

SUBMISSION TO MEDIA REFORM GREEN PAPER
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GENERAL COMMENTS:

I am the proprietor and managing editor of the Coonamble Times which has delivered locally and regionally-sourced news, information and entertainment to our region since 1885. I am also currently a co-Vice President of the Country Press Association of NSW.

Despite being an active participant in industry-related issues, I was only made aware of the Media Reform Green Paper on Thursday 20 May. Neither Country Press NSW nor Country Press Australia were informed of the proposed reforms until this time. No direct communications or media releases have been received with regard to the Green Paper by regionally-based media outlets or by our state and national peak bodies.

Lacking the time for research in order to meet today's deadline of 23 May my response below is off-the-cuff and incomplete, however I hope to make some points on behalf of myself and other small regional media companies.

INITIAL RESPONSES TO MEDIA REFORM GREEN PAPER:

1. Why pick one sector for reform?

Any Government actions that aim to 'support policy initiatives that deliver value for the Australian public and enhance the sustainability of the media sector' should take account of the needs of other sectors in addition to television production and broadcasting.

If additional support is to be made available to the 'Australian production sector' and funds contributed to 'technology transition costs' then these supports should also be made available to bona fide media organisations in the print and radio sectors as well.

2. Revive the Regional & Small Publishers Fund

The reinstatement of the Regional & Small Publishers Fund should be a high priority. This fund was essentially raided during COVID with the vast majority of monies handed to national broadcasters who continued to close regional newsrooms and major corporate publishers who continued to close regional mastheads, so that the fund that was meant to assist small regional publishers was left empty.

The Regional & Small Publishers Fund was well considered and carefully allocated, and could have supported the delivery of regional news for years to come.

My own business had taken advantage of the Journalism Cadetship and now employs a full-time journalist from our own resources, effectively doubling our reporting capacity. We also received a grant from the 2019/20 Innovation Fund and can demonstrate how this has contributed to our delivery of quality journalism.

However, one major improvement would be to allow applications by consortiums or co-operatives of small regional independent media organisations. Allowing a collaborative approach to common problems – which

could range from addressing immediate printing challenges to sourcing shared technology to aid in digital transition – would leverage economies of scale and also result in better per dollar value for taxpayer funds.

I strongly recommend the reinstatement of the Regional & Small Publishers Fund.

3. The problem with PING:

The Public Interest News Gathering fund, while admirable in its stated intent, seemed like a blunt instrument which focused on delivering taxpayer funds to large corporations with multiple revenue sources and showed little or no regard to the resulting provision of service to the audiences of public interest journalism, especially regional audiences.

The more revenue an applicant had, the more of the PING funds they received. Yet those companies continued to close regional news outlets and sack or relocate regional journalists, a trend which has been happening for more than a few years ahead of COVID. It is difficult to see how this loss of local coverage and content progresses the government's goal to "safeguard the ongoing provision and dissemination of journalism, particularly at a regional and local level."

Start-up media organisations (both private and community-owned) who stepped in to fill the gap left in regional communities by departing corporate mastheads/TV and radio newsrooms were denied access to the fund, regardless of the proponents' experience or capacity to deliver quality news to those communities.

While it is commendable to ensure that public interest news gathering is supported into the future, the devil is in the detail of any Government-managed fund. A PING Trust fund will only be effective if it takes full account of the diversity of the media landscape and supports those who are actually employing journalists and delivering quality news at the local and regional level.

There needs to be a flexibility in approach to avoid the risk of providing Government hand-outs to a handful of large corporate broadcasters which would reduce their costs, maximise their revenue and allow them to unfairly compete for advertising in a landscape that includes small to medium regionally-based enterprises who provide quality product through print, radio and digital platforms.

4. Acknowledging the contribution of small and medium media companies:

Large corporations are only one end of the spectrum of 'traditional media companies' and any changes addressing industry sustainability necessarily need to recognise and address the full gamut - including small to medium media outlets who are and have always been part of the mix.

It seems that the large corporations have been able to convince government that they are the only serious players in the national media landscape. This ignores or minimises the enormous contribution made by SMEs to providing a rich and diverse news, information and entertainment offering across Australia. I believe that many of these corporations over-state their presence and impact in communities across regional Australia.

There are many privately-owned small regional publishers, including the Coonamble Times, who have managed to adapt and compete effectively in the advertising-supported news media market for 100+ years. These publications have weathered the arrival of major industry disruptors including radio, television, mobile communications and the internet with its rapidly-growing range of digital offerings.

The Coonamble Times team are committed to ensuring that our content is available wherever our audience is. At the time of writing, the majority of our audience still prefer a print edition, while a smaller and slowly growing

proportion source their news from an online digital edition, and a further number would like their news delivered in smaller, more immediate portions on mobile devices through an app-based model.

I agree that resources need to be directed to maintaining a 'diverse and competitive Australian media market' and 'a plurality of independent and robust news media voices'. In its singular focus on a small number of large broadcasters the Green Paper fails in this respect before it begins.

5. Government advertising spend needs to recognise and support regional media:

It is disappointing and frustrating to me when a Government, acknowledging the challenges facing advertising-supported businesses claims to pursue a robust and diverse media sector while the advertising investment of its own departments actively runs counter to these claims.

While Ministerial campaigns and some regional MPs make a concerted effort to advertise with smaller regional publishers, the service delivery arms of both state and federal governments choose to concentrate their spend in other sectors regardless of whether those outlets have an actual presence or demonstrable impact in the regional communities receiving the service.

By way of example, staff from Services Australia have recently been seeking free editorial space to promote the tour of their Mobile Service Centre to local communities. Asking small community newspapers to advertise to local residents the dates, times, locations and what is involved with the bus' visit without paying for it is equivalent to asking the local service station to re-fuel the bus for free.

Claiming not to have advertising budget is also not a credible response. It is impossible to believe that the combined resources of Centrelink, Health (Medicare), and Veterans Affairs (in this instance) cannot create a budget of even \$100 per community to let some of Australia's most vulnerable residents know of the Mobile Service Centre's visit.

A couple of months ago I had a conversation with a high-ranking NBN official about how difficult it was for them to communicate with more senior, less tech-savvy members of regional communities who are rarely if ever online. He then proceeded to explain that they 'do not have budget' for advertising in regional newspapers and went on to describe their 'integrated marketing strategy' which included paying to 'boost' social media posts. The ridiculous irony of this response was gob-smacking!

As the only local news publication in my area, our inboxes are constantly bombarded by media releases of these and a plethora of other Government departments seeking to have 'news' of their latest initiatives, programs and services included in our publication.

While we are happy to include actual news items, these Departments must recognise that advertising is a cost of doing business and that spending a proportion of their advertising budget with the publications that best serve the communities or specific target markets that need their services would go a long way towards ensuring that those publications or media outlets are sustainable into the future.

We are well supported by a loyal and highly engaged community. We know who our audience is and we know that advertising in our publications (in print and online) has impact and provides great value for advertisers. We also pay rates, taxes, employ five staff, source our inputs from other local and regional businesses, and are a key player in maintaining the wellbeing of our community.

As well as ensuring that their services are better utilised, spending a small amount on advertising with local media based in regional areas would mean that those Government Departments would also be supporting their own leaders' stated objectives of:

- Employing Australians and driving economic growth
- Informing citizens and underpinning our democratic institutions
- Contributing to national identity and a sense of shared experience, and
- Providing a voice for diverse communities and minority groups.

6. Dealing with the unfair competition within the advertising market:

Where should the 'digital dividend' come from?

The Green Paper correctly highlights the growing Australian advertising market and the shift of 'value capture' to digital platforms. It avoids the fact that although an increasing proportion of the advertising dollars of Australian taxpaying entities are being directed to a small handful of global digital corporations, the core issue - that these global entities do not pay GST, employ only a small number of Australians, and have mechanisms to pay limited tax within Australia - is being ignored.

These companies are also not subject to the same legal requirements in terms of privacy, ethics, news standards, defamation and so on, which allows them to maintain low operating costs and progress their claims of targeting and personalisation without any real transparency or accountability.

While I do not pretend to be across the complexities of transnational taxation, it would be extremely encouraging if there was a visible effort by the Australian Government to address these fundamental elements of unfair competition in the national advertising market.

If the global digital media giants are not to be required to pay a proportional share of their advertising income perhaps the Government could consider removing GST on all forms of local advertising or allowing tax concessions to genuine small and regional media companies?

END NOTE

I appreciate the sentiments behind the Green Paper and the proposed initiatives it contains. However I urge the Government to consult more fully and effectively with regional media stakeholders on issues, policies and programs before setting a course. I am sure that our national association, Country Press Australia, will be keen to engage in this consultation.

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