

Submission to the Senate Committee on Media Diversity in Australia.

From Solstice Media Pty Ltd

Solstice Media is a South Australian head-officed public interest news provider in South Australia and Queensland, using the digital platform.

In South Australia it operates a news website called InDaily, which has 900,000 monthly unique users (Google Analytics) and is the 23rd ranked news website in Australia according to the Nielsen Net Ratings and the second ranked site in South Australia. It has a database of 60,000 subscribers.

It commenced operations in 2004 as a weekly South Australian newspaper and pioneered the move to digital for local public interest journalism servicing a local state-based population in 2010 with a focus on news, politics, business and culture.

Solstice Media has taken its model and launched a similar product in Queensland in February 2020, called InQueensland.

It is a successful new digital business model, providing journalism in markets dominated by one player who continues to reduce resources and coverage – creating an opportunity for an alternative.

InDaily and InQueensland are evidence that new models can work.

However, we have faced a number of barriers as small but growing, independent news outlets in Australia, particularly from our major competitor, NewsCorp in these markets and through their relationship with State Governments.

Commercial relationships between governments and NewsCorp - such as advertising and content "partnership" deals - are generally hidden, with both parties seeing this lack of transparency as a benefit to their interests. But where is the public interest?

How do independent and locally-owned news outlets ensure they are receiving a fair share of advertising dollars? In smaller markets, government campaigns can make a huge difference to the commercial viability of independent outlets.

Attention should be applied to whether NewsCorp is using its commercial and political power in markets where it dominates to encourage governments to freeze out competitors in advertising agreements. Consideration should be given to ensuring government advertising spending is spent with independent and regional titles, proportionate to their reach and audience.

Attention needs to be given to how NewsCorp uses its market power and political influence, particularly in smaller markets, to package editorial agreements with commercial deals. In practice, this means that NewsCorp either explicitly or implicitly forces government-funded events and institutions (such as in the arts) to give its newspaper's editorial exclusives along with advertising sweeteners.

Breaking news has a commercial value and, in many cases, governments are ensuring this commercial value flows only to NewsCorp. Should publicly-funded events and institutions be used to give one company commercial advantage?

Yours sincerely

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