

Joint Select Committee on Artificial Intelligence

Submission by the Local & Independent News Association (LINA)

September 2026

Introduction

LINA welcomes the opportunity to respond to the Joint Select Committee on Artificial Intelligence.

The Local & Independent News Association (LINA) is a not-for-profit industry association representing local and independent digital news publishers across Australia. LINA currently represents over 200 newsrooms, collectively reaching over 12 million people and producing over 13,000 stories each month. All members must meet eligibility criteria that includes publishing high-quality public interest journalism that is community focused and meets a set of professional editorial standards, engaging journalists/contributors who are based within the community for which they are reporting.

LINA member publishers typically operate with fewer than five full-time equivalent staff, and a median annual revenue of approximately \$220,000. They are newsrooms that have opened in, or held ground against, the roughly 300 Australian newsrooms that have closed or downsized since 2019. These news organisations produce a large volume of original, locally reported, verified public interest journalism, but most do not have the market power, legal budget or staff resourcing to negotiate individually with a global AI developer, let alone to detect and prove unlicensed use of their work.

This submission responds primarily to terms of reference a, i, j and k, detailing LINA's broad concerns and considerations with AI as it relates to copyright and intellectual property, and the principles on which regulatory and legal responses should be built.

Background

LINA views journalism as an action, rather than a product. The product is the most visible part of what a journalist does. Whether this be an article, a podcast, or a newspaper, the product is what audiences most easily understand that they're paying for when they buy the paper, take out a subscription, or listen to the ads. It can be most readily used for AI training and retrieval, and what is most at risk of being replicated by those platforms.

But journalism is not just a collection of facts about a person or an event. It is a reporter being part of their community, noticing things, developing sources, hearing stories, attending meetings, asking questions and knowing that what is being said now is

different from what was said six months ago. It is gathering not only the bare facts about a matter but [the context, the history, the impact and the emotion behind what has happened](#). Journalists hear the victories and the grief of their communities and draw wider attention to them.

It is this process, of gathering, verifying, analysing consensus and reporting in a manner the general public can understand, that sets journalism apart from other forms of content production. It is the difference between news, opinion and advertorial, signalled clearly to the audience and complete with accountability and transparency measures, that makes audiences trust news sources. [Journalists are directly approachable and accountable to their audiences](#) in a way that a tech platform never will be. This lens informs LINA's perspective on the role of AI.

AI can imitate a news story, but it cannot replicate the social process through which that story acquires its meaning. It is unlikely to understand the nuances of community structures, the people who carry both social and formal leadership roles, the voices we respect and trust.

In that distinction there is a real risk for local and independent journalism. If AI increasingly becomes a substitute product for journalism, it may further reduce the amount of revenue available to support the reporting that enables it to be produced in the first place.

The result could be newsrooms that continue to produce news while becoming less capable of performing journalism's wider social function, or are altogether unable to continue.

In subjective information settings, human trust requires human engagement in reporting processes, including editorial standards. The unreliable nature of AI as a research assistant means its contribution to news reporting should always maintain human oversight. Without appropriate editorial controls, [AI generated content is open to large-scale manipulation](#) by bad actors and to foreign interference in civic debate. The possibility of exacerbating false narratives and amplifying polarisation through widescale misuse of AI tools is a significant concern for social cohesion, as discussed by Brian Reed in this [Question Everything episode](#) on Claude and propaganda (May 2026). Fact-checked news sources bring value to AI platforms through countering the circulation of false information, but rarely have the scale or resources to combat coordinated, ideologically driven campaigns in the information ecosystem.

Further, there are [risks to data security](#) posed by a lack of control over the use and reproduction of materials used to train AI and ground responses. Small businesses rarely have the cybersecurity resources required to appropriately counter those risks.

It is essential that any regulatory framework dealing with AI's impact on the news industry reinforces the importance of keeping people at the centre of journalism. It

must deal with both the economic imperative to ensure that news companies are fairly remunerated for the use of their intellectual property, and the social imperative to support the community-building process of local journalism.

Response to term of reference (a): the opportunities presented by artificial intelligence (AI) to lift Australia’s resilience, productivity growth, economic competitiveness, and living standards;

Like many small businesses, local and independent newsrooms can benefit from operational efficiencies generated from using AI in administrative and systemic processes. [LINA actively supports its members to learn about and implement AI tools](#) in operational workflows to reduce double-handling, automate repetitive administrative processes and optimise the back-end functions of the business.

While we maintain that all content requires human intervention and oversight at each stage of the publishing process, AI tools can be useful in generating alerts on certain actions and announcements, compiling listings information, comparing large data sets and other mechanisms that can inform news gathering and news business operations. However, it is prone to misuse and error and should not be used as a replacement for content makers and journalistic processes.

Three-quarters (76%) of LINA members surveyed in 2026 said they were using AI in their business. For these respondents, ‘Research’ was the most common use of AI (87% of respondents using AI), followed closely by ‘Administrative or operational tasks’ and ‘Limited editorial support’ (both used by 82%).

Response to term of reference (i): the adequacy of Australia’s existing laws and regulatory frameworks as they apply to AI and whether there are any gaps that warrant reform;

In theory, copyright law gives LINA members the right to maintain control of their work and receive compensation for its use, but there is no accessible enforcement pathway for a small newsroom to actually use it, leaving a gap in how the mechanism operates in-practice.

To date, AI content licensing deals have been made with a few large, well-known publishers. Negotiating individual agreements with hundreds of smaller publishers imposes transaction costs on both those publishers and AI companies, making bilateral licensing cost prohibitive.

Currently the burden of enforcement is on copyright owners, not AI developers. Most, if not all, of the 200+ newsrooms in LINA’s membership do not realistically have the ability to detect whether their content has been used to train a model and then pursue compensation or litigation.

Voluntary agreements must remain available but cannot be the only route to payment. Local and independent news organisations need a genuine, low-cost way to enforce their copyright, or existing laws and regulatory frameworks will continue to have little practical meaning for the majority of the sector.

LINA therefore supports the efforts of the Attorney General's office to create a legislative backstop that ensures that small news organisations can exercise their rights under copyright law, license their content if desired, and that there is greater oversight and regulation to ensure compliance to copyright in the AI context. The News Media Bargaining Code is instructive; it showed that without this kind of intervention by government there is no guarantee that foreign tech platforms will deal with the Australian news media sector fairly, nor that they will engage with local and independent publishers.

Further details about what this mechanism must include are detailed below in response to term of reference (j).

LINA also very strongly supports the Government's decision not to introduce a text and data mining exemption, and its position that Australian news should not be used to build or train AI without the control of the journalists and publishers who made it.

There is a clear commercial argument against the text and data mining exemption: if news archives are valuable for training and/or retrieval AI services, then they should enter into negotiations with the owners of those archives to pay for access.

Similarly, no exemption should be made for news content that is freely accessible online. News produced by local and independent publishers is, by nature, bespoke. Journalists are covering stories that are not found in other sources. Further, those stories are in the public interest and are, by and large, freely accessible to communities as an essential information service. Putting genuine news content behind paywalls is often not in the public interest, [particularly during emergencies](#), and policy-makers must take care not to punish news publishers for their accessibility. This news has inherent value to AI platforms, often as a single reference source on specific geographic and cultural topics.

There is also a cultural case against the exemption. [Local news organisations are record-keepers for their communities](#); their archives document the people and events through which community identity and social cohesion have developed over decades and, in some cases, centuries. These are the stories of generations of Australians. In this way, news articles should be considered archival material comparative to books and academic publications in their contribution to history.

A text and data mining exemption reduces that history to a set of textual objects that can be incorporated into a corpus. In doing so, it treats those archives only according to their commercial value, disregarding their cultural value, the meaning and shared social

understanding that is embedded in the stories themselves and the original act of recording them.

As stated above, news organisations should be supported to bargain with AI companies to license content for training and retrieval purposes if they choose to do so, but they should also be supported if they elect to opt-out of providing that access, particularly for cultural reasons. A text and data mining exemption undermines both of those options.

The Government should be careful to avoid other exceptions, for example for “research” purposes, that could have the same outcome, transferring the entire value of Australian public interest journalism to model developers at no cost.

Finally, the Government needs to address the use in Australia of AI models developed overseas using unlicensed Australian content. Australian publishers and other content creators should receive compensation for this use of their work.

Response to term of reference (j): the interaction of AI with existing intellectual property and copyright laws, including the use of Australian creative, cultural and media content in the training of AI models;

Two separate but equally important uses of news content by AI companies must be addressed in Australian intellectual property and copyright law. First, the use of news content to train AI models. Second, the use of content at the output stage, including Retrieval-Augmented Generation (RAG), where a model retrieves, reproduces or closely paraphrases current news content in response to user query.

Collective and statutory licensing must be built to support small publishers, not just the largest. This includes ensuring that any distribution of payments under a collectively licensed scheme must not be built solely on scale, including volume, traffic or measured usage. These factors cannot effectively quantify the civic and social value of original local reporting, as outlined under ‘Background.’

Similarly, there should be a minimum payment per eligible newsroom. Engaging with copyright licensing will likely require an investment of labour and technical resources, regardless of the size of the news organisation. Therefore, minimum payments should be set at a threshold that justifies this investment for small independent and local newsrooms.

Licensing of content for output/RAG purposes is likely to be more challenging and difficult to enforce, but is critical in ensuring newsrooms have control of their content and are compensated appropriately when used. Smaller news organisations and new entrants to the media market [rely more heavily on third-party traffic referral](#), because they have less established direct audiences and brand recognition. Search engines like Google have traditionally been [an important source of that referral traffic](#). These publishers are therefore likely to be disproportionately affected by [drops in click-](#)

[through-rates caused by RAG](#), which in turn poses a worrying threat to Australia's media diversity.

As with use of news content for training AI models, use of content for AI output should be separately remunerated, with attribution and working links required as license conditions.

For both purposes, transparency needs to be addressed in legislation. There is currently no reliable way for a publisher to establish use of its content in either training models or output. The resourcing and technical burden of this should not be placed on the copyright holder; rather, AI developers must be required to disclose use of copyright material in training, at a level of detail sufficient for a publisher to determine whether its work is included. This obligation should be supervised and enforceable by a regulator. AI companies should be required to show their processes for adhering to data protections such as Robots.txt and at least the aggregated value of compensation paid to rightsholders in Australia for the training and use of content. This form of transparency supports compliance measures and evaluation of policy interventions. Again, the News Media Bargaining Code and subsequent News Bargaining Incentive demonstrate the issues that can arise without transparency and strong mechanisms for enforcement.

Copyright protections should not be extended to material generated without a human author who contributed 'independent intellectual effort', as outlined in current copyright law.

In the effort to ensure that the use of copyrighted material by AI platforms is transparent to the rights holder and to the end user, and that copyright protections are not inappropriately extended to AI-generated derivative works, it may be appropriate to introduce labelling requirements. Specifically to the news industry, LINA believes that it is appropriate that editorial content produced with the assistance of AI be labelled, and that content produced exclusively by AI is not journalism at all.

(k) the risks and harms arising from AI, including fraud and scams, deepfakes and risks to the safety and wellbeing of children and vulnerable Australians;

[The role of AI in creating and sharing false information](#) online is widely understood, as well as the threat that its erosion of public trust poses to democratic institutions, including the media. Additional challenges worth noting include increased operational burdens on publishers and journalists. [Publishers must moderate an increase in hate speech and comments on their social media platforms](#), generated and spread by AI bots. Meanwhile, while AI is being used to generate efficiencies in many newsrooms, it has also become increasingly difficult for journalists to perform their role as factcheckers and verifiers of information, now more important than ever.

AI also causes an existential threat to the local and independent news sector in Australia, and globally. Aside from losses in referral traffic, AI is a tool which is now also being used to support [entire newsrooms to spring up with entirely AI generated content](#), competing for audiences and thus revenue with the very newsrooms from which they have stolen their content. The threat of AI therefore extends beyond mis and disinformation to the other roles of a newsroom. For the LINA members producing public interest journalism, this includes representing diverse and regional voices, holding authorities accountable, exposing wrongdoing, supporting social cohesion and community resilience and sharing critical information during emergencies.

Conclusion

Broadly many of the existing laws and regulatory frameworks relating to intellectual property and copyright are adequate, but the enforcement pathways and regulations that ensure adherence need to be strengthened so that smaller rights holders can engage. Where AI companies use copyright-protected Australian media content, there should be a clear pathway for licensing and remuneration. This needs to address both training of AI and output/Retrieval Augmented Grounding (RAG). There should also be meaningful and technically effective mechanisms to opt out of the use of their content.

LINA supports efforts to establish a legislative backstop that provides a voluntary pathway for news publishers to collectively license their content. Remuneration for content should not depend on a publisher's ability to negotiate, or be calculated solely based on volume and scale of content reach.

Transparency requirements must be strengthened so that the obligation is moved to AI developers to ensure publishers are aware that their content has been used, and enforceable by a regulator rather than just the copyright owner. This includes requiring prominent attribution and link to source articles on licenses covering output-stage use.

The Government must also maintain the decision not to introduce a text and data mining exemption, and ensure no exceptions under alternative wording allow for a loophole which would give AI developers free access to Australian publishers' content. Consideration should also be given to news produced in audiovisual formats.

Finally, there is a risk that the longer that news organisations are unable to assert their intellectual property rights, the more Australian journalism will be incorporated into training and live retrieval datasets used by AI platforms without appropriate remuneration. The value created by that journalism may be increasingly captured by platforms that substitute for access to the original reporting, further weakening the capacity of local and independent news organisations to fund journalism. Delay is therefore not a neutral position but rather supports the interests of global AI developers at the cost of the independent publishers supporting local Australian communities.