

PRE-BUDGET SUBMISSION 2025-26

Submission by the Local & Independent News Association to the Australian Treasury



The best local news organisations introduce us to people we don't know, who share our concerns and aspirations. It connects people in a community to one another and to the outside world."

— Penny Abernathy, 2022

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Executive summary

The news media industry has been struggling to transition over an extended period to the concurrent demands of audience migration to digital transformation, the collapse of traditional business models that supported the distribution of print newspapers, and syndication of content in response to economic pressures. The news media industry has been constrained by operating in economic crisismode, with many of the issues facing the industry now 40 plus years in the making. Yet the need for news content produced to meet high editorial standards has never been so great. There is a converging crisis between this, the growing threat of misinformation and disinformation and increasing emergencies requiring distribution of timely and accurate information to keep communities safe, and an under-resourced journalism sector. The 2024 Digital News Report found that Australian audiences are most interested in local news (64% of those surveyed), but only half of them said they were getting enough (Parks et al., 2024).

The Local & Independent News Association (LINA) supports access to quality, diverse and relevant sources of public interest journalism by supporting local and independent digital news publishers. This growing news sector represents the 'green shoots' of journalism and is well placed to:

- a) Address the news and information needs of local communities;
- b) Strengthen civic engagement in local decision-making processes and democratic participation;
- c) Reduce the spread of misinformation and disinformation;
- d) Serve diverse and underrepresented voices;
- e) Enhance social cohesion and community connectedness; and
- f) Provide essential information for emergency preparedness and community resilience before, during and after crisis events.

LINA encourages policy-makers to take a 'medium term' view of interventions intended to enable a thriving news media industry in Australia. The decline of local news production has occurred over decades and cannot be reversed or even effectively curbed with 12 to 24-month program timeframes. To enable real and lasting change, a 10-year approach is needed to facilitate industry transition.

This submission outlines a four-year funding request, which would support LINA's current work and implementation of a range of additional programs and resources for newsrooms. This aligns with recommendation 5 of the Joint Select Committee on Social Media and Australian Society in 'Second interim report: digital platforms and the traditional news media' (2024) that the Australian Government "establish a short-term transition fund to help news media businesses to diversify and strengthen alternative income streams and news product offerings". The Committee further specified that the fund "should have a particular focus on supporting small, independent and digital only publishers, as well as those operating in underserved communities and rural, regional and remote areas".

The government's recent announcement of a \$153.5 million commitment to the News Media Assistance Program is a welcome funding envelope, paired with a clear policy framework that outlines where government has a role in news and journalism and appropriate interventions. This submission speaks directly to the public policy objectives of access, diversity, freedom, quality, engagement and representation identified in the News Media Assistance Program and the aligned principles for policy design and implementation. It seeks direct funding to achieve the identified public policy objectives and build the ongoing sustainability of small, independent and digital only publishers.

LINA has made significant impact in the news industry in its first two years of operation, curbing the closure of newsrooms significantly and nurturing new entrants to the news landscape. The actions

identified in this submission are informed by the successes and learnings made in LINA's first two-years of operation, as well as a broad range of industry partnerships and research. This proposal consolidates the investment government has made in LINA from 2022 to 2024, enabling continued growth for public interest news publishers.

The initiatives proposed in this submission provide high return-on-investment by generating economies of scale and allowing individual digital news businesses to access shared services. They should not, however, be considered an alternative to much-needed direct support and funding for independent newsrooms.

Budget Request Summary

This budget submission requests the allocation of government funds to LINA to supplement funds raised through industry contributions, fee for service activities, partnerships and sponsorships and other funding sources. It is deliberately conservative to ensure government funds are used to facilitate growth and support newsrooms to build sustainability, it does not replace existing income sources for the industry, nor induce ongoing reliance on funding.

Total request = \$28,931,977 over 4 years

	2025-26	2026-27	2027-28	2028-29
Access	\$655,526	\$426,553	\$450,179	\$448,439
Diversity	\$1,240,000	\$2,186,250	\$2,158,063	\$2,190,466
Freedom	\$1,242,417	\$1,133,112	\$1,154,016	\$1,186,720
Quality	\$204,989	\$211,718	\$218,900	\$226,420
Engagement	\$2,336,852	\$2,271,195	\$2,312,754	\$2,361,391
Representation	\$390,345	\$861,660	\$892,667	\$921,200
Operations	\$288,620	\$304,362	\$319,771	\$337,392
TOTALS	\$6,358,749	\$7,394,850	\$7,506,350	\$7,672,028

LINA's operating expenses average a lean 4.3% of total funds requested with all other funds supporting program delivery and/or direct funds to industry.

"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 Communication References Committee, 2021

Introduction & context

About the Local & Independent News Association

LINA is a national industry association supporting local and independent digital news publishers. LINA's role is to support the quality, accessibility, diversity and relevance of news available to Australian audiences by strengthening public interest journalism and building the capacity of local and independent newsrooms.

To do this, we focus on capacity building support and generating economies of scale across a collective of independent businesses. LINA seeks to grow the financial sustainability of existing newsrooms, and encourage new, local media entrants by providing a deep level of hands-on support to member publishers.

LINA was established in 2021 in response to industry demand for representation and coordination to assist small digital publishers to build their sustainability and provide quality, public interest news services to their communities. As at January 2025, LINA had welcomed 91 publisher members, producing 155 mastheads across every Australian jurisdiction. A full list of LINA members can be viewed on our website's Member Directory.

LINA's vision is a vibrant and diverse local news landscape providing news services to communities across Australia. LINA's practical, hands-on support for publishers is focused on addressing the following strategic priorities:

- Strengthening public interest journalism: increasing capability for public interest news reporting and growing audience engagement with local and diverse news sources.
- Building capacity of newsrooms: expanding skillsets, capacity and shared services to generate economies of scale for small businesses.
- Growing financial sustinability of member publishers: including revenue generating actions.
- Representation and recognition: championing the work of local and independent news publishers, ensuring their needs and value are represented in policy.

LINA is an incorporated, ACNC registered, not-for-profit association with an independent Board of seven Directors. Its work is supported by a broad range of industry partnerships, and by operational support from the Community Broadcasting Association of Australia to increase economies of scale across the media industry.

LINA received government funding support in 2023-24 (\$1.5 million) and 2024-25 (\$659,000) and has made significant progress in growing its membership and providing capacity building and networked services to those news businesses. Feedback from newsrooms on the support provided by LINA to date has been overwhelmingly positive. While LINA draws limited income from its membership and is establishing a philanthropic partners network, it currently has no operational funding secured beyond June 2025.

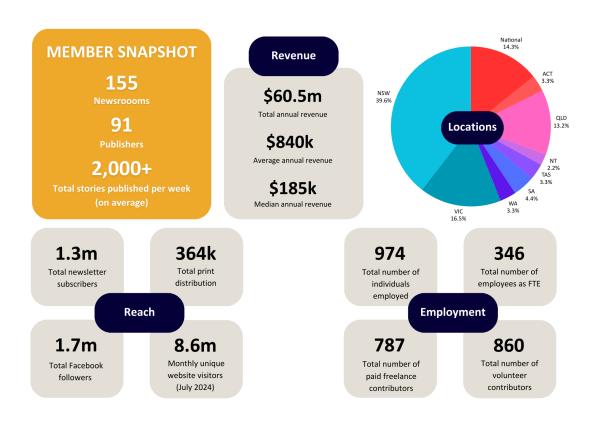
"The survival of local media is not just a question of the availability of local services, but above all the flourishing of local democracy" — Lenka Waschková Císařovà, 2023

About LINA Members

LINA members are locally owned and controlled news publishers, creating high-quality news content, by and for a defined community. LINA requires its members to meet its the LINA Editorial Standards and the Australian Press Council (APC)'s Principles and Standards of Practice to encourage membership and ongoing adherence to best practice protocols in reporting. While publishers might also have a print publication and/or other distribution platforms, LINA member services focus on strengthening online news distribution and responding to audience demand in digital spaces. LINA membership is open to all digital news publishers who meet our membership requirements, however most of its services are tailored to growing small businesses with the median annual income of LINA members being \$185,000 and operating with fewer than five full-time staff.

The presence of news services increases accountability and transparency in local decision-making processes, particularly local government, and coverage of local courts and justice. 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... The best local news organizations introduce us to people we don't know, who share our concerns and aspirations. It connects people in a community to one another and to the outside world" (Abernathy, 2023).

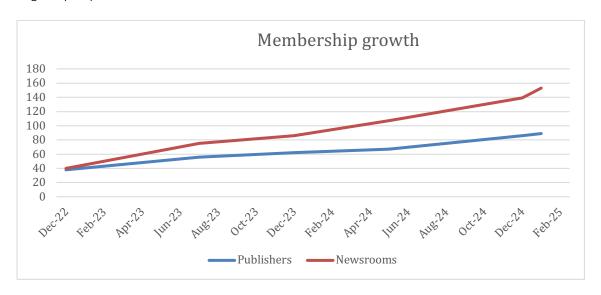
Many of LINA's member newsrooms have provided communities with essential information during emergencies, a critical role in the context of a climate change driven increase in natural disasters and other emergencies such as the COVID-19 pandemic, as well as AI-fuelled increases in dis and misinformation (World Economic Forum, 2024). Examples include *The Lismore App's* and *Murray Bridge News'* flood coverage and *Newsport's* reporting of Cyclone Jasper, which included live blog updates, with hour-by-hour emergency updates, coverage of road conditions and essential information about emergency services.



Member satisfaction

As at January 2025, LINA's membership included 155 mastheads/newsrooms, produced by 91 publishers. This represents a membership growth in mastheads of 157% since January 2024.

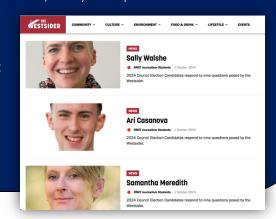
LINA has an all-time membership retention rate of 92% with most lapsed memberships caused by personal illness, death or changes to the organisation meaning the newsroom no longer met LINA's eligibility requirements.



CASE STUDY: The Westsider | 2024 Local Election Special

A micro-grant of \$1,900 supported the creation of a 12-page <u>local election special profiling candidates for local government elections in Melbourne's western suburbs</u> (Anselmi, 2024). The special received over

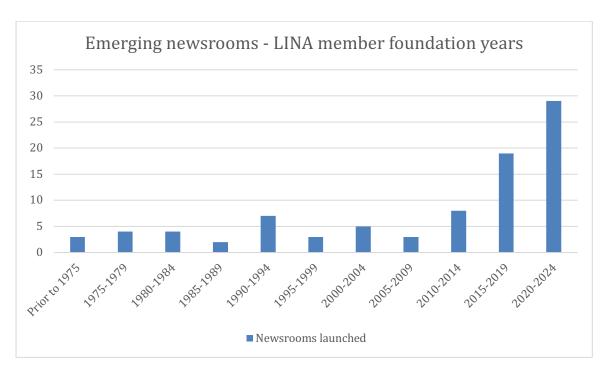
14,000 views in its first week—far exceeding *The Westsider's* weekly average —and garnered positive feedback from readers and candidates alike. This project filled a critical information gap in the region and reinforced community trust in local journalism. It also supported the development of future journalists through a partnership with the RMIT Journalism Program, where first-year students conducted interviews and wrote profiles as part of their coursework, gaining valuable hands-on experience.



LINA's impact

The Public Interest Journalism Initiative (PIJI) recorded a net contraction of -184 newsrooms between January 2019 and December 2024 (Dickson, 2024). The rate of newsrooms closures slowed from -108 and -130 in 2021 and 2022 respectively, to -12 and -16 in 2023 and 2024, post LINA's emergence in the news media industry.

LINA has noted an acceleration in newsroom openings since its launch in 2022. In addition to the chart below, LINA is currently supporting two emerging newsrooms in development with plans to launch in 2025.



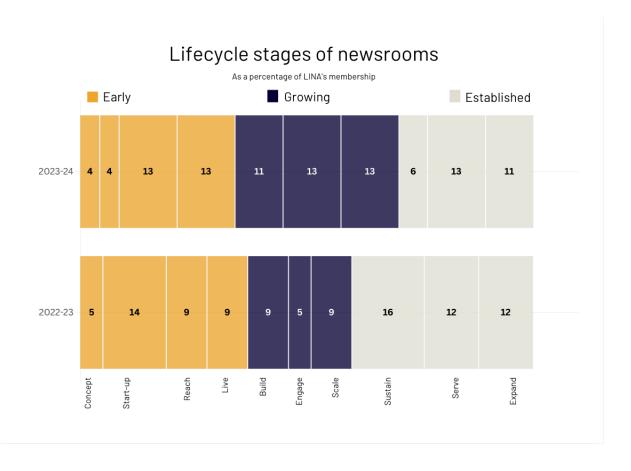
Growth of the financial sustainability of local and independent news publishers

LINA conducts an annual survey of members to assess impact and growth among member publishers. Based on benchmark data collected in 2022 and on sign-up of new member publishers, LINA noted the following changes in the sustainability of independent news publishes in July 2024:

- LINA members grew their income by approximately 10.2% in 2024 by comparison to 2023.
- 53% of LINA members created a new income stream in 2023-24.
- 45% of LINA members launched a new service (e.g. added a new masthead, distribution channel or alternate information service for their community) in 2023-24.
- 70% of LINA members grew their direct engagement with audiences (e.g. subscribers, newsletter sign-ups) in 2023-24.
- 30% of LINA members grew their staff team in 2023-2024 (i.e. added new roles).
- Notable changes to income sources include a jump on reader contributions from 8% in 2023 to 45% in 2024, potentially attributable to LINA's <u>Our News, Your Voice campaign</u> and upskilling program.
- Income from listings, guides and classifieds was a notable addition in 2023-24 survey responses, as was advertising in podcasts, training services and social media post revenue generation, all new income streams by comparison to 2023 data. The number of publishers

- that reported income from merchandise, events and philanthropic partners increased as categories of revenue.
- 71% of publishers formed new relationships with community members and local partners in 2023-24.
- 69% of respondents said their newsroom was cited in a public forum such as media, academia and government in 2023-24.
- 53% of newsrooms said they gave back to the community in 2023-24.

Publishers self-identified the stage of development that best described their news business. While the year-on-year comparison outlined below was skewed by the addition of new member publishers through the year, in general, LINA noted a number of newsrooms progressing from 'early' or establishment phases to a growth phase by comparison to 2022-23. LINA's membership was evenly split between emerging news businesses, those in significant stages of growth, and mature businesses.



"Journalists can no longer be seen simply as content creators, bur increasingly must also be seen as community builders who can enable and catalyse reciprocal exchange in social media spaces in numerous ways: direct for their readers, indirectly among the broader community, and repeatedly over time in a sustained way." – Seth Lewis, 2015

Budget Request

Access

Ensuring citizens have access to relevant, quality, public interest journalism is a key tenant of LINA's work. One of its key strategic pillars is increasing capability for public interest news reporting and growing audience engagement with local and diverse news sources. LINA strives to achieve this goal through all its activities, although this section focuses on activities that directly support a strong local and independent news industry through practical supports that save publishers money and time.

Support for these activities aligns with the principles for policy design and implementation outlined in the News Media Assistance Program (News MAP) framework by **promoting diversity and competition** in the news media landscape through supporting newsrooms to adapt more quickly to changing conditions.

LINA connects members with discount suppliers, expert advice and industry networks to save news businesses money and time and generate economies of scale. LINA seeks to expand its member service offering to collect and share aggregated data on local news engagement; help industry and government better understand opportunity and barriers relating to local news and information sources; and implement best practice technical tools across its membership to gain operational efficiencies.

Current and continuing publisher benefits include:

- Discounted insurance packages through a partnership with KBI Group.
- A 30% discount on the Newsletter Glue production tool.
- A 30% discount on registrations for Media Law conference events.
- A free Canva Pro 12-month subscription and support materials on Canva tools for journalism.
- Facilitation of monthly member networking sessions to share learnings and insights.
- A facilitated Slack channel discussion covering topics such as content, operations, business development, revenue development, tools and tech, new resources and general queries.
- On-call technical advice on websites and administrative systems.

With funding support, LINA will expand the following functions:

- Develop a site monitoring service to enable support and the quick resolution of service outages. The system will detect running times and access to news sites is continuously available. It will alert LINA's Technical Manager if a member's site is offline, so that they can immediately work with the relevant member to resolve the issue.
- Support newsrooms to participate in an annual co-ordinated national fundraising campaign, Our News, Your Voice. The week-long campaign raised approximately \$85,000 in June 2024, with approximately \$20,000 in recurring payments committed from donors and a number of warm leads with potential donors produced. Another giving week campaign is planned for May 2025. Pending success, LINA intends to continue this annual fundraising campaign in the first half of 2026 and the years beyond, returning increasing revenue to the industry year-onyear.
- Develop a partnership with an AI company and provide subsidised technical support for newsrooms to engage with AI efficiencies. This includes development of AI policy templates, education programs for publishers and access to subsidised subscription software built for news publishers.
- Provide technical support for advertising revenue development activities.
- Develop the tech platform for the NewsREAM software tool outlined further in the section on diversifying income sources for publishers on page 13.

• Negotiate further discount rates on other software licenses, equipment suppliers, digital design and tools.

Budget requirements for activities relating to access to news include:

Item	2025-26	2026-27	2027-2028	2028-2029
Salaries & wages	\$204,106	\$214,312	\$225,028	\$236,278
Service providers/contractors	\$20,000	\$20,000	\$20,000	\$20,000
Software & subscriptions	\$20,000	\$21,000	\$22,050	\$23,153
Administration costs, phone/internet,				
small equipment & office rental	\$11,920	\$12,516	\$13,140	\$13,799
Professional development	\$2,500	\$2,625	\$2,756	\$2,894
Travel & meeting expenses	\$2,000	\$2,100	\$2,205	\$2,315
Resource development	\$25,000	\$15,000	\$10,000	\$5,000
Technical platforms & support	\$255,000	\$60,000	\$40,000	\$30,000
Subsidies for tech and programs	\$115,000	\$115,000	\$115,000	\$115,000
Totals	\$655,526	\$426,553	\$450,179	\$448,439

Budget notes: 2025-26 includes a number of one-off expenses that will benefit newsrooms over the years ahead. Platform and technical support decreases over time. Subsidy amounts remain the same with newsrooms supplementing cost increases and funds spread across an expected increase in the number of newsrooms supported over the four-year period.

Diversity

LINA supports journalists who are embedded in their communities to ensure diverse control over the production of journalism.

Government programs such as the News Media Relief Fund, the News Media Bargaining Incentive and previous public interest news gathering programs have provided some relief to established newsroom, but not opportunity for new entrants to the news media industry. Support for establishing news businesses in areas that are currently underserved for relevant news is essential to reducing the news deserts that have appeared across Australia over the past decade.

Through strong connections to the industry and established governance and decision-making structures, LINA is well-placed to enable funding support to emerging news businesses, including evaluating opportunities, managing reporting mechanisms and providing networked support to give newsrooms the best opportunity for success in their establishment phase.

In addition, LINA will continue to coordinate centralised services to generate economies of scale for existing newsrooms and engage legal expertise to help member publishers engage with the News Bargaining Incentive. These actions support diverse control of the production of journalism through increasing the sustainability of independent news publishers.

Grant support will enable:

• Emerging Newsroom Program: funding support to help new entrants to the news market get established in communities underserved for news, up to three years in operation. This includes support for aspirant groups to launch news services and funding programs to enable newsroom leaders to focus on the growth and development of local news services and build business models, support for tech innovations and set-up. Estimated at a rolling rate of up to 20 newsrooms supported per year. While this will not wholly address the news deserts that

- have emerged across Australia, is it intended as supplementary measure only and LINA has taken a conservative estimate to encourage competitive processes in funding distribution.
- Engagement with News Bargaining Incentive: support for LINA members to undertake collective bargaining with large digital platforms.
- HR services and change management coaching: building on the successful partnership
 established between Nurture HR Consulting and LINA in 2023-24, this is an expanded service
 offered to publishers who want to review their HR processes, understand how to get the best
 from their teams and get intensive support to reduce the hours involved in personnel
 management for small businesses.
- Centralised accounting and bookkeeping services for news publishers: using the model developed for centralised sub-editing and HR services, developing centralised and subsidised accounting and bookkeeping for members drawing on the expertise of third-party suppliers. It will save member money and time.

Item	2025-26	2026-27	2027-2028	2028-2029
Grants	\$1,000,000	\$2,000,000	\$2,000,000	\$2,000,000
Service providers/contractors	\$240,000	\$186,250	\$158,063	\$190,466
Totals	\$1,240,000	\$2,186,250	\$2,158,063	\$2,190,466

Budget notes: Legal fees are expected to decrease over time while HR support and accounting subsidies will plateau as newsrooms increase their contribution to these services and more newsrooms are supported over time.

Freedom

LINA's contribution to ensuring journalism processes are not unduly threatened or restricted centres around growing the financial sustainability of publishers and diversifying the sources of income that support public interest journalism. This includes a range of capacity building measures to expand the skillset and capabilities within news organisations. See more on pages 18-20.

1. Capacity building supports

LINA provides publishers with access to training events, resources, tip sheets, templates, guides to support local and diverse newsrooms. LINA provides best-practice advice, including templates on practical issues such as social media terms of use and relevant policies. In addition, LINA facilitates education and upskilling. This includes the continuation of successful programs from 2023-24, such as:

- Tailored education resources on media law, creating content remotely, digital content marketing and multimedia content production.
- Monthly online 'shop-talk' sessions providing facilitated networking opportunities and guest speaker presentations on operational topics, examples of news publishing business success, news product thinking and technical tools to enhance reporting.
- Access to guides, templates and videos in the 'members area' of the LINA website.
- Invitations to training and networking events.

With funding support, LINA will grow this range of services to include:

Shop-talk weekenders: gathering five smaller groups of publishers (Vic/Tas, NSW,
Queensland, SA/NT/WA & larger publishers) to hold capacity building workshops and
collaboration sessions through the year, bringing publishers together in smaller groups,
outside the annual LINA Summit, to build connections and networks. This model is similar to
successful 'shop-talk retreat' workshops held in the US (Dreger & Schewe, 2023).

- Blue Engine Cohorts: working with Blue Engine Collaborative (US), running focus-group cohorts to support newsrooms through five programs focused on these key areas: sustainability audits; expanding marketing for engagement; understanding your audience to boost engagement (analytics, surveying and community listening); developing boards and advisory groups (engagement); and geographic or product expansion. We estimate participation from 10 publishers in each cohort, with learnings shared across the LINA membership group.
- Level up coaching program: LINA will establish a direct booking system for publishers to access mentor and coaching expertise with packaged programs to guide expectations and hours. The service will be available to the whole industry and at a subsidised rate for LINA members.

2. Diversifying income sources for news businesses

Newsroom sustainability is strengthened by broadening the range of income streams available to resource news services and reduce reliance on any one or few funders to relieve potential pressure on editorial decisions. Actions LINA intends to continue toward this objective include:

- Collective advertising representation: the technical side of this project is currently underway, the project requires coordination and representation to deliver outcomes for LINA member publishers. It is proposed that LINA hire a full-time Media Sales Specialist to drive this project forward and manage media sales on behalf of the group.
- NewsREAM platform: in partnership with *Newsport*, develop a centralised advertising platform for local listings, made available to LINA member publishers as a complementary revenue stream to the collective advertising service. This is budgeted as a joint project with the collective advertising representation piece, under 'Advertising revenue project'.
- Revenue Growth Program: in partnership with Bastion Agency, this program pairs newsrooms with experienced industry experts to test and trial a new revenue stream over a 10-12 week mentorship program.
- Regular development of resources focused on revenue generation, expanding technical knowledge and best-practice business management skills.
- Information on grant and training opportunities, as well as significant dates for content ideas.

With funding support, LINA will grow this range of services to include:

- A media kit audit to review each LINA members media kit and update/optimise based on industry best practice templates and updated media kit templates.
- A philanthropy support contractor to bring new revenue into the industry.

Budget requirements for ensuring journalism is unincumbered by financial pressure and maintains editorial integrity includes:

Item	2025-26	2026-27	2027-28	2028-29
Salaries & Wages	\$177,789	\$186,678	\$196,012	\$205,813
Service providers/contractors	\$228,128	\$239,534	\$251,511	\$264,086
Administration costs, small equipment				
& office rental	\$2,500	\$2,625	\$2,754	\$2,894
Travel & meeting expenses	\$2,000	\$2,100	\$2,205	\$2,315
Shop-talk weekender series	\$250,000	\$250,000	\$250,000	\$250,000
Media kit audit	\$20,000	\$15,000	\$10,000	\$5,000
Digital assets & tech platform	\$15,000	\$15,000	\$15,000	\$15,000
Education programs	\$260,000	\$274,575	\$288,304	\$302,720
Capacity building programs	\$60,000	\$60,000	\$50,000	\$50,000

Totals	\$1,242,417	\$1.133.112	\$1,154,016	\$1.186.720
Revenue growth program	\$75,000	\$75,000	\$75,000	\$75,000
Advertising revenue program	\$32,000	\$12,600	\$13,230	\$13,892

Budget notes: Some items are calculated to maintain a set rate, allowing industry to supplement cost increases and increases in demand. Other costs increases are calculated at roughly 5% per annum.

Quality

LINA works to ensure that engaged local audiences are served with independent, accessible, original, high-quality public interest news reportage, covering issues and information important to communities. One of the key pillars of LINA's strategic plan is strengthening public interest journalism.

This work began in 2023-24 and remains a significant focus of LINA's work moving forward. Activities that are currently in progress and require support to continue progressing in 2025-26 include:

- Facilitating shared learnings and content collaborations between newsrooms and editorial staff.
- Providing direct support to members to nominate for Australian and international awards and recognition opportunities to build the profile of quality, independent journalism in Australia.
- Providing support and upskilling to cover court-reporting and other sensitive topics some publishers are currently self-censoring due to a lack of confidence and skills.
- Arranging pro bono legal partners for specialist media law advice.
- Coordination of an annual industry summit/conference event. This in-person event is planned for Murray Bridge in April 2026, or an alternate regional location pending co-host arrangement.
- Supporting sub-editing as a shared service to address an identified skills gap in the sector, providing centralised sub-editing functions and building capacity in this specialised skillset and identifying other areas where the processes established for this project can create economies of scale for local newsrooms.

Budget requirements to strengthen public interest journalism include:

Item	2025-26	2026-27	2027-28	2028-29
Salaries & Wages	\$116,989	\$122,743	\$128,880	\$135,324
Administration costs & office rental	\$1,500	\$1,575	\$1,652	\$1,736
Travel & meeting expenses	\$2,000	\$2,100	\$2,205	\$2,315
Small equipment	\$1,000	\$1,050	\$1,125	\$1,180
Sub-editing service	\$8,500	\$8,500	\$8,500	\$8,500
Marketing & Promotion	\$15,000	\$15,750	\$16,538	\$17,365
Annual Summit event	\$60,000	\$60,000	\$60,000	\$60,000
Totals	\$204,989	\$211,718	\$218,900	\$226,420

Engagement

Increased engagement with news content increases civic engagement and trust in democratic processes. With audiences reporting news fatigue, social media platforms throttling exposure to news content and shifting audience platform preferences, newsrooms must adapt quickly to maintain trust, remain relevant and visible and ensure their news content is accessible to communities.

Further, there is a growing need for news services to educate readers in media literacy, providing explainers and examples to help identify mis and disinformation and understand journalism that is produced under professional editorial standards. The Joint Select Committee on Social Media and Australian Society in 'Second interim report: digital platforms and the traditional news media' (2024) recommended that:

"Australian Government establish a Digital Media Competency Fund (to be funded via alternative revenue mechanisms to be explored at Recommendation 2). While this fund should have a strong focus on the digital media literacy of young Australians, it should also fund initiatives aimed at improving the digital media literacy of other groups at risk of being taken in by mis- and disinformation, including older Australians and those in regional areas."

To enable engagement, LINA proposes the following actions:

- Media Literacy Program: in partnership with academic and industry experts (e.g. University of Canberra), resource local newsrooms to provide locally and topic-relevant examples to help readers learn how to identify mis and disinformation through a tailored online course. This would include demonstrating fact-checking processes and how to identify information sources, as shared by journalists who are known and trusted in local communities.
- Design and technical audits: create subsidised packages that support improved website and graphic design for news businesses, and also reviewing and recommending tech stack solutions to streamline processes and get maximum audience reach for publishers. Includes SEO review and development of guides for other members on this topic.
- Audience Engagement program: funding support to help newsrooms transition from using third party platforms to reach audiences to direct engagement actions such as newsletter strategies, app development, podcasts, quiz' and community event participation. Estimated at 100 x \$10k grants.
- Supporting access to and best practice use of design and software tools.
- Providing best practice advice on website accessibility for readers with a disability.
- Continuing to raise awareness of local news services.

Item	2025-26	2026-27	2027-28	2028-29
Salaries & wages	\$51,852	\$54,445	\$57,167	\$60,025
Media Literacy program	\$920,000	\$850,500	\$888,025	\$932,426
Audience engagement program	\$1,020,000	\$1,020,000	\$1,020,000	\$1,020,000
Design & technical audits	\$320,000	\$320,000	\$320,000	\$320,000
Marketing & Promotion	\$25,000	\$26,250	\$27,562	\$28,940
Totals	\$2,336,852	\$2,271,195	\$2,312,754	\$2,361,391

Representation

Equally as important as effective distribution channels through which audiences can access news content is the perspective of the people reporting the news. News services should reflect the diversity of the communities they serve, representing the voices of people with different cultural, identity, geographic and lived experience perspectives in the public dialogue.

LINA seeks to increase the representation of diverse voices in news media through:

- Continuing its partnership with Vision Australia Radio.
- Content production support: LINA's Micro-grant program is scalable to provide support to members. Increased effort will be placed on building philanthropic partnerships to distribute funds to hyperlocal and independent news publishers for content production, journalist/contributor mentoring programs, recruitment activities. In 2025-26 at least half of this funding will be used to increase the representation of diverse perspectives and storytelling in news reporting. 'Micro-grants' to local publishers to increase investigative journalism content and in particular, to focus on stories that identify and address misinformation and disinformation on a place-based basis as it emerges in local communities.
- Emerging journalist pathways program: LINA has developed a skeleton concept to support emerging journalists through cadetships and into sustainable roles in hyperlocal newsrooms. This is a multi-year, scalable program involving partnerships with education institutes, members, other community media and individuals. The work needs project management to bring partners together and further investment in order to move forward. In 2025-26 it is proposed that further development work be undertaken to progress this concept and explore co-funding opportunities.

Item	2025-26	2026-27	2027-28	2028-29
Salaries & Wages	\$39,675	\$40,160	\$40,667	\$41,200
Grants	\$200,000	\$200,000	\$200,000	\$200,000
Emerging journalist program	\$150,670	\$621,500	\$652,000	\$680,000
Totals	\$390,345	\$861,660	\$892,667	\$921,200

LINA Operational support

Providing operational funding to LINA supports the Government's principles for policy design and implementation by:

- Collecting and sharing available data with policy-makers to help inform policy design and implementation using the best available evidence and continuing to build the evidence base (see more on page 23). LINA contributes information to the ACMA's Media Diversity Measurement Framework and directly to department staff and the Minister for Communications; and
- Engagement with industry bodies, public institutions and comparable publishers in other countries to help inform **continued leadership in shaping the global response**, maintaining strong connections with global counterparts to understand best practice, industry and audience trends and emerging technologies (see more on pages 13-14, 24).

These ongoing actions are reflected in LINA's industry leadership actions and regular engagement with stakeholders and government. A small staff team facilitates core services for LINA members and supports the development of industry partners and projects. Service support agreements allow LINA to operate with a lean budget with operational expenses representing only 4.3% of the annual budget request on average, ensuring all activities deliver direct benefits to publishers. This team also facilitates sector leadership activities such as representing members in policy forums and centralised coordination of programs and activities. Operational support forms the base for the continuation of LINA's current activities and the expansion of programs to create greater impact in years ahead.

Budget requirements for operational support include:

Item	2025-26	2026-27	2027-28	2028-29
Salaries & Wages	\$172,430	\$181,052	\$190,104	\$199,610
Subscriptions & Memberships	\$10,000	\$10,500	\$11,000	\$11,750
Administration: phone/internet				
Equipment, office rental	\$14,000	\$15,200	\$15,432	\$16,942
Professional development	\$2,500	\$2,625	\$2,756	\$2,895
Service support (accounting, legal etc)	\$45,000	\$47,250	\$49,612	\$52,093
Auditing	\$8,700	\$9,135	\$9,592	\$10,072
Travel & meeting expenses	\$30,000	\$31,500	\$33,075	\$34,730
Website & hosting fees	\$1,000	\$1,100	\$1,200	\$1,300
IT & subscriptions	\$5,000	\$6,000	\$7,000	\$8,000
Totals	\$288,620	\$304,362	\$319,771	\$337,392

CASE STUDY: The Western Echo | Local Indigenous Histories

A grant of \$1,950 supported a series of articles aimed at raising awareness of the history and culture of First Nations people in Brisbane's western suburbs. Developed in collaboration with the Balaangala

Community Group, the series highlighted local Aboriginal man Maurice Serico's rich and detailed account of growing up in the area. The piece received significant online engagement, including the highest impressions, reads, and read time for the November edition, outperforming previous editions. Reader feedback was overwhelmingly positive, with comments praising the value of bringing these stories to light. This project demonstrated the power of local journalism to preserve and celebrate First Nations history while fostering community 'connection and understanding.



Shared objectives: Government and LINA partnership

LINA welcomes the recent announcement of the News Media Assistance Program and News Bargaining Incentive policies, forming a joined-up approach to government interventions following years of successive governments delivering more ad hoc, short term and immediate funding in response to urgent need within the industry.

LINA's work is aligns with all 10 principles, for policy design and implementation outlined in the Australia Government's December 2024 News MAP Policy Framework as described in this section.

Proportionate interventions that minimise impacts on press freedom

LINA's work as an intermediary body to distribute resources and support mitigates the risk of government support limiting freedom of the press. Initiatives outlined in this proposal are developed in close consultation with industry and informed by LINA's industry-led governance model. LINA independently assesses grant applications and requests for support and distributes these to member newsrooms based on factors including the quality of journalism, the need of the newsroom, and estimated impact or value of support.

All interventions outlined in this submission are proportionate to the significant risks and harms of a challenged news media landscape. Australia is ranked as one of the most concentrated media market in the world (Flew et al., 2024). There were 184 fewer news outlets publishing in Australia in December 2024 than there were in January 2019 (Dickson, 2024). Diverse voices and regional audiences remain underserved. Mainstream media continues to consolidate, syndicate and/or remove regional services while under-representing Australia's diverse communities. Simultaneously, the need for very localised information has been continually highlighted since 2020 by emergencies such as the pandemic and increasingly common extreme weather events challenging community resilience and safety (ACCC, 2023).

"The type of news most under threat is that reported by regional and local publishers, undertaking the humdrum task of covering the machinery of regional and local government in the broadest sense." — Frances Cairncross, 2019

In 2025 the World Economic Forum named misinformation and disinformation as the greatest global short-term threat for the second consecutive year (Elsner, Atkinson, & Zahidi, 2025). Local media's role in mitigating mis and disinformation promotes informed civic engagement and debate, testing of ideas and awareness raising for concerns, and supports the resilience of local communities, governments and the broader Australian democracy (Senate Environment and Communication References Committee, 2021). Strengthened by local knowledge and connections to the communities they serve, local and independent news outlets are particularly well-placed to identify misinformation circulating in their area, and investigate and report the truth quickly and efficiently.

The threat of not having a strong and diverse news media to counter mis and disinformation in emergency situations has been demonstrated through research into the effects of Meta's news ban in Canada. The loss of local news on Facebook had "profound consequences for Canadians" during wildfires that spread through Northern Canada shortly after the ban was enacted in 2023 (Parker et al., 2024). Unlike previous years, local news organisations were unable to use Facebook to share essential information about the spread of fires and safety orders. This study states that "although government accounts were still visible to Canadian users, they proved to be insufficient in countering misinformation and confusion and effectively delivering information to residents of small, rural communities". News reports in the aftermath detail how "confusion and misinformation have

abounded about which evacuation centres are still accepting people, how evacuees might be able to get financial compensation, the progression of the fires and what happens next as residents watch the fires through their screens, far from home" (Lindeman, 2023).

Here in Australia academic studied impacts from the closure of a newspaper in Lightning Ridge on the community. It found "while local newspapers play an important role in maintaining a town's public sphere, it is one that encompasses many aspects of everyday life." Surveyed community members listed a myriad of impacts such as missing funerals and volunteer opportunities, a drop in local sporting matches, and being unaware of people who require assistance. "They also missed political events or were denied the chance to participate in processes. These examples led participants to say they felt voiceless in response to decisions made by governmental organisations and that the social fabric had loosened since The Ridge News' closure. This also meant that information did not flow to institutions and individuals that held positions of power in Lightning Ridge. Council members and local politicians are now less exposed to criticism and also lack an important avenue to gauge public opinion on issues affecting Lightning Ridge." (Magasic, Hess & Freeman, 2023).

Governments have a responsibility to help guarantee public access to healthy and diverse information and communications systems. A healthy media sector, and public interest journalism in particular, has been well established in academic literature as a fundamental pillar of democracy, and but for its role in fostering social cohesion, civic engagement, community health and safety and workforce development. However, public interest journalism — including sharing local information, providing a platform to under-represented voices, and acting as a watchdog to corruption or misconduct — has "always been in tension with commercial imperatives" (Pickard, 2019). As such, it struggles to maintain financial viability, particularly in the wake of recent market disruptions, including the collapse of the traditional advertising model for media, the shift of audiences online, and effects of the COVID-19 pandemic.

"The media industry provides a critical service, which became even more apparent during the pandemic. Australians relied on public interest news more than ever to keep up to date on the evolving health situation and the public health orders. An April 2020 survey indicated that during the pandemic, Australians were accessing news media more than usual, as the main source of information about COVID-19. The panel heard from News Media and the Information Environment Roundtable participants that the media played a vital role in spreading and democratising information on important issues such as border restrictions and vaccine rollouts, and combating misinformation and disinformation around public health measures. The pandemic exacerbated existing challenges in the media sector arising from declining revenues, rising costs and an outdated regulatory environment. The economic impact of COVID-19 was particularly pronounced for the traditional news and broadcasting sectors, where advertising revenues fell even more sharply than before." COVID-19 Response Inquiry report October 2024

In line with this principle, state and territory Local Government Acts and Planning Acts should be updated to include digital and other local media services in their directives around the distribution of public notices. Local governments in most states have moved away from the publication of notices in newspapers and should be required to engage with print and digital news publishers operating within their LGAs to ensure the public has access to consultation processes, tender notices, job opportunities, public meetings, road and traffic notifications and the like. Currently, a number of local councils have started their own 'news services' which are formatted and presented to replicate legacy news mastheads but are self-generated and do not operate under journalistic editorial standards. This is confusing for audiences, open to corruption and problematic for news services in covering contentious or contested issues.

With suitable policies in place, maintaining editorial independence for newsrooms does not need to come at the expense of policy intervention that will support a healthy democracy. This is demonstrated through years of public funding support to ABC and SBS services where provisions are in place to minimise relationships between government funding and editorial.

This aligns with recommendation 3 made by the Joint Select Committee on Social Media and Australian Society in 'Second interim report: digital platforms and the traditional news media' (2024):

"The committee recommends that the Australian Government develop an appropriate mechanism and protocols to guide the fair and transparent distribution of revenue arising from any new revenue mechanisms. This work could have reference to relevant research and should include protocols aimed at ensuring the sustainability of small, independent and digital only publishers, as well as those operating in underserved communities and rural, regional and remote areas."

Distinguish between, and appropriately target, specific functions and roles All LINA's work and projects are guided by this specific principle of targeted intervention.

Many of the publications LINA supports were established by community members after identifying a news desert or lack of quality, locally relevant and accessible news available in their local community. Often these individuals are experienced journalists who are highly capable of producing strong public interest journalism, but lack the skills to develop their media business, news products and diverse revenue streams. LINA provides these organisations with support such as on-demand HR and IT/tech assistance, policies, templates and guidelines that can be applied to news businesses, and discounted subscriptions to resources supporting news distribution and income generation.

Conversely, LINA also provides newsrooms with targeted support to improve editorial output and public interest journalism. This includes a centralised sub-editing service and an extensive offering in guides, free webinars (live and on-demand) and discounted training/courses focused on journalism skills.

LINA currently offers 37 different member services to publishers, plus a range of resources and guides with a total value of \$33,605 per annum, per publisher, as detailed in the table below. With funding support, this offering will be expanded significantly in 2025-26.

Publishers currently pay a maximum \$300 per year in membership fees, discounted for foundational members and start-up newsrooms.

Membership fee	Estimated value of services per newsroom	Average value received
\$25 per month maximum	Discounts	\$6,055
\$300 per year	Resource support	\$450
	Legal services	\$3,000
Discounted for start-up	Training opportunities	\$2,650
and foundation members.	Operational support	\$1,100
	Subsidies and grants	\$12,975
	Representation and fundraising	\$7,375
Total \$300	Total	\$33,605

Snapshot of services provided to members, as at January 2025

- Direct member supported provided 172 times to 71 newsrooms
- Online training provided 162 times to 59 newsrooms
- Forty-six microgrants distributed to 27 newsrooms
- Eighteen environmental reporting grants distributed
- Impact tracking training provided to 21 newsrooms
- One-on-one IT support provided 43 times to 19 newsrooms
- Twenty-four article pre-publication legal reviews provided to 13 newsrooms
- Insurance discount provided to 12 newsrooms
- HR services provided to 5 newsrooms
- Template resources downloaded 35 times by 19 newsrooms
- Fundraising skills development training completed by 31 newsrooms
- Revenue growth program pilot participated in by 8 newsrooms
- 128 people regularly participating in online networking forum

Journalism policy should generally be neutral about the distribution method All LINA members must be publishing content on a digital platform. However, more than 75% of LINA news organisations have multiple distribution methods, including print, podcast, radio or app. Supporting publishers to develop digital offerings to expand audiences and revenue streams and adapt to current audience preferences while diversifying distribution methods (including tech platforms) ensures the sustainability and security of news businesses into the future.

Previous government programs have directed funds specifically to print publications. While print newspapers are valuable and require support, LINA is pleased to note the News MAP taking a platform neutral approach to the distribution of news content, allowing flexibility for newsrooms to respond to different audience requirements in different settings. Some recent government funding at state-based level has been targeted at publications using specific distribution methods, for example the NSW Regional Media Fund announced in 2024 to support print newsrooms only. LINA supports the principle that government policy intervention should generally be platform agnostic and proposes that the same principle be applied to government grants and funding so that digital newsrooms are not excluded from these opportunities.

CASE STUDY: National Indigenous Radio Service (NIRS)

National Indigenous Radio Service (NIRS) provides hourly bulletins each week day to First Nations community radio stations throughout the country, as well as an online news site. The organisation's aim is to spotlight Indigenous perspectives in the media. Article topics range from the Ngururrpa Rangers who recently discovered the largest population of one of Australia's rarest birds, to the new laws passed in the Northern Territory to lower the age of criminal responsibility to 10 years old. NIRS participated in LINA's 2024 Revenue Growth Program pilot.



Promote diversity and competition, and respond to changing conditions

Media diversity should be considered in dual terms: the range and relevance of information available to audiences; and the range of voices and perspectives represented in the media landscape. Effectively, information in and information out of communities, both of which are vital. All news is local to somewhere and local journalism has a key role in amplifying stories to state, national and international audiences as relevant, informed by local expertise and connections. LINA's support for local and independent news organisations is aimed at promoting diversity and competition to sustain a vibrant news media landscape. These news organisations not only provide diversity of media ownership, but also content that greater reflects the diversity of voices, experiences, challenges and needs of Australian audiences through standpoint diversity, representing cultural, identity and geographic diversity in public dialogue. Further, the local production of news content supports skills development and maintenance, particularly in regional areas.

This definition of diversity was quoted by the Joint Select Committee on Social Media and Australian Society in 'Second interim report: digital platforms and the traditional news media':

"Policies that support media diversity—particularly local news publishers—can help sustain quality reporting and reduce the impact of mis- and disinformation: Media diversity provides audiences with reporting that meets editorial standards and draws from a range of sources, from which individuals can make their own decisions on any given topic. In relation to local and independent news, media diversity provides an opportunity to draw on local expertise, deep subject matter knowledge and community connections to include perspectives in news reporting that would not otherwise be shared."

Furthermore, local news plays a particularly important role in representing geographically and culturally diverse voices, providing public interest news services in areas where access to information has been significantly impacted by newsroom closures and the syndication of services

LINA's focus on support for digital newsrooms reflects a response to changing conditions, particularly with technological changes influencing the switch of audiences from print to online.

Promote a media environment that generates greater public trust

Local news organisations are trusted voices in a landscape where trust in media has declined year-on-year over decades. The Edelman Trust Barometer's 2024 Report shows a global shift toward trusting people within our own communities, often over experts and politicians. We want to receive information from 'people like us' (Parks et al., 2024), and community-focused media provides an excellent opportunity to re-engage audiences in news content and verified media content being produced under professional editorial standards.

Without local news, trust in other institutions such as local government also diminishes (Megasic, Hess & Freeman, 2023). LINA's work to promote media diversity, particularly support for emerging newsrooms, aligns with this principle to support public trust in democratic processes. Further, many of LINA's resources assist news publishers to build audience trust. These include various training and webinars on the topic, strong editorial guidelines supporting transparency and accuracy, and LINA's strategic partnership with the Australian Press Council, a complaints handling mechanism to facilitate media accountability, as well as our strategic partnership with the ABC and other actions to strengthen public interest journalism. LINA requires all members to adhere to professional editorial

standards and takes active steps to increase the quality of public interest journalism produced by member publishers, as outlined in the section on quality on page 14.

CASE STUDY: The Post | Exclusive on local council

The Post is a Sydney North Shore and Northern Beaches independent and locally owned and printed news magazine. In March 2024 The Post published an exclusive on local councillors and council staff using taxpayer funds to book an extravagant conference. Facilitated by LINA's strategic partnership with the ABC, The Post was able to receive a pre-publication review of this article from ABC's legal team, providing feedback to mitigate for defamation risk. Following publication, the story was then picked up by 2GB, Sydney's premier news and talk radio station, giving the issue wider coverage.



Use the best available evidence, and keep building the evidence base

LINA conducts an annual survey of members to assess impact and growth among member publishers (see page 9 for 2024 survey findings). Contingent on continued funding, LINA will continue collecting data for comparison against benchmarked statistics and share learnings to inform impact investing and key points of intervention for policy-makers, philanthropic stakeholders and industry.

LINA also supports newsrooms to accurately track and interpret evidence of their own newsrooms' development and impact through the Impact Tracker project, developed in partnership with Impact Architects. These findings are then used not only by LINA, to assess the state of the news industry and impact of LINA's work, but also by publishers, to support advertising sales, grant and funding applications, and partnership proposals.

LINA contributes to the ACMA's News Media Measurement Framework, shares aggregated industry data with government departments and agencies, as well as research partners like the Public Interest Journalism Initiative and Sembra Media's Project Oasis news mapping. LINA collects and represents evidence from a part of the sector not serviced by other industry bodies and shares this information in all known policy forums.

Supports should strongly incentivise journalistic and ethical standards

Support offered to newsrooms through LINA membership means all newsrooms are meeting high journalistic and ethical standards. All LINA members must be publishing news content that meets the LINA Editorial Standards and the APC's Principles and Standards of Practice, each enforcing strong journalistic standards including accuracy, fairness, and accountability. Further, to access LINA membership and support, publishers must be independently owned and operated within the community that they serve, and community focused, delivering public interest news and information on a broad range of topics and responsive to the needs and priorities of their community. As previously noted, LINA's partnership with the APC provides members with access to a complaints handling mechanism to facilitate audience feedback and media accountability.

Adoption of methods, technologies and tools that support policy objectives LINA's member services include an extensive range of programs and resources that support newsrooms to adopt new methods, technologies and tools that will improve their sustainability and capacity to produce public interest journalism. This budget submission outlines initiatives that have been successfully piloted and should continue and seeks resources to expand services in response to industry demand. This will include providing technical support for newsrooms to engage ethically with AI efficiencies, technical support for advertising revenue development activities, and developing the tech platform for the NewsREAM software tool.

This proposal will use government funds to unlock efficiencies for the independent news sector, including economies of scale through shared tools and capacity building measures through collaborative innovation.

Journalism and news literacy policies should integrate and synergise with other relevant areas

LINA support this principle and encourages the government to align grant and funding opportunities for newsroom with this principle. News organisations need not only to be viewed under the communications remit, but also considered for opportunities based on their work in other community-building areas, such as small businesses, multicultural services, emergency response and preparedness.

This submission includes funding allocation enabling local newsrooms, as trusted sources of information due to their strong connections in communities, to undertake an educating role. This submission includes a request for support to increase media literacy while simultaneously support newsrooms to build audience engagement through locally informed media literacy programs delivered in partnership with subject-matter experts.

"The role is increasingly falling to news publishers to report on the news of the day, to combat 'fake news' and to moderate hate speech on their social media profiles, comments which are often Algenerated via bots." – *Mandi Wicks, 2024*

Impose the minimum burden on participants needed to achieve objectives

LINA's support for smaller newsrooms and work to generate economies of scale and shared services reflect this principle. Newsrooms are provided with practical, hands-on support to reduce inequitable outcomes. This includes on-demand HR and technical support and a Member Support Officer to facilitate services and support for members. LINA subsidises programs for newsrooms to reduce the financial burden of participation, such as travel grants allocated to members to support attendance at the annual LINA Summit, and subsidised fees for participating in the Revenue Growth Program.

With budget allocation starting in 2025-26, LINA seeks to further lower the burden on participating newsrooms to achieve objectives by offering services to support grant applications and subsequent reporting requirements. These include programs such as centralised accounting and bookkeeping services for news publishers and collective representation of LINA members to media buyers.

LINA takes a facilitation and co-ordination role in supporting the news media industry, reducing the administrative burden on newsrooms to manage grant activities. The association also resolves barriers to participation by actively bringing disparate newsrooms together, rather than relying on an over-burdened industry to self-generate cohort groups for activities and collaborative projects.

Policy support requirements

In addition to a budget allocation, on behalf of its members LINA seeks the following policy and legislative actions from Government, as aligned with the News MAP principles for policy design and implementation regarding "facing a global challenge" (2024):

Continued leadership in shaping the global response

News Bargaining Incentive

In 2021 the Australian Government set a global precedent with the introduction of the News Media Bargaining Code. This was an attempt to address an imbalance of power between global digital platforms and Australian news publishers and make digital platforms pay for the news content distributed on their sites. While the Code attempted to force platforms to be responsible corporate citizens in the news space, it did not meet the needs of small and emerging publishers and caused barriers to entering the market for others. Small publishers are disproportionately impacted by the algorithmic throttling of news content that is constraining traffic and revenue in places where revenue is already scarce, further compounding pressures on media diversity in Australia. The Code excluded small and emerging newsrooms and primarily supported large news outlets with no guarantee that the money is spent on journalism. Many of the newsrooms LINA represents did not meet the 'professional' service requirement in the Code to generate more than \$150,000 revenue per year, but do provide strong public interest journalism services to local communities and would have been eligible for registration with the ACMA by any other criteria besides income. The exclusion of smaller local publishers, particularly those operating predominantly for online rather than print audiences, is a pattern within media policy.

For future policy development, including that of the News Bargaining Incentive, LINA encourages the government to use editorial standards to define professionalism, rather than income levels. 'Qualifying' as adhering to professional editorial standards through membership of the Australian Press Council, the MEAA and/or LINA would enable a number of additional public interest news publishers to engage with tech companies. This aligns with the recommendations of the Joint Select Committee on Social Media and Australian Society (2024) that support "should have a particular focus on supporting small, independent and digital only publishers, as well as those operating in underserved communities and rural, regional and remote areas".

Similarly, there is also a cross-section of small and medium news publishers that did meet the criteria for the News Media Bargaining Code, but had no capacity to negotiate with Meta or other tech giants, or even to engage with representatives. By necessity, their scant personnel resources are spent producing news, with little time left for sorely needed business development activities, much less lengthy and complex negotiation processes with no easily accessible representatives here in Australia. The Code therefore provided solutions that remained inaccessible even to many eligible newsrooms.

To counter this and uphold the News MAP (2024) principle that policy interventions should "impose the minimum burden on participants needed to achieve objectives", support will need to be provided to under resourced newsrooms to engage with digital platforms under the News Bargaining Incentive. With 2025-26 budget allocation, LINA seeks to provide this support to newsrooms wishing to engage in a collective negotiation with global digital platforms.

Finally, some LINA member publishers have raised concerns about the implications on press freedom of entering commercial deals with digital platforms. For example, the possibility that the newsrooms'

editorial independence will be compromised or perceived to be compromised by their relationship with the company, particularly if the nature of the deal or amount of funding agreed upon cannot be disclosed. The News Bargaining Incentive should outline parameters to uphold the News MAP (2024) principle that "responsible journalistic practice is not unreasonably threatened or disincentivised".

Consistency with international standards

A pathway to DGR eligibility

While the media industry is facing significant challenges, studies are showing more people are willing to donate to support trusted, independent news (Thurman & Fletcher, 2019). Community-based digital newsrooms in Australia are currently disincentivised from establishing themselves as not-for-profits and/or charitable organisations by a lack of recognition for public interest news services as a public good. Many of these organisations already operate much like charities or not-for-profits, such as certified social enterprise *Murray Bridge News*.

The U.S., France, Tunisia, Lebanon, Colombia, Indonesia and Canada (to name a few examples) have implemented varying tax credits and concessions to support donations from both the philanthropic sector and individuals supporting public interest journalism.

In the U.S., where journalism is recognised as a public good attracting tax deductibility for donors, the industry has been highly successful in drawing philanthropic support. The Institute for Non-Profit News runs an annual NewsMatch program pairing gifts from community members with family, local and national foundations. The program has <u>raised \$330 million since 2017</u>.

LINA welcomed the 2024 recommendation of the Productivity Commission's philanthropy inquiry that access to Deductible Gift Recipient (DGR) status be expanded to include public interest journalism. The *Future Foundations for Giving* inquiry report (2024) made several recommendations to the Government, including an overhaul of the DGR system. The inquiry found that about 40 percent of registered charitable news organisations have DGR status, but "this has been obtained through meeting the various criteria of different DGR endorsement categories, such as a PBI or the Register of Cultural Organisations, or through seeking specific listing". The reforms, which were supported by LINA's submissions to the inquiry, would allow public interest journalism charities a more direct route to register for DGR status.

Public interest journalism is one of the foundational pillars of a functional democracy, builds social cohesion, fosters community engagement, and plays a critical role in public safety, emergency preparedness and community resilience. As the inquiry report noted, journalism can also prompt giving to other important causes by drawing attention to specific areas of need.

LINA encourages the government to expediate action on the recommendations of the Productivity Commission in regards to DGR status for public interest journalism.

Government advertising expenditure

LINA acknowledges and supports the Government's mandated minimum commitment of \$3.0 million per year for two years from 2025-26 for regional newspaper advertising (including digital formats) across the total annual Commonwealth Government media advertising spend (News Media Assistance Program, 2024). LINA suggests a higher ratio of the nearly \$450 million spent in government advertising annually be allocated to local news publications that are publishing public interest journalism in both regional and metropolitan locations. To reflect the move of audiences to

online platforms, and the News MAP (2024) principle that intervention must "respond to changing conditions" and not "seek to fix or revert things to a point in time", this advertising budget must include allocation to digital-first publications regardless of whether they have a print distribution.

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 (Hess et al., 2023). 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.

This greater advertising budget allocation would reflect consistency with international standards, where similar arrangements have been highly successful. For example, in New York and Chicago, Executive Orders signed by state governments to boost advertising spend through community media organisations (including print and digital publications, television, and radio outlets) resulted in a significant increase in local reporting. In 2019 the City of New York 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" (Harlem World, 2021). 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.

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 (Hess et al., 2023). 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 government objectives to address challenges including workforce shortages by promoting skill development and job security. 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 three per cent using print as their news sources (Australian Communications & Media Authority, 2024). Younger audiences particularly are much more likely to receive news online. Commercial advertisers have been quick to follow the move of audiences online (Australian Competition & Consumer Commission, 2019), 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" (Hess et al., 2023).

Diminished government advertising has also been found to be having an adverse impact on start-ups ability to sustain their businesses (Attard et al., 2023), 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. 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.

Conclusion

The news media industry produces significant public value and is in urgent need of support. The government has articulated its role in supporting news and journalism and set a policy framework to guide appropriate interventions, along with a \$153.5 million funding commitment over four years. This submission requests \$29 million over four years (average \$7.25m per year) to strengthen public interest journalism; increase the diversity and quality of news services accessible to Australian communities; build capacity for newsrooms to grow their sustainability; generate economies of scale through shared services; and support entrants to the market to reduce news deserts. The request is proportionate to industry representation and targeted to support some of the most marginal businesses in the news media landscape through a period of technological and audience transition. A four-year funding commitment allows for planning and scaling, increasing the efficiency of the industry association and its members, with measurable impact through aggregated reporting and the ACMA's Media Diversity Measurement Framework developed in 2024. LINA urges the government to act swiftly to address the decline in news services in Australia and enable the industry to support media literacy and combat mis and disinformation. There is no time to lose.

"When it comes to local, community-based journalism, a quiet revolution is under way." — Alan Sunderland, 2022

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