

Media Reform Green Paper: Modernising television regulation in Australia

Submission to the Department of Infrastructure,
Transport, Regional Development and Communications

Monday 12 July 2021

[Public
Interest
Journalism
Initiative]

1. Introduction

The Public Interest Journalism Initiative (PIJI) welcomes the opportunity to comment on the Australian Government's Media Reform Green Paper: Modernising Television Regulation in Australia (November 2020) (the Paper). The Paper begins an important conversation about the future of free-to-air television in an era of media convergence and business model disruption.

The global health pandemic and recent bushfires demonstrate not only the importance of reliable news media – to provide accurate information and create community cohesion – but also the vulnerability of news organisations. The raft of recent closures in news production has been tracked by PIJI's [Australian Newsroom Mapping Project](#). While green shoots have emerged in different hot spots, some recent market entrants have already closed their doors. The map has captured over 300 changes to date, two thirds of which are market contractions, and which are disproportionately skewed to regional Australia.

PIJI's interest lies in the health of public interest journalism in Australia and its sustainability as a public good. We are platform-neutral and size-neutral with respect to supporting news media production; and with no commercial interest, our comments focus on the necessary favourable pre-conditions to sustain a diverse marketplace of public interest news.

PIJI commends the Department of Infrastructure, Transport, Regional Development and Communications for the development of the Paper to initiate discussion among the industry.

In assessing the Paper, PIJI has been guided by the following principles that inform our work: to act in the public interest; ensure plurality of news production and neutrality of support; be independent, practical and evidence-based in consideration of any options. PIJI maintains that media plurality — a diversity of voice, ownership and community coverage — is central to delivering the objective of a robust and sustainable ecosystem for public interest journalism in Australia.

Furthermore, in preparing this submission, PIJI has taken into account three key contextual considerations that it believes should inform any government initiative to modernise television regulation in Australia:

1. Although citizens are increasingly accessing news via digital platforms including search engines (eg. Google) and social media (eg. Facebook), television remains an important source of news for Australians. As highlighted in *Digital News Report: Australia 2020*, television was the most used source of news in 2020—39 per cent of all individuals surveyed said television was their main source of news. Moreover, television was the main source of news for individuals across a range of age groups: 19 per cent of Gen Z, 24 per cent of Gen Y, 37 per cent of Gen X, 57 per cent of Baby Boomers and 57 per cent of people aged 74 or older said television was their main source of news. More women (26 per cent) than men (17 per cent) surveyed used television as their main source of news. Forty-five per cent of news consumers

in regional Australia and 57 per cent of new consumers with low education and income relied on television as their principal news source.¹

2. Commercial and public broadcasters remain highly trusted sources of news. In 2017, a study conducted by the Australian Communications and Media Authority (ACMA) found that commercial television was the most trusted source of local news in regional areas. The ABC and SBS are also the two most trusted news brands in Australia according to research released in 2020.²
3. The metropolitan broadcasters — Seven, Nine, and Network Ten — confront different commercial considerations to the regional and remote broadcasters — Prime, Southern Cross Austereo, WIN, and Imparja. Metropolitan broadcasters have high content and programming costs; regional broadcasters have high transmission costs. There are fundamental differences between the public and commercial broadcasters but any reform should be inclusive of common interest while noting the objectives of the ABC and SBS are set by legislative charters:
 - The ABC is tasked, for example, with providing ‘innovative and comprehensive broadcasting services of a high standard ... and ... (i) broadcasting programs that contribute to a sense of national identity and inform and entertain, and reflect the cultural diversity of, the Australian community; and (ii) broadcasting programs of an educational nature’; and ‘encourag[ing] and promot[ing] the musical, dramatic and other performing arts in Australia.’³ In addition to eight statutory duties, SBS must ‘provide multilingual and multicultural radio, television and digital media services that inform, educate and entertain all Australians and, in doing so, reflect Australia’s multicultural society’.
 - The commercial broadcasters, on the other hand, have greater flexibility in the content they broadcast, but must comply with Australian programming quotas and, where applicable, the *Broadcasting Services Local Programming Determination 2018* (Cth).

Consequently, to maximise public benefit from any proposed television broadcast reform, PIJI calls on the government to:

- clearly articulate its public policy goals for news media, with a specific emphasis on safeguards and innovation for public interest journalism across all platforms of news production – television, radio and publishing – in the era of media convergence;
- in light of those goals, undertake further industry and public consultation;
- design a ‘fit for purpose’ policy framework; and
- set metrics to measure impacts over the short, medium- and long-term.

¹ Park S., Fisher C., Young Lee J., McGuinness K., Sang Y., O’Neil M., Jensen M., McCallum K. and Fuller G. 2020. *Digital News Report: Australia 2020*. Canberra: News & Media Research Centre, University of Canberra. pp. 50-52.

² Ibid p. 76.

³ Australian Broadcasting Corporation Act 1983 (Cth) s 6.

This submission concentrates on the returns for public interest journalism in Australia, as drawn from PIJI's consultations with industry and other relevant research. It identifies potential benefits, impacts and unintended consequences of the Paper's proposals on news production and availability for the entire Australia community.

It is divided into three sections and includes three annexures:

- Section 1 comprises this brief introduction.
- Section 2 provides background information about PIJI.
- Section 3 sets out PIJI's comments on the Paper. Part A provides comments on the technical infrastructure matters raised in chapters 3 and 4 of the Paper. Part B provides comments on content-related matters raised in chapters 6 and 7. Part C answers Questions 5.1 and 5.2 raised in chapter 5.
- Annexures:
 - Annex A: Board of Directors and advisory committees
 - Annex B: Research projects relevant to this submission
 - Annex C: Submission disclosures and project team

2. The Public Interest Journalism Initiative

The Public Interest Journalism Initiative (PIJI) is a specialist think tank focussing on how Australia can secure the future of public interest journalism. Established in late 2018, PIJI's evidence-based work informs practical policy solutions and public conversation on the importance of an effective, pluralistic news media of all sizes.

As a registered charity (ACN 630 740 153), PIJI is governed by a board of independent directors and guided by an Expert Research Panel and Policy Working Group. PIJI is a limited shelf-life initiative, due to cease operation in June 2023 in line with achieving its intended impact.

Key to PIJI's reputation so far is its central, but neutral, position in relation to government and industry. Since its inception, PIJI delivered 13 research projects that fill critical data gaps, engaged broadly across industry and community, and provided impartial investigation of solutions to high-level, government and regulatory inquiries. These include the Australian Government's Mandatory Bargaining Code between News Media and Digital Platforms; the Australian Government's Media Reform Green Paper; Australia Competition and Consumer Commission (ACCC) Digital Platforms Inquiry, Australian Communications and Media Authority (ACMA) Disinformation Code; the Senate Standing Committees on Environment and Communications Inquiry into Media Diversity as well as their Inquiry into Press Freedom.

3. Comments

A. Technical infrastructure matters

The technical infrastructure matters raised in the Paper, such as the feasibility of five broadcasters sharing three multiplexes and desirability of digital television systems using the DVB-T and MPEG4 compression technique, are largely outside of PIJI's remit.

Nonetheless when viewed through the prism of the interests of public interest journalism, PIJI strongly recommends the government first articulates clear public policy objectives, as well as the principles that shape how such objectives will be fulfilled, to inform any changes to the broadcast spectrum. Otherwise, in a rapidly changing market of fast developing technology, media convergence and ageing infrastructure, proposed changes risk not being fit-for-purpose and leading to substantial unintended consequences.

While the Paper at p. 4 refers to some public policy objectives, including the 'wide availability of news services', it does not capture all of the objectives currently set out in section 3 of the *Broadcasting Services Act 1992* (Cth) (the Act). For example, the objectives of promoting the 'the availability to audiences throughout Australia of a diverse range of ... television services offering entertainment, education and information'; 'the role of broadcasting services in developing and reflecting a sense of Australian identity, character and cultural diversity'; 'the availability to audiences throughout Australia of television ... programs about matters of local significance'; and 'the provision of high quality and innovative content by providers of broadcasting services' are not explicitly mentioned in the Paper. The Paper does not refer to the principle of 'responsiveness to audience needs' mentioned in the Act or the charters of the ABC or SBS. It also does not consider if the Act's specific objectives should be revisited to more accurately reflect the current and future needs of the Australian public.

Equally, the Paper does not articulate any principles that will inform the government as to how its public policy objectives will be fulfilled.

At a minimum, PIJI believes options for the future of broadcasting must be evaluated considering the following six principles:

- Any transition must ensure that Australians continue to have access to local, national and international news content wherever they reside in Australia and at no cost ('the universal service obligation (USO) for news');
- Any transition should ensure Australians continue to enjoy a choice of Australian news providers;
- Reform should ensure that the public good is not diminished (ie, there is no reduction of news as a public good);
- Any transition should ensure that the picture quality of the broadcasting signals Australians receive from all broadcasters is of the same or better quality than they currently enjoy.

- The transition costs for Australians, such as the purchase of new antennae or new hardware, including Smart TVs or related devices, should be kept to an absolute minimum with subsidies provided for viewers who need them.
- Educational training and/or technical assistance with matters such as re-tuning should be made available so all Australians can make any technical transition as smoothly and quickly as possible.

PIJI agrees with the submissions of Free TV⁴, Nine,⁵ and the ABC⁶ that there is a need for government to work with all relevant stakeholders to agree a detailed consultation roadmap for the future of broadcasting and that the roadmap must be sufficiently flexible so that it can be responsive to market developments while ensuring that there is no reduction in news quality and coverage.

These measures are important as broadcasting technology as well as the business models of free-to-air broadcasters are in a state of flux and are likely to evolve as the pace of media convergence accelerates.

Different segments of the broadcasting sector are facing different challenges. Metropolitan broadcasters face high content and programming costs; regional broadcasters confront high transmission costs; and remote broadcasters are not commercially viable in the absence of government support. WIN's decision to close regional newsrooms in 2019⁷ and end many local news bulletins in Queensland and Victoria in 2021⁸ suggests that challenges faced are directly impacting the provision of locally-relevant journalism.

PIJI notes that commercial and public broadcasters have expressed a willingness to work with government during any sector transition, provided they have meaningful input into the decision-making process. Each is an important news provider. It is imperative that news production and its availability across the Australian community are not adversely disrupted by spectrum or technological changes. Extensive industry consultation and engagement across the supply chain, including but not limited to the National Broadband Network, broadcasting infrastructure providers, telecommunications carriers, and equipment manufacturers, are key to ensuring this does not happen.

PIJI also believes additional information gathering is necessary to avoid unintended consequences. For example, there is an immediate need for a better understanding of the existing fleet of television sets in Australia and/or the number of consumers who might need to purchase a new television set or device in the event of spectrum changes. Such

⁴ Free TV Australia 2021. Submission by Free TV Australia: Media Reform Green Paper. May 2021.

<<https://www.freetv.com.au/wp-content/uploads/2021/05/Free-TV-Submission-Media-Reform-Green-Paper-V3-linked.pdf>>

⁵ Nine Entertainment Co 2021. Media Reform Green Paper: Nine Entertainment Co's Submissions in Response.

<<https://www.communications.gov.au/sites/default/files/submissions/mrgp-nine.pdf>>

⁶ Australian Broadcasting Corporation 2021. ABC Response to the Government's Media Reform Green Paper.

<<https://www.communications.gov.au/sites/default/files/submissions/mrgp-abc.pdf>>

⁷ Duke J. 2019. WIN shuts down five newsrooms as regional broadcasters struggle. *Sydney Morning Herald*. 19 June.

<<https://www.smh.com.au/business/companies/win-shuts-down-five-newsrooms-as-regional-broadcasters-struggle-20190619-p51zdz.html>>

⁸ Perry K. 2021. WIN Television axes 9 local news bulletins for statewide editions. *TV Blackbox*. 24 May.

<<https://tvblackbox.com.au/page/2021/05/24/win-news-axes-local-bulletins-for-statewide-editions/>>

information will help to quantify costs associated with consumer technology upgrades as well as any required educational training and/or technical assistance for consumers and to determine how such costs are covered and by whom.

B. Content-related matters

1. Prominence

The ability of Australian viewers to easily locate and access news content generated by Australian commercial and public broadcasters must be a core consideration in the discussion of prominence via internet-connected TVs. News is part of the civil infrastructure of any working democracy, and it plays a critical role in emergency infrastructure, as we have repeatedly experienced during recent bushfires and floods.

This central, content-related issue is not currently raised or addressed in the Paper.

So-called Smart TVs do not have electronic programming guides; they have homepages that can display the applications of content providers, including Subscription Video on Demand providers (SVODs). For content providers to have their applications appear on the homepage of a Smart TV, they must pay, as Viacom CBS's submission (p. 1-2) highlights, substantial fixed fees and/or a share of advertising revenue to Smart TV manufacturers.

These practices mean that unless Australian commercial and public broadcasters pay for the privilege of having their applications appear on the Smart TV homepages, Australian viewers are likely to spend some time using search engines that TV manufacturers install to locate an Australian broadcaster and/or its Australian news content. Such an inability to immediately and easily locate local news content carries potential public safety issues. Discussing independent research in their submission to the Royal Commission into National Disaster Arrangements, the ABC reported that 54 per cent of people surveyed relied on the ABC as their main source of fire-related information and 28 per cent acted on information they received from the ABC to ensure their safety or that of others.⁹ The inability to easily locate Australian news content may also lead to viewer inertia — viewers may not bother to look for Australian new content — and an inevitable decline in the amount of Australian news content watched. Such a result would undermine the key policy objectives of the *Broadcasting Services Act 1992* (Cth), including the promotion of the availability of a diverse range of television services offering entertainment, education and information to Australian audiences; and the promotion of the role of broadcasting services in developing a sense of Australian identity, character and cultural diversity. Even more importantly, it might cause viewers to turn to social media for news — platforms where misinformation and disinformation are prevalent, and which are not party to any content regulation or public accountability.

⁹ Australian Broadcasting Corporation 2020. *ABC Submission to the Royal Commission into National Natural Disaster Arrangements*. April 2020. p. 2.
<<https://naturaldisaster.royalcommission.gov.au/publications/nnd00101143>>

The gatekeeper role of Smart TV manufacturers and the threat they pose to broadcasting policy objectives have been recognised by regulators in both the UK and other countries. For example, in 2018, the EU revised its Audiovisual Media Services Directive and empowered Member States to ‘take measures to ensure the appropriate prominence of audiovisual media services of general interest’¹⁰. The term ‘audiovisual media services of general interest’ is not defined in the Directive, but appears to include programming by public and commercial broadcasters.¹¹ And in 2019, the UK Office of Communications recommended that new legislation was needed to ensure traditional broadcasters remained prominent on Smart TVs and other connected devices, including set-top boxes and streaming sticks.

PIJI recommends that the government commissions research into the experience of Australian viewers of news availability via Smart TVs and consults with Smart TV manufacturers and Australian broadcasters to better understand the problem within a domestic context.

2. Content investment and related matters

a. SVOD/AVOD investment

As stated in the Introduction, PIJI’s focus is limited to the production of Australian news content.

PIJI notes that there is disagreement between the government and commercial and public broadcasters about the appropriateness of imposing Australian content investment obligations for SVOD and AVOD services.

The ABC sees merit in the idea that SVOD providers should contribute to Australian content production, although it believes indirect investment via a central fund used to support local content production is preferable. The SBS notes the matter is for government, although it seeks clarification that SBS On Demand will not be captured by any such obligation.

The commercial broadcasters, on the other hand, strongly oppose the imposition of content investment obligations on SVOD and AVOD providers: the submissions of Free TV, Nine and ViacomCBS are critical of the idea. The submission of Prime Media Group, Southern Cross Austereo and the WIN Network does not specifically address the question of SVOD and AVOD provider obligations, but clearly all commercial broadcasters believe their provision of Australian content, including news, (required under the *Broadcasting Services Act 1992* (Cth) and related instruments) differentiates them in a competitive market.

¹⁰ DIRECTIVE (EU) 2018/1808 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 14 November 2018 amending Directive 2010/13/EU on the coordination of certain provisions laid down by law, regulation or administrative action in Member States concerning the provision of audiovisual media services (Audiovisual Media Services Directive) in view of changing market realities, para 12.

¹¹ COMMISSION STAFF WORKING DOCUMENT IMPACT ASSESSMENT Accompanying the document Proposal for a Directive of the European Parliament and of the Council amending Directive 2010/13/EU on the coordination of certain provisions laid down by law, regulation or administrative action in Member States concerning the provision of audiovisual media services in view of changing market realities (25 May 2016) p.53.

PIJI notes there are continuing concerns about the financial sustainability of commercial news broadcasters, especially regional and remote broadcasters, some of which could not provide broadcasting services without government subsidy.

However, regardless of any content investment obligations deemed relevant or irrelevant for SVOD or AVOD providers, PIJI would expect (at a minimum) that all broadcasters would continue to meet their current levels of news programming (in terms of quality and quantity).

In regional areas, the provision of some news by commercial broadcasters is guaranteed in regional areas by way of the *Broadcasting Services Local Programming Determination 2018* (Cth). It appears that there will be an ongoing need for regulatory intervention if news, weather and community information programming is uneconomic for regional broadcasters as per their representations. PIJI notes that WIN, for example, previously had multiple newsrooms in regional centres, but increasingly has shifted production to larger cities and is beginning to favour state-wide instead of local news bulletins. This will almost certainly impact the local relevance of its news. It is far too early to tell if this is a trend for all regional broadcasters, but the WIN example highlights the commercial pressures regional broadcasters are facing and raises questions as to how WIN will meet its local programming requirements.

News provision by commercial broadcasters is not currently mandated in metropolitan markets. PIJI would encourage the government and/or ACMA to monitor the amount of news programming offered by metropolitan broadcasters and contemplate the imposition of regulatory obligations should levels fall below an acceptable minimum.

Furthermore, PIJI would support, where possible, reporting of investment in Australian news media by all broadcasters, but where information is commercially sensitive it should reside with the industry regulator. Requiring broadcasters to provide this information would provide important, reliable data that could be used to analyse the state of Australian news production and better inform future policy decisions.

b. Specific content considerations for public broadcasters

Again, PIJI's comments are limited to news content and public interest journalism outcomes. They do not extend to wider categories of Australian content such as drama.

PIJI believes the policy objectives with regard to content investment and the public broadcasters need to be clarified; PIJI has not observed evidence of market failure by either SBS or ABC.

At this stage rather than imposing content minimums on the national broadcasters, we recommend the government instead request clear reporting and transparency of their Australian content, and specifically, their news and current affairs.

Such public reporting requirements would recognise the accountability and transparency principles that should accompany significant levels of public investment from Australian

taxpayers, plus bypass any unintended risk whereby minimum obligations may become a performance target.

In addition, any discussion of public broadcaster content investment levels, and importantly, that of news content, should recognise the following:

- long-form journalism programs, such as Four Corners, constitute Australian content in keeping with the *Australian Content and Children's Television Standards 2020* (Cth) and the registration criteria outlined in the News Media Bargaining Code.
- that each organisation is adequately funded by government to provide a diversity of quality news to service Australian audiences, especially for those in rural/remote communities and that such funding considerations remain independent of other revenue streams for example, commercial content deals under the News Media Bargaining Code.

c. Specific concerns of regional broadcasters

PIJI recognises that regional broadcasters face unique challenges. The cost of news production remains high across a small new markets; commercial elements of their businesses are undergoing change as a result of negotiation of affiliation agreements.¹² We also note a recent uplift in internal migration to regional areas,¹³ an early indicator which may lead to increases in viewing audiences, changes in viewer demographics and greater demand for diversity in local news.

It appears there will be ongoing need for regulatory intervention, if as asserted by various broadcasters, news delivery in some regions is uneconomic. A choice of news providers is fundamental for an informed citizenry and resilient communities. Government is urged to place an appropriate premium on local content and news. However, this approach will require data and monitoring to measure and assess public benefit outcomes.

PIJI supports the regional broadcasters' goal of achieving financial sustainability and agrees that market mechanisms should be exhausted before government subsidies are considered.

d. Related taxation reform

As a complement to content obligations, PIJI believes any new broadcasting regulatory framework should be designed to incentivise news programming and diversity, and where direct relief is provided that it carries some obligation to that public benefit.

For example, in their submissions, Free TV, ViacomCBS and Nine call on the government to reduce the spectrum fees commercial broadcasters currently pay. In PIJI's view, the granting

¹² Pash C. 2021. Nine and WIN make up with a new regional television affiliation deal. AdNews. 12 March. <<https://www.adnews.com.au/news/nine-and-win-make-up-with-a-new-regional-television-affiliation-deal>>; Kruiemel O.

2021. Network Ten and SCA to sign affiliation deal. Mumbrella. 31 March. <<https://mumbrella.com.au/network-ten-and-sca-to-sign-affiliation-deal-676240>>

¹³ See, eg, Commbank Regional Australia Net Winner in Population Shifts. <<https://www.commbank.com.au/articles/business/regional-australia-population-growth.html>>

of such relief could be tied to public interest journalism (or other Australian content) outcomes to ensure commensurate public return in lieu of revenue; for example, a reduction in spectrum fees could be offset by the amount of investment in public interest news. This incentive could work in a similar fashion to the tax rebate mechanism explored in previous PIJI rebate [research](#). PIJI believes this idea is worthy of consideration, and as part of PIJI's investigations into taxation reform for public interest journalism, will undertake modelling to determine its viability.

3. Wider content regulation reform

SVOD and AVODs are not currently subject to the same professional standards and related complaints-handling obligations with which television broadcasters must comply.

The government should consider opportunities to ensure investment or profiling of local content.

C. Comments relevant to questions 5.1 and 5.2

Our comments below are relevant to questions 5.1 and 5.2 of the Paper.

5.1. Do you consider that revenue from the sale of spectrum could be used to support public policy initiatives for media?

5.2 Are there examples of best practice in providing sustainable and targeted support in other jurisdictions?

The federal government has indicated it recognises the importance of news as an essential service, responding to the rapidly changing market conditions through pandemic-relief, such as the one-off \$55M Public Interest News Gathering program and JobKeeper, as well as longer term initiatives such as the legislative passage of the *Treasury Laws Amendment (News Media and Digital Platforms Mandatory Bargaining Code) Act 2021* (Cth) on 25 February 2021. The introduction of the Code has moved Google and Facebook towards substantial financial deals with major media players that put a value on the commercial benefit derived by the platforms from news content. The context for these deals is a world first and sets a precedent for other jurisdictions as well as the future of Australian news.

But importantly, public policy intervention should support a spectrum of industry players; large and small, retail and wholesale, metro and regional. Equally, it must produce a public benefit such that support is tied directly to quality news production and availability, something that has not always been the case in the Australian context to date.

As PIJI argued in its submission on the ACCC's News Media Bargaining Code Concepts Paper, more than a code is needed to ensure the survival and sustainability of public interest journalism in Australia. To ensure robust media diversity and plurality in Australia – both in the short and long term - a mix of fiscal measures is necessary to support, transition and stimulate existing news businesses and encourage new entrants, such as:

- tax rebates to encourage investment in public interest journalism
- direct grant funding for long-form and investigative journalism and documentary production
- financial assistance programs that include both commercial and community non-profit news organisations that invest in public interest journalism
- funding for domestically produced 'other language' news services; and
- consideration of taxation changes to charitable purposes and DGR status to encourage philanthropic support for news services; and
- ongoing copyright reform (including in the area of authorisation liability).

PIJI welcomes the government's willingness to explore the creation of a Public Interest News Gathering (PING) Trust in this Paper. As PIJI previously advocated in its submission to the Senate Select Committee on the Future of Public Interest Journalism and in its submission to the ACCC on the Preliminary Report of the Digital Platforms Inquiry, one policy lever available to government is the creation of a perpetual trust to support the production and diversity of public interest journalism.

PIJI also welcomes the principle that revenue derived from the sale of spectrum be used to fund public interest journalism initiatives. Spectrum is a public asset, and therefore, it is important that proceeds raised from any auctions are used for public benefit such as ensuring levels of public interest journalism across Australia. To this effect, PIJI believes the purposes and eligibility criteria of the fund require further investigation to maximise the public interest outcomes. In an era of media convergence, it is conceivable that the fund would need to provide support across all types and sizes of news production and availability. While broadcasters have invested in spectrum to date, they have derived direct benefit from that investment and are therefore not automatically entitled to any exclusive, future benefit from this public asset.

To best leverage the establishment of a PING Trust to support public interest journalism, it is essential to explore:

- the purposes of a trust, including:
 - eligible activities, including, for example, the provision of local news and community information by regional broadcasters
 - responsiveness to changing market needs
 - different types of financial support such as one-off and multi-year grants; low/no interest loans; venture capital
 - timeframe ie. a perpetual or limited life trust
 - intended quantum of funds in corpus and for annual distribution

- structural options, including:
 - optionality for multiple revenue sources, or not (eg. the ability to receive funds from philanthropic trusts and foundations, corporate partners, government, and individual taxpayers)
 - governance frameworks (eg. independence from vested interests; administrative function)
 - capability outflows including the capacity to invest in non-profit, commercial and public entities

To that end, PIJI has commissioned two related research projects.

1. The first project explores the role of Australian philanthropy in ensuring the viability of public interest journalism in this country. The first stage of this project involved a literature review — released in March 2021 — examining proposals for legislative pathways to support a not-for-profit news sector.¹⁴ The second stage of this project involves interviews with more than a dozen current and potential philanthropic funders of news, individual donors, and community foundations, and with a similar number of news organisation recipients. Through this original qualitative research, the project investigates the cultural and strategic barriers to the development of a not-for-profit news sector. The findings of the second stage research will be shared in a PIJI-hosted round table with philanthropy in August/September 2021.
2. The second project examines structural considerations for a dedicated public interest journalism trust, capable of receiving monies from multiple revenue streams, including tax deductible gifts; the purposes for which these monies might be used; and how these monies should be distributed to participants in the news eco-system. More specifically, the aims of this project are:
 - to identify best practice examples of central funds (ie, trusts with the capacity to receive and distribute funding from/to multiple sources) in Australia and overseas that might serve as a model;
 - to identify and explain the structures of these central trusts; and,
 - to identify and explain the governance arrangements that support the objectives of these central trusts, including mechanisms used to ensure independent decision-making when allocation of monies is involved.

As part of the project's investigations, PIJI held a round table with leading Australian charity and media lawyers and representatives from other sectoral trusts such as the Australian Sports Foundation, the Greater Shepparton Foundation and the Mornington Peninsula Foundation. PIJI has also engaged with representatives from comparable models in the US, UK and EU. In the next stage of this research, PIJI will

¹⁴ Dickson G. 2021. *A review of proposals to provide news organisations with access to tax deductible gifts in Australia*. Melbourne: Public Interest Journalism Initiative. <<https://piji.com.au/wp-content/uploads/2021/03/dickson-g-2021.-proposals-to-provide-news-organisations-tax-deductible-gifts.pdf>>

consult with news organisations of all types and sizes to identify the purposes for a central fund. Gathering this information is important as the purpose of any fund will influence the preferred structure. Results from this research will be released later in 2021.

The concept of a PING trust is an appealing fiscal measure towards investing in the transformation, experimentation, and growth of public interest journalism in Australia. PIJI will be releasing this next stage of research later in 2021, and welcomes an opportunity to engage with the Department on its key findings.

4. Conclusion

PIJI looks forward to the next steps arising from the Media Reform Green Paper. We have ongoing research relevant to the government's proposal and would welcome further involvement.

PIJI wishes to emphasise that, while the Media Reform Green Paper is progress with respect to broadcasting reform, the government must engage meaningfully with industry to provide fit-for-purpose regulation.

Finally, public interest journalism is not the sole remit of broadcasters —it extends to news producers of all types and sizes — and in the era of media convergence, it is important that reform takes all news needs into account to provide the strongest public benefit for the Australian community.

Annex A: Board of Directors and advisory committees

PIJI's is governed by its board of independent directors and guided by its Expert Research Panel and Policy Working Group.

Board of Directors

Professor Allan Fels AO (Chair)

Eric Beecher

Professor Glyn Davis AC

Richard Eccles

Leslie Falkiner-Rose

Adam Ferrier

Karen Mahlab AM

Dr Sophie Oh

Mette Schepers

Dr Margaret Simons

Professor the Honourable Marilyn Warren AC QC

Expert Research Panel

Dr Margaret Simons (Chair), University of Melbourne

Associate Professor Jason Bosland, University of Melbourne

Professor Axel Bruns, Queensland University of Technology

Associate Professor Andrea Carson, La Trobe University

Associate Professor Andrew Dodd, University of Melbourne

Associate Professor Kristy Hess, Deakin University

Professor Sora Park, University of Canberra

Professor Julian Thomas, RMIT University

Professor Glenn Withers AO, Australian National University

Policy Working Group

Richard Eccles (Chair)

Professor Glyn Davis AC

Professor Allan Fels AO

Professor the Honourable Marilyn Warren AC QC

Professor Simon Wilkie, Monash University

Annex B: Research projects relevant to this submission

The Australian Newsroom Mapping Project

Gary Dickson, Public Interest Journalism Initiative

This research project gathers and presents data, reflecting changes in news production and availability across Australia. Monthly reports detail and explain the changes that have been added to the database and provide further insights into the impact of news change at the state level.

Guidance to implement and claim a public interest journalism tax rebate

Dr Margaret Simons; David Pearce, Centre for International Economics; Eddie Ahn and Gabrielle Hedge, DLA Piper

Research conducted in late 2019 for PIJI suggested that an R&D-style tax rebate for public interest journalism could have a significant positive investment impact. Conservative analysis suggests a benefit-cost ratio of up to 1.90, and as much as \$356m additional benefit. This guidebook is the extension to that initial investigation, and provides guidance on the types of activities and eligibility criteria for a Public Interest Journalism Tax Rebate and serves as a model for policymakers in designing a scheme.

Philanthropic giving for public interest journalism

Gary Dickson, Public Interest Journalism Initiative; Regina Hill, Effective Philanthropy

The potential of philanthropy to contribute to the development of non-profit news production in Australia is under studied. In early 2021 PIJI undertook a review of recommendations made to government and regulatory inquiries that would assist the development of a not-for-profit, philanthropically-supported news sector in Australia.

The second stage of this project involves interviews with more than a dozen current and potential philanthropic funders of news, individual donors, and community foundations, and with a similar number of news organisation recipients. Through this original qualitative research, the project investigates the cultural and strategic barriers to the development of a not-for-profit news sector. The results of this project are expected to be released later in 2021.

Annex C: Preparation of this submission

This submission was developed by PIJI's Policy Working Group supported by Anna Draffin (Chief Executive Officer) and Dr Karen Lee (Policy Manager).

PIJI wishes to thank the following organisations for providing insight and feedback on the Media Reform Green Paper which has helped inform the development of this submission:

Australian Broadcasting Corporation

Free TV

Network Ten

Nine Entertainment Co

Prime Media Group

Seven West Media

Southern Cross Austereo

Special Broadcasting Service

WIN Media

[Public Interest Journalism Initiative]


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