

Senate Standing Committees on Environment and Communications Murdoch Media Inquiry Bill Submission

August 2023

The Local and Independent News Association (LINA) welcomes an inquiry into media diversity in Australia and the impact of media concentration on Australia's democracy and society. LINA recognises the Government's commitment to strengthening media diversity and the associated public good that comes with a strong democracy. LINA acknowledges the range of implementations by the previous Government to support news media, such as the Public Interest News Gathering program and the News and Digital Media Mandatory Bargaining Code, both of which assisted regional print publications in particular through the pandemic. We are pleased to see the current Government taking steps to expand programs through the News Media Assistance Program and other policy activities. LINA shares the Commonwealth's objectives to reduce news deserts and strengthen public interest news services for communities across Australia. From that perspective, LINA supports the rationale behind the Murdoch Media Inquiry Bill, but notes that it should not delay already overdue actions to curb the closure of local newsrooms and the reduction of journalism skills in regions. This work is urgent and the proposed Inquiry should inform further steps and not slow down work already underway.

LINA represents 62 digital news publisher members who produce 86 mastheads in all States and Territories across Australia. LINA members are locally owned and controlled news publishers, creating high-quality public interest news content that meets professional Editorial Standards, by and for a defined community. Most of our services are tailored to capacity building for small publishers, with most LINA members having an annual income less than \$350k and operating with fewer than 5 staff. Although many of our members are for-profit entities, they are community focused and provide an essential public service to their communities, operating with an average 5 volunteer contributors per organisation.

LINA sees these news businesses as the 'green shoots' of the news industry, observing the expansion of digital newsrooms in the wake of newsroom contractions. This change reflects an audience shift to digital news consumption over decades and the weakening of business models sustained by advertising and user-fees on a global scale. LINA's role is to support hyperlocal and independent digital news publishers, increasing their capacity to provide accurate and relevant information to local communities. Around 35% of hyperlocal newsrooms operate with less than 2 staff members and 16% have zero paid staff.

The Commonwealth, LINA and its members are strongly aligned in the ambition to increase the sustainability and diversity of news services to communities across Australia. LINA particularly welcomes aspects of the proposed Inquiry relating to:

- **The concentration of media ownership in Australia**

As recognised in this Committee's 2021 review of Media Diversity in Australia, Australia has one of the most concentrated media markets in the world, exacerbated in recent years by the continued retraction of newsrooms around the country. Concentrated media environments foster the spread of misinformation and divisions in society, such as those playing out internationally. The Commonwealth has supported media diversity as a factor of social cohesion for over 40 years and continues to see value in supporting a range of views and perspectives in our media landscape. However, the economic and operational environment presents sustainability challenges for independent media and requires continual focus from news media and from policy-makers to ensure audiences are well served with reliable, trustworthy and accurate information.

"Public interest journalism is essential to democracy. Active citizenship requires access to reliable information, and democracy cannot flourish without a diversity of media sources and a regulatory regime that protects consumers against the spread of misinformation."

– Senate Environment and Communications References Committee, Media Diversity in Australia Report, December 2021

- **Whether the existing system of media regulation in Australia is fit-for-purpose.**

LINA broadly supports activities that strengthen the editorial standards upheld by news publishers. A review into the transparency of the regulating environment and its impact on news reporting may lead to constructive conversations.

- **The impact of online global platforms such as Facebook, Google and Twitter on the media industry and sharing of news in Australia.**

While this has largely been addressed by the Australian Competition and Consumer Commission's work on the News Media and Digital Platforms Mandatory Bargaining Code (both development and review), LINA supports a review process in which news organisations not included in the Code are considered. For example, to be eligible to 'register' as a public interest news organisation under the Code, an organisation must have an annual income over \$150k. Many of LINA's members provide public interest journalism services to their communities, by almost any type of content measure, but run on minimal staffing and minimal overheads due to their online distribution models and some volunteerism. Like community media, they are producing public interest news and are impacted by social media business models but fall outside of the scope of existing mechanisms for dealing with the impact of online global platforms on the sharing of news.

- **The barriers faced by small, independent and community news outlets in Australia.**

Local newsrooms are key components of community building, sharing experiences and relaying key information. They are highly trusted sources of news due to their connections in communities and

their localised knowledge, yet their capacity is often limited by scarce resources, socioeconomic pressures in their operating environments (both audience and potential advertisers) and localised impact. LINA exists to support capacity building and generate economies of scale across small and independent digital news publishers, however in our second year of operation we are yet to curb the tide of newsroom closures across the country. The barriers to newsroom sustainability remain significant and require government attention.

- **The role of government in supporting a viable and diverse public interest journalism sector in Australia.**

Australia is not alone in seeking ways to respond to a changing media landscape. Around the world Governments are using policy levers to increase the sustainability of local news services and Australia has an opportunity to learn from success stories around the globe. An Inquiry that considers some of those examples is welcome. In particular, LINA encourages the Commonwealth to support the role of hyperlocal and independent digital news publishers in Australia through policy interventions to increase newsrooms sustainability, such as: access to Deductible Gift Recipient status; legislated government advertising spend ratios; start-up support for emerging newsrooms; capacity building programs to strengthen public interest journalism; and eligibility for government programs that support community infrastructure and services to respond to disasters for locally produced media services such as community radio and public interest news publishers.

LINA thanks the Committee for its consideration of these matters and anticipates supporting the Commission's work with further input on relevant topics should the Inquiry progress.

Sincerely,



Claire Stuchbery
Executive Director