

News Corp Australia

SUBMISSION TO SENATE ENVIRONMENT AND COMMUNICATIONS REFERENCES COMMITTEE MEDIA DIVERSITY INQUIRY

11 DECEMBER 2020

News Corp Australia welcomes the opportunity to make a submission to the Senate Environment and Communications References Committee inquiry into media diversity in Australia. We offer the following comments in this submission:

The current legal framework of the media landscape in Australia

As the Committee is well aware, there are a number of laws and regulations that frame Australia's media landscape. As these are long standing and well understood we will not labour them here, rather we list them for the record:

- ACMA media ownership and diversity rules;
 - One to a market rule;
 - Two to a market rule;
 - The 5/4 voices rule;
- ACCC assessment of mergers required under the *Competition and Consumer Act 2010*, noting the ACCC's detailed *Media Merger Guidelines*¹ document that details what the ACCC considers in assessing media mergers;
- Foreign Investment and Review Board (FIRB) rules for foreign media investment – which requires FIRB to approve – or not – foreign investments of greater than 5 percent in an Australian media company. Note also the additional requirement that any foreign person with interests of 2.5 percent or more in an Australian media company must disclose their interest in a public register.

News media consumption

The digital environment has for some time been a place of residence for consumers and businesses globally and locally, including news media organisations.

Following are measurement and research regarding Australians' new media consumption.

Nielsen Digital Content Ratings Monthly, Current Events and Global News Category – November 2020

This measures the monthly unique audience of websites that provide information about local, national, and/or world news.

Unique audience (UA) is the de-duplicated count of individual people who saw the content. E.g. a person who views a website multiple times a month only counts once towards UA for that period.

¹ https://www.accc.gov.au/system/files/Media%20Merger%20Guidelines%202017_0.pdf

Ranking	Name	Unique Audience
1	ABC News Websites	12,256,182
2	news.com.au	11,055,916
3	nine.com.au	10,549,618
4	smh.com.au	10,244,149
5	7NEWS	9,518,132
6	Daily Mail Australia	9,290,687
7	The Guardian	6,711,862
8	The Age	4,881,493
9	Australian Community Media Network	3,542,886
10	THE AUSTRALIAN	3,347,504
11	perthnow	3,188,453
12	Herald Sun	2,996,011
13	Yahoo!	2,698,131
14	The Daily Telegraph	2,652,806
15	couriermail.com.au	2,074,633
16	The New Daily	1,656,274
17	The West Australian	1,290,789
18	SBS News	1,282,149
19	AdelaideNow	1,247,578
20	brisbanetimes.com.au	1,069,953
21	skynews.com.au	899,310
22	canberratimes.com.au	886,311
23	WAtoday.com.au	782,797
24	InDaily	671,740
24	Gold Coast Bulletin	440,244
26	NT News	334,368
27	Geelong Advertiser.com.au	325,024
28	themercury.com.au	317,892
29	weeklytimesnow	233,327
30	The Cairns Post	228,332

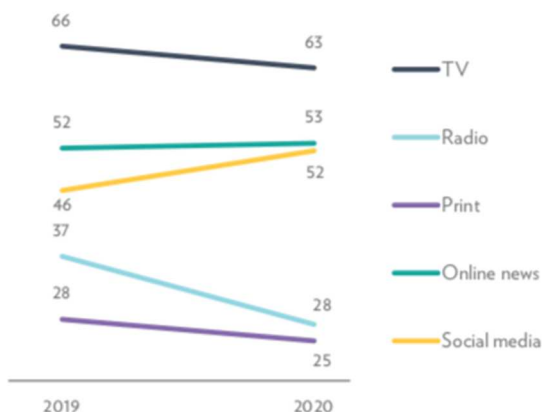
Of the top 10 news sites, on average people visit 4.2 of these sites in the month.

Digital News Report: Australia 2020²

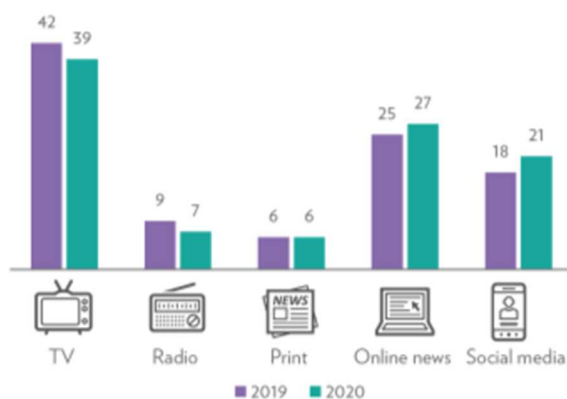
According to the *Digital News Report: Australia 2020* undertaken by the University of Canberra's News & Media Research Centre:

² https://apo.org.au/sites/default/files/resource-files/2020-06/apo-nid305057_0.pdf

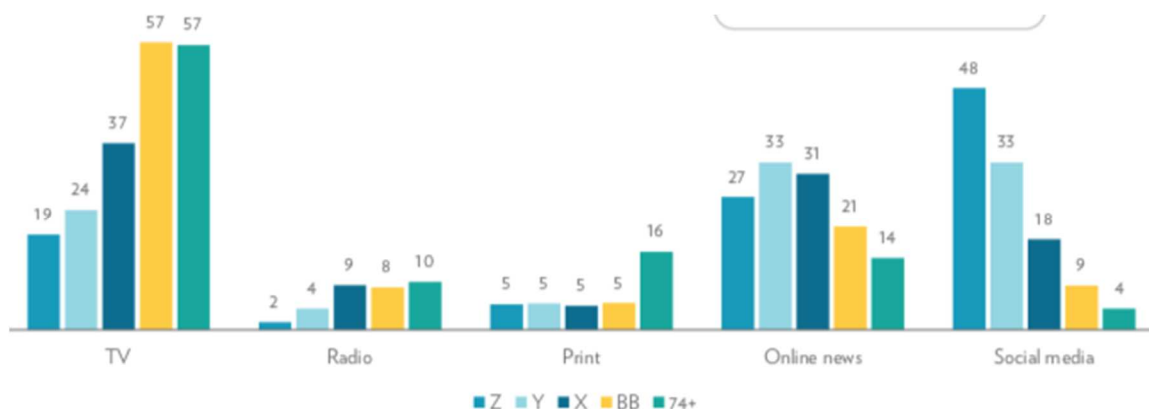
- As a general source of access to news³, Australians use of social media has increased, online and radio access have remained steady, and television and print have decreased between 2019 and 2020;



- Online and social media have grown as an identified main source of news between 2019 and 2020⁴;



- News access is varied across generations, showing news access is not homogenous⁵; and

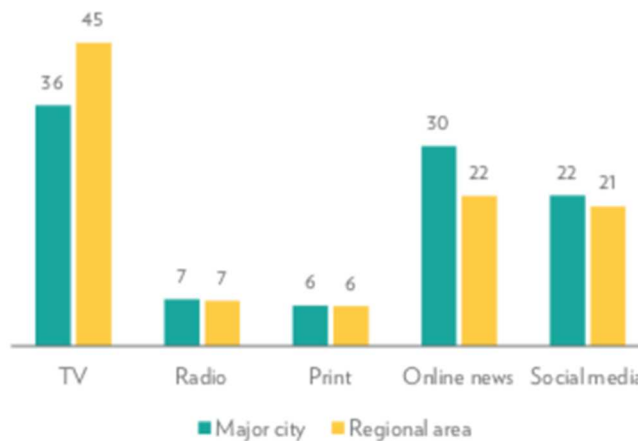


³ Ibid, Figure 4.5, General source of news (%), p50

⁴ Ibid, Figure 4.6, Main source of news (5), p50

⁵ Ibid, Figure 4.7, Main source of news by generation (%), p50

- By region, the identified main source of news has some variations⁶; and



- When asked about use of 58 online and offline news brands, 51% of Australian news consumers surveyed said they used five or more of those news brands. Only 7% accessed only one news brand.⁷

Contemporary issues facing Australia’s news media

Impact of global digital platforms on news media in Australia

Contemporary issues facing Australian news media As the Committee would also be aware, the ACCC has, and continues to, undertake inquiries into the impact of global digital platforms on the media and advertising industry in Australia. These work streams are focused on the issues facing news media businesses in the digital environment. News Corp Australia has participated in these inquiries, including making detailed submissions. We refer the Committee to those submission in considering the contemporary issues facing the news media in Australia.

Specifically: the ACCC’s Digital Platforms Inquiry⁸ was undertaken over 18 months, and culminated in a Final Report⁹. Key recommendations of Final Report included a code to address the imbalance in bargaining power between digital platforms and news media businesses, and a further inquiry into the market for digital advertising technology services.

As the Final Report states: *The ubiquity of the Google and Facebook platforms has placed them in a privileged position. They act as gateways to reaching Australian consumers and they are, in many cases, critical and unavoidable partners for many Australian businesses, including news media businesses.*¹⁰

We note the code is currently before the Parliament as the *Treasury Laws Amendment (News Media and Digital Platforms Mandatory Bargaining Code) Bill 2020*¹¹. The Digital Advertising Services Inquiry¹² is in process with the Interim Report due at the end of the year.

⁶ Ibid, Figure 4.10, Main source of news by region (%), p52

⁷ Figure 4.13, Number of news brands accessed (%), p54

⁸ <https://www.accc.gov.au/focus-areas/inquiries-ongoing/digital-platforms-inquiry>

⁹ <https://www.accc.gov.au/system/files/Digital%20platforms%20inquiry%20-%20final%20report.pdf>

¹⁰ Ibid, p1

¹¹ https://www.aph.gov.au/Parliamentary_Business/Bills_Legislation/Bills_Search_Results/Result?bId=r6652

¹² <https://www.accc.gov.au/focus-areas/inquiries-ongoing/digital-advertising-services-inquiry>

Restrictions on reporting – including Government secrecy

News Corp Australia is a member of the Australia's Right to Know (ARTK) coalition of media companies. During this Parliament, ARTK submitted to the Senate Environment and Communications Committee inquiry into press freedom.

The rising tide of secrecy

In recent years many legal provisions that undermine and threaten the Australian public's right to know have been passed by the Federal Parliament under the guise of various national security concerns and national security legislation.

The culture of secrecy arising from these legal provisions that unnecessarily restrict Australia's right to know has permeated attitudes and processes more broadly. We have tackled some of these issues on a legislative amendment by legislative amendment basis and provided submissions and evidence to Parliamentary inquiries, particularly the PJCIS. But with each of these laws the tide of secrecy rises. This is deeply disturbing in a modern and robust democracy.

As we said in that submission, and the many other submissions we have made to Federal, state and territory jurisdictions over many laws, laws which place restrictions on what the public cannot know are not limited to national security and counter-terrorism. There are a multitude of laws that need attention due to their intended and unintended restrictions that impact the Australian public's right to know. For example ARTK has been involved in processes in Victoria, the Northern Territory and Tasmania, to ensure survivors of sex crimes are able to self-identify and tell their stories without having to continue to seek permission from a court in costly and out-of-date procedures.

As we have expressed in various forums, law reform is necessary and urgent. The effect of a range of laws that individually create a proliferation of ways in which journalists can be exposed to the threat of criminal charges for simply reporting uncomfortable or unpleasant realities is now a matter of serious national concern. For the most part, these laws have very little to do with national security and everything to do with the exercise of power and the desire to avoid scrutiny. ARTK has proposed legislative reforms that directly address the main issues in the Commonwealth jurisdiction including the right to contest the application for warrants for journalists and media organisations; public sector whistle-blowers must be adequately protected – the current law needs to change; a new regime that limits which documents can be stamped secret; a properly functioning freedom of information (FOI) regime; exemptions for journalists from laws that would put them in jail for doing their jobs; and enactment of phase 1 of defamation law reform in all jurisdictions as a matter of importance.