks at one point, was the number one show on Netflix globally. It's a powerful example - and by the way, that was supported under the Morrison government's location incentive programme - it's a powerful example that the global streaming explosion creates an opportunity for Australian screen producers to get their content to audiences that are much, much larger than they might normally be able to access. And so what we're seeking to do is have an integrated policy framework which properly weighs up issues like Australian content and the cultural importance of that. But also, how do we support our production sector to capture the global opportunities? And in relation to your specific question about are we considering introducing an Australian content requirement on the streamers? As I've said, that question was expressly asked in the green paper and we're now considering the response on how we respond to that.

LAURA TINGLE: And would that cover commissioning of new work as opposed to just existing local content?

PAUL FLETCHER: There are some very important definitional questions in there. Does it include new commissions only, or do you also get credit for acquisitions of existing programming? In policy terms, new commissions is probably what we're much more interested in, but again, we're wading through carefully considering the different views of people in the sector. There are also some very involved but important questions about how

do you define Australian content? So there's a lot to work through. These are very important questions, and we've got a real focus on it.

LAURA TINGLE: Thank you. Next question is from Olivia Casely.

QUESTION: Thanks, Laura and Minister. Olivia Casely from The Australian newspaper. October is the start of the Australian bushfire season. Two years on from the Black Summer fires and a subsequent royal commission that heard from evacuees who couldn't call for help due to connectivity issues, are you confident that Australia's telcos are prepared and have now made the changes necessary so that those fleeing fires won't face similar issues? And how much of your \$37.1 million fund for telecommunications resilience has been spent?

PAUL FLETCHER: Thanks, Olivia. We did a lot of work post the terrible 2019-20 bushfires. I convened a roundtable with the chief executives of Telstra, Optus, Vodafone and several other industry leaders. We carefully examined what had happened on New Year's Day 2020. Probably the peak we saw 150, approximately, mobile phone base stations off the air across New South Wales, Victoria and South Australia. Overwhelmingly, that was due to a loss of power. It was not due to direct physical fire damage. So one of the measures that we've taken in response, as you reference, our STAND programme, Strengthening Telecommunications Against Natural Disasters, is we've provided funding to provide longer lasting backup power to mobile base stations, in some cases there are some base stations that were affected in the 2019-20 bushfires that did not have backup power, and so the aim now is to have a minimum of 12 hours, a range of different technologies being used, in some cases, diesel and other cases, some really interesting use of renewable technology, solar and batteries. So, we've done a first round in relation to the base stations to be funded. The telcos are co-funding it, with significant public funding going in. And my colleague, Bridget McKenzie, Minister for Regional Communications, is taking forward the second round. There's a bunch of other things we have done. So, we committed that we would provide funding for NBN to be able to provide direct satellite connectivity to Rural Fire Service depots and to evacuation centres. And we've already got more than more than a hundred dishes on rooves around the country. The advantage of that is if the terrestrial network goes down, you've got separate connectivity from the satellite network which is entirely physically separate. So, there's a range of things that we have underway.

But can I just close with this cautionary note? You should never think that because you've got connectivity, it's safe to stay where you are. You must follow the advice of the bushfire authorities. And yes, connectivity is key, but at the same time, it's not a substitute and it's

not a protection against the bushfire. You must follow the advice of the state bushfire authorities. If they're directing you to evacuate the property, you must follow that advice.

LAURA TINGLE: The next question is from Lisa Visentin.

QUESTION: Thanks, Minister. Can I just return to the issue of car parks? Minister, you must know at this point – we are six months at best from the election – how many of those car parks will be built by May next year at the latest, how many of those projects have been abandoned, and what would be the total cost of this program? Has it gone beyond the \$660 million initially allocated?

PAUL FLETCHER: Well, Lisa, we've been very transparent in relation to the car parks program. For example, just quite recently, we've announced an additional number of car parks on the northern lines, in Victoria, in Melbourne. Now, this is part of a promise we made at the 2019 election, the \$70 million commitment on car parks on the northern lines. Notwithstanding the conspiracy theories of our political opponents, as it happens, all of those car parks that we've just announced happened to be in seats that are held by the Labor Party at the federal level. But the point I'd make is we've disclosed where there have been some community car parks that we're not proceeding with. And I'll give you a good example. On the Frankston line, in Melbourne, we had committed to three community car parks, Kananook, Seaford and Frankston. Based upon the detailed work we'd done, it became clear that it was not likely to be practical to proceed with Kananook and Seaford, but we have taken the funding from that and reallocated that to Frankston, which is the next station along. Very substantial additional funding going in there. I might say that subsequently Frankston City Council has come to me as Minister and said: we, the Council want to buy land opposite Kananook station, and we'd like to put the proposal to you that you can consider funding a car park on that land. So I've said to them, by all means, bring that proposal forward and we'll consider it. But look, we've been very transparent in relation to community car parks and we're getting on with rolling out infrastructure under the Urban Congestion Fund and on all of the elements of our \$110 billion infrastructure pipeline.

LAURA TINGLE: The next question is from Sarah Ison.

QUESTION: Minister, I would just like to ask about the platform TikTok. In the US, there's been a bit going on- there are investigations going on into the national security risk. A bill to ban TikTok on US government devices has passed the Senate committee. I just want to ask about the level of concern that the Australian Government currently has. Can you confirm that we're doing our own investigations into the national security risk of this

platform and if your government would ever consider banning that platform for government officials, at the very least?

PAUL FLETCHER: Look, I'll leave comments about national security at any detailed level to my relevant colleagues, Karen Andrews, Minister for Home Affairs, and Peter Dutton, Minister for Defence. What I would say is we obviously carefully have regard to issues in relation to applications and devices. And certainly on the specific question of what is used within government, there are clear rules in place and they're regularly monitored and updated, and expert agencies, like the Australian Signals Directorate, take the lead in all of that.

From an online safety point of view, we have certainly engaged with TikTok. One of our objectives and setting up what is now the eSafety Commissioner was to have a central point of contact between the Australian Government and providers of these online services, particularly recognising they can come out of nowhere and grow very quickly. I mean, TikTok, even three years ago, if memory serves, was a pretty minor player. They're now a very substantial player. Our eSafety Commissioner, Julie Inman-Grant, has and her officials have certainly engaged with TikTok. And part of the role of eSafety is to reach out to platforms as they start to become a significant presence in the Australian market and say; these are our laws, we are a central contact point, these are your takedown obligations. And of course, we carefully watch, in relation to TikTok, as in relation to so many other apps and platforms, what their online safety implications are, what their practices are. And we need to recognise that this goes in many different directions. I mean, online dating apps is another area where significant safety issues arise. And the extraordinary level of innovation across the internet, in the broad, is a good thing but it certainly means, as we consider safety issues, we need to keep all of these services and platforms under close scrutiny.

LAURA TINGLE: Just before we go to the next question, Minister, you've made a lot about the government support for the arts and creative sectors. I'm just wondering, we're seeing at the moment lots of companies cancelling the rest of their seasons this year and even putting off performances next year. Have you been able to commission any work that gives you an idea of the underlying capacity of these major flagship companies in the theatre, the other creative arts and music, to actually survive for another 12 months in these sorts of circumstances?

PAUL FLETCHER: Look, it's a very important issue, and when we announced a package of measures last year, we included what we called the Sustainability Fund. This is the idea that there are some companies which are systemically important to our arts ecosystem around

the country. For example, they might provide training or they might have special skills in costumes that is important across the arts sector. And so we established the Sustainability Fund. That was initially 35 million; we've recently topped that up to 50 million. We've provided funding to Opera Australia, the Australian Ballet, most recently, \$5 million to Melbourne Theatre company to go to the very point you raised, which is we need to make sure these companies are still there as normal service resumes. Now, at the same time, we are very focused as a government, across the entire economy, including the arts, in normal service resuming. That depends upon vaccines. We're driving that really hard. And of course, it then depends upon our four-stage plan to open up the economy.

So, our arts policy sits along our broader policy in relation to the response to COVID. I might say we developed the Sustainability Fund precisely for the reason you articulated. In addition, our RISE Fund, Restart Investment to Sustain and Expand, that's \$200 million of funding for new shows, new productions. So, as the rules are relaxed and as we come back to normality so new shows can get started, that arts companies, promoters, festivals who burned through a lot of capital just surviving over the last 18 months, that they can have grant funding from the Commonwealth to help them get up and going. So, for example, Byron Bay Blues Fest sadly shut down an hour or two before the start of the Easter long weekend this year. There's \$2.4 million of Commonwealth Government funding under RISE to help them get started next year. Similarly, Sculpture by the Sea, \$2 million of funding there. You know, a very successful art event that attracts large numbers of people. Extremely accessible. So what we've sought to do is address all of these issues, or have an integrated approach to addressing these issues, so that as our economy reopens, our arts and entertainment sector can get back to doing what they do best. We've all had a pretty tough 18 months, and nothing could be better calculated to lift our collective spirits than going to see great Aussie performers on stage, doing what they do so well.

LAURA TINGLE: True. Next question is from Simon Grose.

QUESTION: Thank you Laura. Minister, my question's about the security of the internet for Australia in the context of our dependence on submarine cables. About- over 90 per cent of our internet, or the global internet communications, is carried by submarine cables. And of course, they're very vulnerable to military attack and to counter- and to terror attack. What would be, what kind of redundancy is there for Australia in the event of some kind of either one-off or sustained attack on our submarine cable connections?

PAUL FLETCHER: It is an exceptionally important question, because so much is written about the internet and the services delivered over it. And often, there doesn't seem to be a sufficient appreciation of the underlying physical networks over which the internet is

delivered. And as you rightly say, if an optical fibre cable is severed, then there goes your internet connectivity. Now, it's worth making the point, I touch on this in the book, that one of the rationales for packet switching as an element of the internet was that it means the traffic can travel in many different physical routes to get between point A and point B, and that reflected or that responded to the US defence Department in the 1960s, wanting to have, in the telco jargon, redundancy, in the case, potentially, of a nuclear attack. Your point is that there are many ways in which physical networks can become broken, and the more physically redundant routes there are, the better placed you are to respond to that.

I would argue that we're in a better position than we were even a few years ago with the number of undersea cables connecting Australia growing. And it does- it is being seen by investors as an increasingly interesting space to be in. Of course, in Australia, we have a specific version of the connectivity challenge, which is that, you know, we're a nation of 7.7 million square kilometres, 25 million people. There are parts of our land mass where the amount of physical redundancy is pretty limited, that, you know, might only be two separate optical fibre cables that are connecting a particular country town. So we have a challenge domestically to increase the amount of redundancy in the network. You know, in the telco industry, the classic example of an optical fibre going out is when a farmer drives, puts a backhoe through it and the engineers will always give you that example. In, I think, my first year, as an executive at Optus, the two physically separate Optus optical fibre cables running between Sydney and Melbourne were out of commission. One of them taken down for routine maintenance, and the other, a backhoe went through it. So redundancy, in the telco jargon, is really important. It's a- it's certainly a factor in terms of our domestic telco policy, as well as, you rightly say, international connectivity issues that we need to continue to work on.

LAURA TINGLE: The next question is from Kath Sullivan.

QUESTION: Thanks Laura, and thanks, Minister. I'm just wondering, 17 of your Coalition colleagues have put their name to supporting Julian Leeser's private member's bill, which seeks to create a universal service obligation for a mobile telephone service, essentially creating legislation that would ensure that mobile phones worked in people's homes and offices. Is there any chance at all that you would support that, or have you told Julian Leeser and those backbench colleagues of yours that this really won't see the light of day?

PAUL FLETCHER: Well, the first thing I'd say is that parliamentary colleagues, backbench colleagues in the Liberal and National parties are absolutely entitled to bring forward private member's bills and they're absolutely entitled to speak out on any issue. Julian's been a passionate advocate on the question of telecommunication services, particularly in

so-called peri-urban areas. That's to say, areas like his electorate of Berowra, which run from built-up urban areas into extensive bushland. And Julian and his electorate has a lot of bush land through areas like Dundas and- I'm sorry, not Dundas, but Canoelands and Durrell and places like that. So he's been very passionate on this issue. He's brought forward a private member's bill. He's also been, essentially, a key co-architect of something that we committed to a few months ago, which is a funding scheme for extra mobile coverage in peri-urban areas, PUMP - the Peri-Urban Mobile Program. And we'll be releasing the guidelines on that shortly. We'll be calling for applications. And that will be a tangible opportunity to get additional mobile coverage into peri-urban areas of our big cities, including within Julian's electorate.

Look, in terms of the other issues that Jillian's raised, we've had a number of discussions about them. I'm sure we'll continue to have discussions. In some areas, for example, the measures he's proposed in relation to Telstra not being able to own the USO, we already have measures on the books in the National Broadband Network Company Act that have the same effect. That effectively say, a retail telco may not own NBN. But look, I welcome Julian's passion and commitment on this issue. I've engaged with him closely on it, and I will continue to do so.

LAURA TINGLE: Well, we'll have to leave the questions there, Minister. Thank you to you for your address and taking those questions. And thank you to my colleagues and fellow Press Club members for their questions today and we'll see you again next time. Thank you.

PAUL FLETCHER: Thanks very much.

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