

Inquiry into local government sustainability

Submission to the Standing Committee on Regional Development, Infrastructure and Transport

May 2024

The Local and Independent News Association (LINA) welcomes the opportunity to provide recommendations relating to the House of Representatives Standing Committee on Regional Development, Infrastructure and Transport's inquiry into local government sustainability.

LINA is a not-for-profit industry association representing 68 digital news publishers, producing 108 mastheads in all States and Territories across Australia. LINA membership is open to all digital news publishers who meet our membership requirements; however, most member services are tailored to capacity building for small public interest news publishers.

This growing hyperlocal and independent news sector is well placed to:

- Address the news and information needs of local communities.
- Encourage political and democratic participation.
- Strengthen engagement with local decision-making processes.
- Reduce the spread of misinformation and disinformation.
- Serve diverse and underrepresented voices.
- Build community.

Particularly in times of crisis, these publishers not only provide timely and locally specific information to communities, but they also contribute to community resilience and emergency preparedness at a local level, supporting the priorities of local governments. For example, when Cyclone Jasper hit the Douglas Shire in December 2023, regional Queensland digital-only publication [Newsport](#) provided live blog updates, with hour-by-hour emergency updates, coverage of road conditions and essential information about emergency services. Newsport received 158,000 unique visitors to their site during the week, a five times traffic increase. The team of four journalists and two regular columnists continue to report on clean-up actions, repairs and available support to help the community rebuild following the disaster. Other newsrooms around Australia are providing similar services to their local communities, a critical role in the context of a climate change driven increase in natural disasters and other emergencies such as the COVID-19 pandemic, as well as [AI-fuelled increases in dis and misinformation](#).

In relation to the changing infrastructure and service delivery obligations of local government, LINA wishes to make two proposals to the Committee. First, local government should be obligated to share notices of public information in local digital publications to ensure transparency, as per the requirement of previous Local Government Acts. In most jurisdictions, local governments were committed to publishing notices in a local print newspaper, where one existed. Over years, local newsrooms have contracted and audiences have shifted online. It is appropriate to modernise the wording of the Local Government Act in each state to include locally produced digital news outlets, provided they are adhering to

professional editorial standards through membership of the Australian Press Council, the MEAA and/or LINA, or other relevant industry standards.

Second, governments at all levels should be legislated to allocate a percentage of their advertising budget to locally produced media services, including both campaign and non-campaign advertising. A legislated percentage of government advertising spend would:

- a) Increase return-on-investment for government campaign spends through reaching a broader audience within a relevant target area.
- b) Incentivise government media buying agencies to familiarise themselves with local media outlets.
- c) Increase transparency and engagement with local Council activities; and
- d) Increase sustainability and engagement with local newsrooms.

The connectivity provided by local digital news is vital to the resilience and growth of communities, thus supporting the work of local government. LINA members, and other local, digital publishers, are well placed to deliver call-to-action campaigns, but also to keep communities informed of non-campaign announcements such as community consultations, road closures, recruitment, meetings and events which governments are required to communicate broadly to residents. [Research shows](#) that audiences are five times as likely to go directly to a local news website for their local news than to Google or Facebook and almost 10 times more likely to go to a local newspaper website over a local council website for news and information. A requirement to share public notices through local digital news would improve community awareness and connectivity and ensure important information reaches more diverse and relevant audiences. This in turn supports the inquiry's objectives to address challenges including workforce shortages, the ["importance of promoting skills development and job security for all Australians"](#), and climate change impacts. Further, any consequential boost in engagement and traffic to these platforms would support the important public interest journalism produced by these news organisations.

More than half (54 per cent) of [Australian news consumers source their news content online](#), with just 3 per cent using print as their news sources. Younger audiences particularly are much more likely to receive news online. [Commercial advertisers have been quick to follow the move](#) of audiences online, yet government advertising allocations have not adapted to the shift from print to digital. While Victoria and New South Wales have each committed advertising expenditure in print publications, the focus on print distribution leaves many reputable digital news providers without access to potential revenue and excludes digital audiences from Government messaging reach. [Research](#) has also shown that public notice spending has been "used as a lever of control, with some local councils withdrawing advertising from local newspapers because of concerns about negative council coverage, while other government departments choose to control public messaging via their own websites and publications".

Diminished government advertising has also [been found to be having an adverse impact on start-ups ability to sustain their businesses](#), and researchers suggest government policy and grant making which favours print media needs to be reconsidered. Supporting media startups and smaller organisations is critical to supporting the diversity of media services in Australia, which is one of the most consolidated media markets in the world. As well as providing avenues for people from culturally diverse backgrounds to report on the issues

and events that matter to them, a diverse news industry includes the perspectives of people living in regional and remote regions, greater age diversity and a broader range of perspectives on things that are happening in any given place or community. Rather than viewing local news outlets with suspicion and distance, LINA encourages local governments to utilise news organisations as an invitation for engagement in decision-making and a community resource.

“In communities without a credible source of local news, voter participation declines and corruption in both government and business increases.” – Penny Abernathy, The State of Local News, Local News Initiative, August 2022.

A [national report](#) into local news sustainability recommended 20 per cent of all Federal Government advertising expenditure be directed to rural and regional news outlets. However, if applied at all levels of government, a requirement of 10 per cent of all government media advertising to be spent on locally produced media outlets would be enough to shift the media landscape and better inform audiences.

Similar arrangements in New York and Chicago, where State governments signed Executive Orders to boost advertising spend through community media organisations (including print and digital publications, television, and radio outlets) have resulted in a significant increase in local reporting. The City of New York in 2019 mandated that at least 50 per cent of city agencies’ annual print and digital publication advertising spending go toward community and ethnic media outlets. Fifty-nine of these editors and publishers wrote in [an open letter](#) to city and New York State officials that “without advertising from city agencies, many of us would not have survived the pandemic”. Following this success, in 2021 the program was passed in Local Law and approximately 230 community media outlets received \$15.6 million in city agency advertising, representing 82 per cent of the city’s total print and digital budget for the year.

In addition to [providing a watchdog role](#) over local government and coverage of local courts and police, local journalism adds to the social capital of a community and “builds social cohesion, encourages political participation and improves the efficiency and decision making of local and state government” ([Penny Abernathy, 2023](#)). It is in the interests of the sustainability of local governments that the work of local and independent media be supported.

LINA would be happy to discuss these potential impacts further and thanks the committee for its consideration of this matter.

Sincerely,



Claire Stuchbery
Executive Director