Submission in response to the Policy Advisory Panel Draft Report

.au Licensing Rules Review 2025

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I thank the Panel for the opportunity to make this submission and to participate in the Sydney in-person session earlier today.

I support the Panel's position on **Recommendation 1**. Monetisation should continue to be permitted in the com.au and net.au namespaces. The Draft Report is right to recommend that no specific prohibition on monetisation be introduced.

I strongly oppose **Options 2 and 3 under Recommendation 2**. Option 2 would impose unnecessary administrative burden on a lawful allocation pathway, despite no proven systemic harm. Option 3 would go much further, removing monetisation as a means of allocation and deleting the broader avenues in sub-paragraph **2.4.4(2)(f)**. That provision allows registrants to hold domain names connected to services they provide, goods they sell, events they register or sponsor, activities they facilitate, teach or train, or premises they operate. The Panel should reject both options.

Five reasons to reject Options 2 and 3

1. There is no proven harm to fix

The Draft Report identifies concerns, but not evidence of systemic harm. It records one report of advertising links to scam websites, while also stating that auDA has not seen evidence of this in its complaints data.

That matters. **.au is already one of the safest namespaces in the world.** auDA's own *A secure .au* report states that "the .au domain is one of the most secure domains in the world" and has "some of the lowest levels of DNS abuse globally". It records DNS abuse at just **0.0002%** of .au domain names as at December 2024.

A namespace this safe does not need heavier gatekeeping unless there is a clear and compelling reason. The Draft Report and the submissions that I have reviewed does not provide one.

2. ACCI says the answer is less complexity, not more

ACCI describes itself as Australia's largest and most representative business network, representing businesses of all shapes and sizes across all sectors of the economy. Its submission pays special attention to small businesses, which make up over **97%** of Australian businesses and employ over **5 million** Australians.

ACCI does not call for tighter allocation rules. It calls for the opposite. Its submission recommends removing the allocation requirements under section **2.4.4(2)** and better aligning **com.au** and **net.au** with the simpler framework used for **.au direct**.

That should carry real weight. Australia's peak business voice is not asking for more paperwork. It is warning that complex allocation rules impose unnecessary compliance burdens, particularly on small and family-owned businesses that often have the fewest resources to deal with technical rule changes, audits and paperwork. ACCI specifically noted that businesses can be forced to locate historic trust deeds, company records or other documents simply to prove a long-standing connection to a name. That is time-consuming, costly and disproportionate to the risk being addressed. The answer is not to make those rules harder. It is to make them simpler.

3. Option 2 creates more administration for no proven benefit

Option 2 would retain monetisation as an allocation pathway, but surround it with additional administrative rules and compliance obligations.

That is the wrong answer to the evidence before the Panel.

If the Draft Report had identified systemic abuse, widespread consumer harm or a measurable trust problem caused by monetised names, targeted controls might be justified. It has not. Instead, Option 2 would impose more rules, more paperwork and more compliance risk on lawful registrants without showing how those burdens would improve consumer protection or reduce DNS abuse.

For small businesses, family enterprises and domain investors, administrative complexity is not harmless. Every new rule creates uncertainty, audit risk, compliance cost and the possibility that lawful names will be challenged because of technical non-compliance rather than genuine harm.

That is not proportionate regulation. It is regulation for its own sake.

4. Option 3 would have a devastating impact on lawful businesses

Brandzilla operates a lawful Australian business that includes domain investment. That business was built in reliance on auDA's published rules: paying renewal fees, acquiring names lawfully, developing assets, taking commercial risk and operating within the framework auDA itself created.

There is no justification for putting lawful operators out of business to address a harm the Draft Report has not established.

Sub-paragraph **2.4.4(2)(f)** is not a loophole. It is a practical rule that allows businesses to hold descriptive, commercially useful **com.au** and **net.au** names even where the domain does not exactly match their company name, business name or trade mark. It is what allows a plumber to hold emergencyplumbing.com.au, a florist to hold bestflowers.com.au, or a local operator to hold a domain that describes what it actually sells.

Removing or narrowing this pathway would not only affect domain investors. It would also significantly hit ordinary businesses and family enterprises that lawfully acquired names, built websites, developed search visibility and invested in customer relationships under auDA's rules. That value was built in good faith. It should not be destroyed after the event.

The example I gave at the Sydney in-person session, and repeat here, is **live.com.au** and **outlook.com.au**. These are Microsoft-associated domains used in connection with email services relied on by an enormous number of Australians. Yet under Option 3, domains like these could be placed at risk if they could no longer rely on sub-paragraph **2.4.4(2)(f)**.

That is the danger of deleting sub-paragraph **2.4.4(2)(f)**. It is not a narrow change directed only at domain investors or monetised websites. It would remove a broader allocation pathway that legitimate registrants have relied on for years. The unintended consequences are too serious, and too difficult to measure, for the Panel to proceed without proven harm and a compelling public-interest case.

5. Option 3 is a paper shuffle, not consumer protection

Option 3 would push registrants into artificial workarounds: registering matching business names, filing trade mark applications, or creating paperwork solely to preserve domains they were already entitled to hold.

The costs would be significant. A matching business name costs around **$47 per year**. A trade mark application starts from **$250 per class**, takes months, and often requires professional advice. Using the Draft Report's figure of **582,895 domain names** held by larger registrants as an indication of scale, even the cheapest workaround would equate to at least **$30 million per year** (highly conservative) before legal fees, trade mark costs, administration time, lost productivity, disputes or failed applications are counted.

That money would not make consumers safer. It would not reduce DNS abuse. It would not improve trust in .au. It would turn eligibility into a paperwork exercise, forcing lawful registrants to buy credentials just to keep domain names they already held under auDA's own rules.

It would also clutter the Business Names Register with defensive or artificial registrations created only to preserve domain eligibility. That would make the register less useful for the very businesses it is meant to serve.

ACCI warned that the current allocation tests are already highly technical, difficult for businesses to interpret and prove, and poorly aligned with modern branding and digital commerce. Option 3 would make that problem worse.

Conclusion

I strongly support **Recommendation 1**.

I strongly oppose **Options 2 and 3 under Recommendation 2**.

Option 2 would add administrative burden for no proven benefit. Option 3 would be far worse: it would risk destroying lawful businesses, stranding valuable domain names and forcing registrants into costly paperwork exercises that do nothing to improve consumer protection.

The Panel should not put lawful businesses at risk, or force domain investors out of business, to address a harm the evidence has not established.

It should retain monetisation as a permitted use, reject Options 2 and 3, and pursue the reform direction supported by the evidence and by ACCI: **simplify com.au and align it more closely with .au direct**.