

20 December 2011

The Executive Director
Australian Law Reform Commission (*ALRC*)
GPO Box 3708
SYDNEY NSW 2001

Dear Executive Director,

Virgin Australia (*Virgin*) thanks the ALRC for the welcomed opportunity to comment on the National Classification Scheme Review Discussion Paper.

Virgin agrees with the need for the classification regulatory framework to be responsive to technological change and adaptive to new technologies, platforms and services. Technology within the Inflight Entertainment space has become increasingly sophisticated since the days of overhead screen viewing for all and Virgin feels that the classification scheme as it applies today needs to be more adaptive to new technologies, platforms and services. The Virgin Group has recently been in discussions with the Australian Classification Board regarding these issues and would like to highlight to you some of the challenges that airlines and similar travel carriers (*Carriers*) may face in this space.

The Classification Act currently states that all content that is publicly exhibited must have an Australian Classification board classification. This requirement may be problematic for airlines and similar travel carriers (*Carriers*) in the following circumstances:

- In order to be fair and equitable to our guests, Carriers may want to show foreign language content which does not carry Australian Classifications.
- Carriers may have relationships directly with the overseas distributors and may have access to content prior to its release on Australian Television that is yet to be classified. Formally submitting these series to be classified on the scale that Carriers may require may become cost prohibitive and not practical in the permitted timeframes due to the frequency of the content change cycles. Furthermore, if Carriers do not have access to relevant content sets for its overseas passengers, the Carriers ability to remain competitive in the market place may be impacted.
- Carriers may carry documentary and business style content which may not strictly fall under the narrowly defined exemption categories in the State and Territory Classification Enforcement Acts such as much of the Discovery, National Geographic and CNBC content.
- International and domestic regulations vary considerably and Carriers often have aircrafts that fly in both jurisdictions. Carriers may not always have the ability to swap out the content or restrict the MA15+ content when it transitions from an international route to a domestic route.

As a business we understand and respect the need for regulation in the public exhibition space; however in view of technological advancements which has resulted in use of individual seat back screens and personal entertainment devices there is a need to more clearly define the term “public exhibition”. Furthermore Virgin Australia has also announced that it will be installing a streaming Wi-Fi distribution system where guests can stream content to their own personal device, adding another layer of complexity to the issue of the definition “public exhibition”. Within reason, the Carriers’ passengers should be given the ability to choose content that suits their tastes both on international and domestic services where these types of devices are being utilised.

Whilst we assert that our guests should have a choice about the content which they view we understand that only appropriate content must be available for selection. As well as providing choice to our guests we also want to maintain an environment that minimises internal complaints by other guests and only make appropriate content available. Regardless of what changes are made to the current regulatory framework, Virgin would continue to only show content that was rated M or below on any overhead screens or where the content was broadcast over several channels. Where content is shown on individual seat backs and are Audio/Video on demand Virgin would like to afford its guests the option to view content that may be rated MA15+. Virgin feels that its systems in place including, without limitation:

- (a) the pop up warning message that asks the guest to accept responsibility for watching a film; and
- (b) Parental Controls that allow parents to block any content over the rating that is deemed appropriate by the parent,
- (c) Comprehensive synopsis available to all guests and each piece of content being clearly rated.

will ensure that individuals rights are balanced with community standards.

We support industry classification and propose that Virgin personnel be appointed to undertake official classification training to enable Virgin to classify content in-house and devise program packages to suit the device being utilised. We would also commit to handling all complaints and feedback and would be responsible for the classification process.

I would be happy to discuss these matters in further detail and request that you take Carriers needs into considerations during this review process.

Many thanks



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