

Creating Opportunities for Australians
Outdoor Media Association: Pre-Budget Submission

23 January 2023

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1.0 EXECUTIVE SUMMARY

The 2023 Federal Budget is a unique opportunity for the government to expand opportunities for Australian businesses and drive local jobs growth.

A national problem requires a national solution. There are significant economic and job creation opportunities by implementing reforms in Out of Home media driven by the federal government via a national cabinet.

The Outdoor Media Association (OMA) is calling on the federal government to show leadership by implementing a consistent framework that creates a level playing field across all states, territories and local governments. Out of Home (OOH) media incorporates billboards to bus shelters, shopping centres to office foyers and as technology evolves increasingly includes these in digital formats.

It should not matter where a business is located, their access to opportunity should be the same across Australia. The OMA's overarching recommendation is for the national harmonisation of evidence-based regulation that promotes innovation and flexibility within the industry. This is critical to ensure needs of the community are met and best practice safety standards upheld.

For thousands of businesses across Australia, OOH media is a critical medium and underpins the outreach efforts of many community organisations. Out of Home advertising promotes all types of businesses, communities, arts and sports organisations because it has the ability to both broadcast – through its national network of signs, or narrowcast by honing in campaigns to a particular locale, be it a suburb, a geographic area or a state.

A challenge for the industry is having a standard that it can offer all advertisers be they national or local, because the regulation governing OOH is at a state or local level. The inconsistency between the different jurisdictions makes Australia a difficult place to do business and is holding back not only the OOH industry but also businesses that wish to advertise nationally. The barrier this creates means that the OOH industry is investing less in building its signs and public infrastructure which are frequently paid for in exchange for advertising concessions. This has created a tangible negative knock-on effect to jobs and economic growth.

While the industry has embraced digital innovation, outdated and inconsistent regulation across different states in Australia has hamstrung businesses. Nowhere is this better illustrated than the varying minimum dwell times for digital advertising signs. Dwell time being the length of time a single advertisement is shown before changing to another advertisement.

This inconsistency is impacting the industry's ability to deliver value to the communities that rely on OOH media the most.

The OMA has three key recommendations, summarised below, as first steps the federal government can take to ensure a fair and equitable system for all stakeholders and businesses in Australia.

Figure 1: Summary of Recommendations

Regulatory Field	Section	Recommendation	Benefit
National regulatory consistency for Out of Home media			
Dwell times	4.0 Creating Certainty for Business – Dwell Time	Nationally consistent 10 second dwell time.	+ Improve state revenue generation + Encourage further infrastructure investment
Limited animation	5.0 Promoting Innovation	Allowing limited animation in line with global best practice.	+ Bring national regulation in line with global best practice + Make Australia an easier place to do business
Transitioning signs to digital	6.0 Planning Legislation	Implement a national framework for digitising OOH assets.	+ Improve local government revenue generation + Support best design practice

2.0 ABOUT THE OUTDOOR MEDIA ASSOCIATION

The Outdoor Media Association (OMA) is the peak body for Out of Home (OOH) in Australia representing close to a 100 per cent of the industry.

In addition to the thousands of jobs that Out of Home media is directly responsible for, the industry supports many thousands more as an industry that underpins the success of local companies. For every one job created in the OOH industry, two jobs are created to support the industry¹. OMA member companies make significant economic contributions to

¹ Outdoor Media Association. OMA Regulatory Change Roadmap. 2020. Page 6.

government and the community, contributing close to \$647 million to Australia’s GDP each year². The industry is also responsible for building and maintaining over \$352 million in public infrastructure from bus shelters and benches to wayfinding signs among many others³. In addition, most OMA members are Australian owned and operated, with profits going back to the Australian economy. Maintaining high standards and upholding prevailing community values means being able to respond to changes in public expectations and priorities.

Figure 2: Nationwide Impact⁴

	NSW	VIC	QLD	SA	WA	Total
Economic contribution	\$136M	\$91M	\$37M	\$6M	\$14M	\$284M
Jobs supported	2679	1050	666	84	66	4545
Philanthropic contribution	\$20M	\$14M	\$7M	\$10M	\$2M	\$53M
Public infrastructure items	6382	2559	5305	614	798	15,685
Public infrastructure estimated value	\$136M	\$45M	\$54M	\$20M	\$25M	\$280M

3.0 OMA & INDUSTRY CODE OF ETHICS

The desire for a sustainable self-regulated industry led to the development of the OMA Code of Ethics and seven policies that guide members and ensure they operate their businesses responsibly. The industry is also bound by the AANA Code of Ethics, the AANA Code for Advertising and Marketing Communications to Children, the AANA Wagering Advertising and Marketing Communication Code, the ABAC Responsible Alcohol Marketing Code and several other industry specific advertising codes. The OOH advertising industry has an exemplary record of managing compliance with these codes and continues to ensure that internal policies remain fit for purpose while meeting community standards. While the OOH industry has a proven track record of successful self-regulation of content,

² Outdoor Media Association. NHWP Annual Report, Section 3.2. (2022) page 3.

³ Outdoor Media Association. OMA Regulatory Change Roadmap. 2020. Page 7.

⁴ Outdoor Media Association. OMA Regulatory Change Roadmap. 2020. Page 7.

we encourage the national cabinet to ensure equal accountability across the advertising industry, particularly social media.

4.0 CREATING CERTAINTY FOR BUSINESS – DWELL TIMES

The Outdoor Media Association (OMA) is calling for a nationally consistent 10 second dwell time for all Out of Home digital signs.

While many advertising mediums, such as print, have shown a decline in audiences resulting from digital disruption, OOH advertising has continued to maintain a growing audience by harnessing digital innovation. National regulatory consistency will create transparency for industry and a more competitive market environment and an even playing field compared with other media channels. It would simultaneously improve State revenue generation. Working Australia pays the price for out-of-date regulation which fails to keep pace with global standards and makes Australia a harder place to do business.

There is no better way to illustrate the current inconsistency than the labyrinth of regulatory regimes that exist between states in relation to dwell times. For digital OOH advertising. Figure 3 illustrates the inter-state regulatory differences as per the below.

Figure 3: Dwell Time Inconsistency⁵

Jurisdiction	Dwell Time
NSW	10 seconds under 80km/h 25 seconds 80 km/h and above
VIC	30 seconds (however lesser dwell times can be approved based on expert advice) Approvals range from animation to 45 seconds across speed zones
QLD	8 or 10 seconds under 80 km/h 25 seconds above 80 km/h N.B. Currently being consulted on, with some one hour dwell times proposed by the Department of Transport and Main Roads.
WA	20 seconds for 110 km/h 25 seconds for 90-100 km/h 30 seconds for 80 km/h 35 seconds for 70 km/h 40 seconds for 60 km/h 45 seconds for less than 50 km/h
SA	45 seconds

⁵ Outdoor Media Association. OMA Regulatory Change Roadmap. 2020. Page 16.

To support local jobs and the growth of Australian businesses at a time of global economic upheaval, the OMA is calling for a consistent standard nationally of 10 second dwell time for roadside advertising, the duration of one digital advertising display before it changes to the next. This dwell time is accepted in numerous States, as per Figure 3 and has a proven track-record of road safety outcomes. While it is not a major change to enshrine these standards across states and territories it would have a significant impact on the industry.

The OMA estimates that continued inconsistency and red tape coupled with long dwell times puts at risk particularly small businesses who could be progressively priced out of the market along with up to 50 per cent of the industry's revenue⁶. The impact on jobs and innovative businesses is all too real when businesses in Australia are already struggling.

Across the country, dwell times are regulated by state governments based on the assumption, rather than evidence, that digital advertising signs are a distraction at the roadside and therefore have safety implications. Despite significant research indicating the contrary⁷, decisions continue to be made regardless of the facts at a significant cost to Australian jobs and businesses.

Establishing harmonized dwell times across the industry at 10 seconds will help support the national economy. The OMA recommends the Federal government implement this nationally consistent standard to secure Australia's place as a competitive country to do business in.

5.0 PROMOTING INNOVATION

The Outdoor Media Association (OMA) is seeking evidence-based regulation of digital signage technology that allows for innovation within the industry.

From Piccadilly Circus and Times Square to the heart of Shibuya, animation innovation is playing out in the artistic and the commercial spheres of everyday life. However, across most jurisdictions in Australia, animation is banned outright on digital signage, even in pedestrian areas. International best practice includes partial if not full animation. If Australia is to keep up with the rest of the developed world allowing for partial animation in pedestrian low-speed road environments is a critical first step.

5.1 Animation

⁶ Outdoor Media Association. OMA Regulatory Change Roadmap. 2020. Page 16.

⁷ Please see:

- Roberts, P. ARRB. *Identifying the distracting aspects of electronic advertising billboards: A driving simulation study.* (2020).
- Xiao, A. Sydney Morning Herald. Sydney NorthConnex motorists to be kept alert with Australian-first visual displays. (2020). <<https://www.abc.net.au/news/2020-06-22/motorists-kept-alert-in-sydneys-northconnex-tunnel/12380696>>
- The OMA is currently conducting further research in collaboration with the South Australian government and look forward to publicising the findings shortly.

The current restriction on animation creates a significant point of difference and places those community organisations, companies and government departments relying on OOH at a significant disadvantage. Most councils prohibit animation through the misapplication of design and safety principles intended for the roadside. This means that there are many councils across Australia who do not allow animation on signage anywhere.

Animation has the potential to communicate important content from governments with vital health and wellness information, such as updates related to COVID-19, promoting safe driving or reducing cigarette usage. This type of content could be particularly useful in predominantly pedestrian or low speed zones.

The OMA recommends a solution to this issue by implementing nationally consistent regulation on the use of animation on digital signage both in pedestrian areas and on low speed roads. This would allow small businesses and community organisations to take advantage of the benefits of digital signage technology through more effective communication. At a time of global economic disruption, it is more important than ever to promote innovation to ensure a thriving and resilient economy.

5.2 Delivering our local infrastructure needs

OOH media provides a solution to the growing infrastructure deficit facing Australia that currently holds back some of our most critical industries. As per Figure 2 above, OOH provides a sustainable financial vehicle to power investment in critical infrastructure. Despite significant and ongoing investment in public works by the OOH industry the regulatory burden and small project sizes by local government frequently slow approval processes down or simply become too burdensome to execute. Given that, the OMA recommends Infrastructure Australia support local Governments bundle many small projects together, allowing them to compete with the mega projects typically endorsed and fast-track investment in Australia's infrastructure. This may include:

- Establishing a national funding program for local government to implement innovative infrastructure solutions in partnership with local community groups.
- Support sustainable and environmentally friendly social projects that deliver in-demand public infrastructure
- Programs to renew, dilapidated and out-of-date street furniture which help councils sustain themselves through sustainable revenue generation.

6.0 PLANNING LEGISLATION

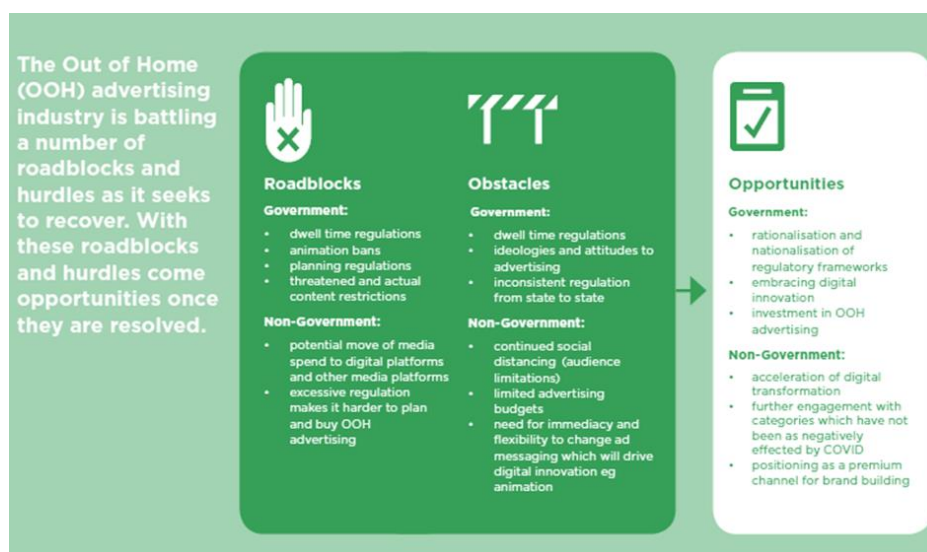
OOH media continues to be significantly impacted by outdated planning legislation that has failed to keep up with technological innovations.

Growth in the OOH media goes hand in hand with the development of small businesses and local jobs. However, the process of upgrading traditional signs to digital signs is often costly, time-consuming, and contradictory, as it varies from state to state and even between neighbouring councils. This lack of transparency and consistency stifles the recovery and growth of the industry, hindering small businesses and local jobs growth. Standardisation is necessary to encourage innovation so that OOH advertising sites can more easily adapt to the needs and environment of the surrounding areas and follow best design principles.

As it stands, the application process is often opaque, costly, and time-consuming. Planning legislation differs significantly in the processes with the modification of a traditional sign to a digital sign being overly regulated with no tangible evidence to justify the additional red tape.

The lack of transparency and consistency in the development application process makes it difficult for OOH advertising sites to adapt to the needs and environment of the surrounding areas. This hinders the industry's ability to innovate and serve the changing needs of consumers. It is essential that planning legislation becomes more transparent and consistent, allowing small businesses and local jobs in the OOH industry to thrive and encourage innovation in the sector. Without reform, the industry will continue to be needlessly held back by outdated regulation.

Figure 4: The Current State of Affairs⁸



⁸ Outdoor Media Association. OMA Regulatory Change Roadmap. 2020. Page 9.

7.0 CONCLUDING REMARKS

It's time to reform the regulation holding Australians back.

The Outdoor Media Association is seeking robust change to the regulatory regime to cut red tape and create a nationally consistent environment in which to operate. The current framework governing the OOH industry is holding back Australian businesses and slows jobs growth alongside reducing investment in public infrastructure. It is time to end inconsistent regulation at the local, state and federal levels of government and let Australians get back to work rather than mired in bureaucracy.

The industry is proposing three core changes for harmonising the regulatory framework and creating opportunity for business when it is needed most. Firstly, national consistency around the 10 second dwell time, secondly, allowing for limited animation and finally, harmonised regulation for transitioning OOH media to digital. If these regulatory changes are made over \$140 million and a 15% increase in the workforce⁹. Fundamentally, this is about adopting innovation and global best practice. Australia has the opportunity to make up ground lost during COVID-19 and by implementing these reforms give businesses across Australia the opportunities they deserve.

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⁹ Outdoor Media Association. OMA Regulatory Change Roadmap. 2020. Page 16.