

Submission: News Bargaining Incentive Revenue Distribution and Statutory Payment Scheme

Lodged 8 May 2026

The Manager, News Bargaining Incentive Distribution Consultation Department of Infrastructure, Transport, Regional Development, Communications and the Arts
GPO Box 594 CANBERRA ACT 2601

Lodged via: www.infrastructure.gov.au/have-your-say
CC: Manager, Competition Policy Unit, The Treasury (re: c2026-763377)

AT A GLANCE

Submission to the News Bargaining Incentive distribution consultation. Closes 18 May 2026.
Three structural recommendations:

- **Close the AI/LLM exemption:** In Charge Bill clause 9. Pure-AI services should not escape the regime.
- **Add a 10% single-recipient cap and a 30% Independent Diversity Floor:** (for publishers under \$50M revenue) to the distribution formula.
- **Align the small-business threshold:** Across the two regimes at \$50M (the Charge Bill SME definition), not the \$10M proposed in the consultation paper.

1. Introduction and Executive Summary

Man of Many Pty Ltd ('Man of Many') welcomes the opportunity to respond to the consultation paper on the proposed Statutory Payment Scheme for the News Bargaining Incentive (NBI).

Background and Support We made a detailed submission to the Treasury Consultation Paper on the legislation in December 2025, and we have read the Exposure Draft of the Bills released on 28 April 2026. This submission focuses on the design of the Statutory Payment Scheme and is structured to respond to the Consultation Paper's 15 questions. References to specific clauses in the Charge Bill, the Administration Bill and the Explanatory Memorandum are noted where relevant.

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We support the policy intent of the proposed scheme and welcome two specific design choices:

- The use of full-time equivalent (FTE) journalists as the basis for the payment formula.
- The inclusion of weightings for diversity and regional coverage.

Both align with positions Man of Many has consistently advocated.

We also note that the Charge Bill includes a 25% per-recipient cap on offset-eligible expenditure (clause 20(1)(d)(i) of the Administration Bill), broadly consistent with the Proportional Cap we recommended in our December 2025 submission. This is meaningful structural protection on the charge side, and we urge the Department to apply a similar or stronger logic on the distribution side.

Three Material Risks Remain:

- **First, the AI Exemption:** The Charge Bill (Administration Bill, clause 9) explicitly excludes services provided solely or primarily by large language models from the definition of internet search engine service. Pure-AI answer engines escape the regime entirely. This is the most significant single gap in the scheme as drafted, given that AI-driven search is the principal cause of the decline in referral traffic now affecting Australian publishers.
- **Second, Structural Concentration:** A pure FTE-proportional distribution formula will replicate the structural concentration of the original News Media Bargaining Code, where approximately \$200 million in annual funding flowed almost exclusively to News Corp Australia, Nine Entertainment and Seven West Media.
- **Third, Threshold Inconsistency:** The consultation paper's proposed \$10 million threshold for the small business weighting is inconsistent with the Charge Bill's \$50 million SME threshold (Administration Bill, clause 6) and should be raised.

The Fourth Risk: Distribution Pool Mechanics There is a fourth, closely related, risk that warrants explicit attention. Even if the residual distribution pool is small, because platforms meet their offset obligations through commercial deals with a small number of large publishers, the eligibility design still matters profoundly.

- **The likely platform response** under the offset structure as drafted is to satisfy the per-recipient cap by entering four large commercial deals with News Corp Australia, Nine Entertainment, Seven West Media and one further major publisher, each at the 25% per-recipient cap. Under that scenario, the residual distribution pool may be near zero, but the same four corporate groups have nonetheless received the bulk of the scheme's economic value.
- **The impact on independent publishers:** Independent publishers without commercial deals and without distribution access face subsidised competitors with strengthened balance sheets, recreating the structural concentration of the original News Media Bargaining Code. If \$200 million flows into the news ecosystem and the eligibility



design excludes the independent sector, that exclusion is not a neutral outcome. It is a quantifiable competitive disadvantage imposed on the publishers that the broader scheme is intended to support.

Material Updates

- **Update from publisher discussions with Google:** As of early May 2026, Google's News Partnerships team has communicated to Australian publishers, including Man of Many directly, that no commercial deals will be signed under the offset architecture. Google's stated position is that it will pay the charge in full and pass the cost through to advertisers and end users, on the rationale that it does not wish to set a global precedent of bargaining with media businesses. This is a material change to the policy environment. It converts the residual distribution pool from the worst-case scenario contemplated in the consultation paper to the primary mechanism by which charge revenue will reach Australian publishers, and it makes the distribution-side eligibility design load-bearing for the entire policy.
- **Update from departmental engagement:** On 8 May 2026, Man of Many met with the News and Journalism Branch of the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts [REDACTED]
[REDACTED]
 - The Department signalled openness to revisiting ACMA registration as the sole eligibility gate.
 - Acknowledged that any alternative gate would still require eligibility criteria but did not need to replicate the current 'core news content' test.
 - Confirmed direct engagement with ACMA in the week commencing 12 May 2026 to test the existing interpretation and registration process.
 - The Department also confirmed that, on the working assumption that platforms refuse to negotiate offset-eligible deals, the Statutory Payment Scheme is the mechanism that 'gets up' as the principal channel by which charge revenue reaches Australian publishers.

We have written to the Department separately with the three formal definitions doing the heavy lifting in eligibility design, set out at Annexure A of this submission, to support the ACMA discussion.

Historical Evidence The original News Media Bargaining Code distributed an estimated AUD \$200 to \$250 million per year, with approximately 60 to 70% flowing to News Corp Australia, Nine Entertainment and Seven West Media. In the same window:

- News Corp's parent company commenced a USD \$1 billion share buyback (July 2025).
- Nine acquired billboard company QMS Media for AUD \$850 million (March 2026).
- Seven announced a AUD \$100 million cost-out program.

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- Approximately 450 journalists were made redundant in 2024 across the same three publishers.
- The Public Interest Journalism Initiative recorded 183 newsroom closures and 175 contractions over the equivalent five-year period, with 70% of the damage in regional Australia.

ACMA-gated distribution to ACMA-registered incumbents has empirical form. It funded buybacks, dividends and acquisitions while the journalism workforce contracted. Substance-based eligibility, structural caps and use-of-funds reporting are the structural fixes that convert charge revenue into journalism. Detailed sourcing is provided in the Supporting Published Analysis section.

Summary of Key Recommendations

- **AI / LLM exemption:** the Charge Bill (clause 9) should be amended to bring services provided primarily by large language models within scope when they generate revenue from Australian users above the \$250 million threshold. Without this, the scheme regulates legacy distribution while leaving the primary mechanism of contemporary value extraction unaddressed.
- **Single-recipient cap:** add a 10% cap on the distribution pool, mirroring the per-recipient logic of the Charge Bill (clause 20(1)(d)(i), which caps offsets at 25% per news business) but at a tighter, more diversifying threshold. Without this, a pure FTE-proportional formula concentrates the residual pool on the largest legacy newsrooms.
- **Independent Diversity Floor:** reserve a minimum 30% of the distribution pool for publishers with consolidated group revenue under \$50 million.
- **Anti-double-dipping:** exclude publishers receiving offset-eligible commercial deals from drawing on the residual distribution pool funded by the same platform's charge.
- **SME threshold alignment:** align the small business weighting threshold with the Charge Bill's \$50 million SME definition (Administration Bill clause 6), restructured as a tapered weighting (1.3x for under \$10 million, 1.15x for \$10 million-\$50 million).
- **Mandatory minimum offset quotas:** in addition to a per-recipient cap, the offset architecture should impose a positive obligation that at least 25% of offset-eligible expenditure flows to news businesses with revenue under \$50 million, and at least 15% flows to news businesses with revenue under \$10 million. This converts the current cap (a ceiling on concentration) into a floor on diversity and aligns with the joint LINA and CBAA position.
- **Single collective deal mechanism for the sub-\$10 million tier:** the legislation should permit a platform to satisfy the under-\$10 million quota through a single offset-eligible deal with a third-party administering entity (such as the Copyright Agency, the



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Community Broadcasting Foundation, the News Innovation Fund, or an industry consortium) that distributes proportionately to qualifying small publishers. This reduces platform administrative burden, enables coverage of the long tail of community and independent newsrooms that platforms cannot realistically negotiate with individually, and prevents the SME quota from being structurally undeliverable.

- **News Media Assistance Program (News MAP) Framework alignment:** distribution-side eligibility should be aligned with, and recognise determinations under, the Government's existing News MAP Framework (2024) and the Journalism Assistance Fund (JAF). A publisher already determined eligible for JAF or other News MAP instruments has, by definition, satisfied the Government's own substantive test for public-interest journalism, and should not require separate ACMA registration to access NBI distribution. Recognising News MAP-determined eligibility as a valid pathway alongside ACMA registration and the substance-based CCA section 52G(c) test resolves the inconsistency.
- **Substance-based eligibility:** allow substantive eligibility for distribution rather than only formal ACMA registration, consistent with the Charge Bill's approach (Administration Bill clause 11(1)(b)), which allows offset-eligible payments to news businesses that meet the substantive tests in CCA section 52G(c) without requiring ACMA registration.
- **Social Interest Journalism inclusion:** explicitly include in the eligible content definition 'Social Interest Journalism' covering issues of significance to the health, safety and financial wellbeing of the Australian community (women's health, domestic violence, financial wellbeing, consumer protection, mental health, public health, sustainability and climate, and consumer-rights journalism). The narrow 'core news content' interpretation has historically excluded these categories despite their substantial public-interest contribution and audience reach.
- **Eligible roles expansion:** expand the definition of eligible roles beyond editorial journalists to include:
 - (a) sub-editors, copy editors, fact-checkers and editorial producers, and
 - (b) Technology and Operations roles directly essential to news production and audience distribution in a modern digital newsroom (audience and data analysts, product and platform engineers, SEO and search-distribution specialists, subscription technology engineers). This is the single most consequential structural amendment available to address the FTE-formula concentration problem in an AI-driven media environment.
- **Proportionate penalties:** apply graduated penalties calibrated as a percentage of distribution received, not as fixed dollar amounts.
- **Use-of-funds reporting:** mandate annual transparency reporting by recipients of distribution.



- **Government advertising parity:** complement the scheme with a 20% Federal Government advertising procurement quota for independent Australian-owned publishers.
 - **Close the LinkedIn / professional networking carve-out:** Charge Bill clause 8(3)(d) should be removed, or made conditional on the service not making news content available to its end users.
 - **Reconsider the three-year revenue base:** Administration Bill clause 14 should use either the most recent completed financial year or a rolling two-year average rather than the third-most-recent financial year.
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2. About Man of Many

Man of Many is an established Australian independent digital publisher, founded in 2012 and headquartered in Surry Hills, NSW. We are one of Australia's largest independent news organisations, reaching 6.1 million Australians monthly per IPSOS IRIS. Our editorial team produces core news content across national affairs, technology and consumer regulation, sustainability, automotive, and culture under a publicly available Editorial Code of Ethics.

ACMA Registration History Man of Many was registered on the ACMA News Media Bargaining Code register from 21 November 2025 until 13 January 2026, when our registration was revoked by ACMA in a decision affecting three independent lifestyle publishers on the same day (Man of Many, Broadsheet Media and Urban List). We met all six eligibility tests at the time of registration. Our deregistration, and the substantial sunk cost of the 18-month registration process that preceded it, is directly relevant to the eligibility design questions raised by the Statutory Payment Scheme consultation.

Industry Standing & Ownership Man of Many holds Climate Active certification and was named Mumbrella Media Brand of the Year in 2025, with three consecutive Mumbrella Publish Website of the Year awards (2023, 2024 and 2025). We are active members of the Digital Publishers Alliance (DPA), the Local & Independent News Association (LINA) and the Online News Association (ONA).

We are a 100% Australian-owned, founder-operated business with two co-founders (Scott Purcell and Frank Arthur) holding equal ownership. We have no foreign ownership, no debt to publicly listed entities, and reinvest revenue directly into Australian editorial salaries and product development. Our consolidated group revenue is well below the \$50 million SME threshold defined in the Charge Bill (Administration Bill clause 6). We are precisely the type of independent, sustainable, Australian-owned publisher the NBI distribution scheme should be designed to support, and our recent deregistration is a clear illustration of how the current eligibility regime fails to reach the publishers the broader scheme is intended to support.

Material Context Man of Many engaged in good faith with the original News Media Bargaining Code from 2022. We invested 18 months and significant resources to achieve ACMA registration in November 2025. Despite registration, despite meeting every eligibility test, and

despite securing formal recognition as an eligible news business, we received no commercial deal from any platform. Less than two months after registration, on 13 January 2026, our registration was revoked alongside Broadsheet Media and Urban List. The structural exclusion of independent publishers we experienced under the original Code, followed by the deregistration, is the central concern we ask the Department to address in the design of the Statutory Payment Scheme.

3. Component 1: Eligibility Criteria

This section responds to questions Q1 through Q4 on the registration and application process and the substantive eligibility tests.

Q1: Do you have any concerns with the proposed registration and application process?

Yes. Our principal concern is that the consultation paper proposes mandatory ACMA registration as the sole eligibility pathway, while the Charge Bill itself does not impose this requirement on the platform side. The asymmetry is particularly acute for publishers like Man of Many who have already been through the ACMA process: we invested 18 months and well into five figures of legal fees to achieve registration on 21 November 2025, only to be deregistered on 13 January 2026 alongside Broadsheet Media and Urban List. Under the consultation paper as drafted, we would now be required to repeat the entire process to access any residual distribution pool.

Specifically, the Administration Bill (clause 11(1)(b)) provides that a news business which is not formally registered with ACMA may still form part of a 'news business corporate group' eligible to receive offset-eligible payments, provided it meets the substantive tests in CCA section 52G(c) and section 52L. The legislation, therefore, recognises that substantive eligibility, not formal registration, is the appropriate test on the charge side. Requiring formal ACMA registration as a precondition for distribution while not requiring it on the charge side creates an inconsistency that disadvantages exactly the digital-native independent publishers the broader scheme is intended to support.

Man of Many's own experience confirms the structural barrier ACMA registration represents. Our registration on 21 November 2025 followed more than 18 months of legal and compliance work and incurred legal fees in the high five figures. The ACMA process is well-suited to large legacy media operators with dedicated compliance functions, but poorly suited to digital-native newsrooms.

Recommendation: We recommend the distribution scheme accept either ACMA registration or evidence of meeting the substantive CCA section 52G(c) tests as sufficient evidence of eligibility, mirroring the approach the Government has already adopted in the charge-side legislation.

In practical drafting terms, we recommend the eligibility test be framed as a clear 'either/or': either formal ACMA registration, or evidence that the publisher meets the substantive CCA section 52G(c) tests. This single drafting change resolves the inconsistency between the two

regimes, lowers the barrier to entry for digital-native independent publishers, and aligns distribution eligibility with the precedent the Government has already adopted in the charge-side legislation.

Q2: Would your organisation meet the criteria as set out under the ACMA register?

No. Man of Many is not currently registered on the ACMA News Media Bargaining Code register. We were registered from 21 November 2025 until 13 January 2026, when our registration was revoked alongside two other independent lifestyle publishers (Broadsheet Media and Urban List). At the time of registration we met all six eligibility tests:

- **Revenue:** above \$150,000 by a substantial margin.
- **Content:** core news.
- **Professional standards:** publicly available editorial code, complaints handling, member of Online News Association.
- **Editorial independence:** no political or commercial control, founder-owned.
- **Australian audiences:** predominantly Australian, IPSOS IRIS audited at 6.1 million monthly Australian users.
- **Connection:** Man of Many Pty Ltd operates the news business directly.

The substantive eligibility position has not changed since registration. Only the formal registration status has changed, as a consequence of how ACMA has interpreted the 'core news content' test against lifestyle and vertical publishers.

Q3: Are the proposed eligibility criteria fit-for-purpose in ensuring the scheme supports continued investment in public interest news, diversity of media voices, and quality journalism?

Largely yes, with two structural concerns that Man of Many has consistently raised across consultations.

1. The Narrow Definition of 'Core News Content' The definition of 'core news content' in the original Code (and adopted by reference in the Administration Bill, clause 6) has historically been interpreted narrowly, favouring traditional 'hard news' formats over modern digital journalism. The narrow interpretation systemically excludes Social Interest Journalism: women's health journalism, domestic violence reporting, financial wellbeing and consumer protection coverage, mental health reporting, sustainability and climate journalism, technology and consumer policy, and the lifestyle and vertical journalism that drives mass-market public engagement with civic, health and consumer issues. This is journalism of significance to the health, safety and financial wellbeing of the Australian community.

Man of Many's coverage of consumer rights, sustainability, technology, automotive policy and culture is professionally produced public-interest journalism, subject to an editorial code of ethics, fact-checking, and complaints handling. We recommend that the operational guidance

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accompanying the scheme adopt a definition of 'professionally produced public-interest journalism' that explicitly includes Social Interest Journalism (as we recommended in our December 2025 Treasury submission), recognising methodology and audience importance rather than legacy subject-matter taxonomy as the test.

- **Eligibility consistency with existing News Media Assistance Program (News MAP) determinations:** The Australian Government has already established a multi-pronged framework for supporting public-interest journalism through the News MAP Framework (2024), encompassing the Journalism Assistance Fund (JAF), the News Innovation Fund, the Public Interest News Gathering program, and other instruments. Man of Many is a current approved recipient under the JAF program, having satisfied the public-interest journalism standards the Government has set for that program. The same publisher, with the same editorial operation, professional standards, complaints handling, masthead independence and public-interest output, is at the same time excluded from NBI Distribution eligibility solely because we are not currently registered on the ACMA News Media Bargaining Code register, a register that pre-dates and was designed for a now superseded regulatory regime. This is incoherent within the Government's own news support framework. We recommend the Distribution Framework recognise existing News MAP determinations (including JAF approval) as a valid eligibility pathway alongside ACMA registration and the substance-based CCA section 52G(c) test, consistent with the Charge Bill's own approach in Administration Bill clause 11(1)(b).
- **Removal of the \$150,000 revenue eligibility threshold:** the existing News Media Bargaining Code register applies a \$150,000 minimum revenue test that excludes a substantial portion of the public-interest journalism sector, including approximately 58% of community broadcasters (185 organisations), and approximately 35% of LINA member newsrooms, as well as new digital-native newsrooms in their early years. The revenue test is a proxy for sustainability that no longer aligns with the substantive purpose of the policy: supporting public-interest journalism. We support its removal in favour of an editorial standards and public-interest output test, consistent with the joint LINA and CBAA position.

2. Asymmetric Advantages for Legacy Media Second, mandating ACMA registration as the only pathway disadvantages digital-native publishers, reducing the diversity of voices the scheme is intended to support. The Charge Bill (Administration Bill clause 11(1)(b)) already accepts substantive equivalence; the Statutory Payment Scheme should follow.

A further consideration concerns competitive dynamics within the broader news sector. Independent publishers compete directly with the same legacy media corporations that will receive both commercial deal payments under the charge regime and, under the current draft, any residual distribution pool. Funding flowing to incumbent competitors but not to independents is not a neutral outcome. It is a structural subsidy that strengthens incumbent balance sheets, supports their talent acquisition and accelerates their digital expansion at the direct expense of independent publishers. If a meaningful sum of public-purpose funding flows into the news ecosystem and ACMA-registration-as-gatekeeper excludes most of the



independent sector, the eligibility design will have produced a quantifiable competitive disadvantage for the very publishers the scheme is designed to support.

Q4: Do any of the proposed eligibility criteria present high costs or administrative burden for your organisation?

The ACMA registration process itself imposed a substantial cost on Man of Many: 18-plus months of legal and compliance work, legal fees in the high five figures, and significant management time. The deregistration on 13 January 2026 means that investment is now a full sunk cost with no ongoing benefit. Annual reporting on FTE journalists is reasonable provided the evidentiary requirements are proportionate to organisation size and do not duplicate evidence already provided. Requiring publishers in our position to repeat the registration process to access any residual distribution pool would compound the structural inequity rather than address it.

4. Component 2: Payment Allocation Formula

This section addresses questions Q5 through Q7 regarding the FTE-based formula and the definition of eligible roles.

Q5: Is FTE journalists a good approximation for investment in news and journalism, and an appropriate basis for determining payments?

Yes. We strongly endorse FTE journalists as the basis for the formula. This is the right metric: it directs funding to the labour of news production rather than to revenue or audience proxies, draws on the precedent established by the Journalism Assistance Fund (JAF), and imposes a proportionate evidentiary burden on applicants.

However, a pure FTE-proportional formula will replicate the structural concentration of the original News Media Bargaining Code. As context, News Corp Australia operates an editorial workforce of approximately 1,500 FTE journalists across its mastheads, Nine Entertainment Co. has several hundred more, and Seven West Media has a further substantial editorial team. A pure FTE-proportional formula would direct the great majority of any distribution pool to those three corporate groups, replicating the same structural exclusion of independent publishers that motivated the NBI in the first place.

Three Structural Additions Required: We note that the Charge Bill itself adopts an analogous principle through the per-recipient cap in clause 20(1)(d)(i) of the Administration Bill, which prevents any single news business corporate group's commercial deal from offsetting more than 25% of a platform's charge. The Statutory Payment Scheme should adopt a comparable, and ideally tighter, structural protection.

1. **A 10% single-recipient cap on the distribution pool:** No single news business corporate group should receive more than 10% of the residual pool in any payment period. This is a tighter version of the Charge Bill's 25% per-recipient cap and was the central recommendation in our December 2025 submission.

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2. **A 30% Independent Diversity Floor:** A minimum of 30% of the distribution pool should be reserved for news businesses with consolidated group revenue under \$50 million (the Charge Bill's SME threshold).
3. **An anti-double-dipping rule:** Publishers receiving offset-eligible commercial deals from a platform should not also receive a share of the residual distribution pool funded by the same platform's charge in the same period. Without this rule, large incumbents will both maximise commercial deal value (capped at 25% of platform charge per the Charge Bill) and also draw from the safety-net pool, compounding the exclusion of independents.

Two Scenarios Illustrating the Need for Protection:

- **Scenario A (Platforms negotiate):** A platform facing a hypothetical \$50 million charge fully offsets that liability through approximately four commercial deals at the 25% per-recipient cap. The most likely outcome is payments to News Corp Australia, Nine Entertainment, Seven West Media and one further major publisher. The residual distribution pool is near zero, but the same four corporate groups have absorbed the bulk of the scheme's economic value through the commercial deal channel.
- **Scenario B (Platforms refuse):** Google's News Partnerships team has now communicated directly that this is its stated position. The platform pays the full charge, makes no offset deals, and the entire charge revenue flows into the residual distribution pool. Under a pure FTE-proportional formula, the same three legacy conglomerates absorb the bulk of the residual on the basis of their existing FTE-journalist headcounts (approximately 1,500 at News Corp Australia alone). Scenario B is now the working assumption.

Both scenarios distribute the bulk of the regime's economic value to the same incumbents, and both leave the independent sector subsidising the strengthening of competitor balance sheets. The structural protections, namely the 10% single-recipient cap, the 30% Independent Diversity Floor, the anti-double-dipping rule and substance-based eligibility, are required to deliver value to independent publishers in either scenario. They are not contingent on which path platforms take.

Q6: Are the identified editorial roles clear and fit-for-purpose? Are there other roles that should be included?

The proposed inclusions are appropriate: journalists, photojournalists, videographers and graphic designers producing image-form news content. The proposed exclusions of presenters, anchors and narrators are reasonable. However, the proposed FTE definition is too narrow for a regime that, with Google having now confirmed it will not negotiate offset-eligible deals, must distribute the bulk of charge revenue through the FTE formula. The proposed definition reflects the editorial workforce of legacy newsrooms in a pre-AI media environment. It does not reflect what it now takes to produce, verify and distribute public-interest journalism in 2026.

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Editorial Roles to Add: Three editorial roles should be included alongside the proposed inclusions. Sub-editors and copy editors are integral to the production of accurate news content; their exclusion would understate the actual labour of journalism. Fact-checkers are increasingly important as a discrete editorial function in the era of misinformation, and their explicit inclusion would encourage investment in editorial integrity. Editorial producers and digital production staff (audio, video, social, interactive) are central to news production in modern digital newsrooms and are meaningfully equivalent to the included graphic designer category.

Technology and Operations Expansion: More importantly, the FTE definition must be expanded to include Technology and Operations roles directly essential to the production, verification and distribution of news content. In an AI-driven media environment, the gap between publishers who remain competitive and those who do not will be determined by technical capability as much as by editorial headcount. The roles that should be eligible include:

- Audience and data analysts whose work directly informs editorial decisions and audience targeting.
- Technology and product engineers building and maintaining publishing infrastructure, content management systems, distribution APIs, paywall and subscription technology, and AI-resilient indexing.
- SEO and search-distribution specialists whose work determines whether journalism reaches audiences at all in an AI-search environment.
- Platform engineers maintaining direct-to-audience channels (newsletter platforms, podcast distribution, mobile applications) as referral traffic from search and social declines.

A Statutory Payment Scheme that funds journalism wages but excludes the technical infrastructure on which contemporary journalism reaches its audience will be outdated within years of commencement. Reasonable scoping (a clear functional connection to public-interest journalism production, time-attribution rules for shared roles, and anti-gaming provisions for purely commercial functions) prevents the breadth from being exploited. This is, in our view, the single most consequential structural amendment available to the Statutory Payment Scheme to address the FTE-formula concentration problem in an AI-driven media environment.

Recognition of volunteer-supported and founder-led labour: The FTE definition must also recognise the labour models that produce a substantial share of Australian public-interest journalism outside legacy newsrooms. Community broadcasters operate predominantly through trained volunteers, often with a single paid coordinator. Independent digital-native newsrooms are frequently founder-led, with the founders performing journalist, editor, publisher and commercial roles concurrently for many years before reaching scale. A formula that recognises only formally employed full-time editorial staff systemically underweights the journalism produced under both models. We recommend the definition be extended to recognise:



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- (a) trained and rostered volunteer contributors above a minimum hours threshold, attributed at a discounted FTE rate; and
- (b) founder time directly attributable to journalism production, verified through ATO records and journalism output, where the founder is the principal editorial decision-maker for the publication.

We recommend the eligible definition be reframed as: '*individuals primarily responsible for the investigation, production, verification, editing, technical infrastructure or audience distribution of public-interest journalism for publication*'.

Q7: Do the proposed evidentiary requirements present any specific difficulties or risks?

The proposed approach (payroll evidence plus a statutory declaration on the nature of the role) is proportionate, and we support it. Two operational risks should be addressed in the final design.

- **Multitasking roles:** Smaller publishers often have employees who split time between editorial and commercial functions. Clear FTE attribution guidance is needed (for example, a 0.6 FTE journalist who also performs 0.4 FTE in marketing should count as 0.6 toward the formula).
- **Contract and freelance journalists:** contract journalists with verifiable bylines and sustained engagement (e.g., a minimum monthly retainer or weekly contributions) should be eligible. A meaningful share of independent publishers' editorial output is delivered via contract relationships rather than full-time PAYG employment, and excluding them would systematically understate the journalism produced by digital-native publishers.

5. Component 3: Additional Support for Activities (Weightings)

This section addresses questions Q8 and Q9 regarding the weighting categories and proposed values.

Q8: Are the proposed weighting categories an appropriate and effective means of accounting for the economies of scale and resourcing differences across the sector?

The proposed categories (regional and remote, small business, marginalised communities) are appropriate, and we support all three. We highlight one inconsistency in the proposed design and recommend three additions.

Inconsistency: SME threshold. The consultation paper proposes a \$10 million revenue threshold for the small business weighting. The Charge Bill (Administration Bill clause 6) defines a 'small or medium business entity' at \$50 million aggregated turnover, and Charge Bill clause 20(1)(b)(i) applies a 170% offset rate to commercial deals with such entities (versus 150% for larger publishers). The two regimes should treat 'small or medium' news businesses

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consistently. We recommend raising the distribution paper's threshold to \$50 million, applying it as a tapered weighting (see Q9) to support the full independent sector rather than only micro-publishers.

Recommended Additions:

- **Addition 1: A weighting for publishers without offsetting commercial deals.** Publishers who are not the beneficiaries of platform commercial deals carry the full burden of the structural disruption that motivated the NBI in the first place. A 1.25x weighting for such publishers would correct the imbalance and align distribution with policy intent.
- **Addition 2: A weighting for publishers with documented AI-driven referral traffic decline.** The Charge Bill (Administration Bill clause 9) explicitly excludes services provided solely or primarily by large language models from scope. Publishers most affected by AI-driven traffic decline, therefore, have no charge-side recourse and should be supported through a distribution-side weighting. Documented year-on-year referral traffic decline above a defined threshold (we suggest 30%) should attract an additional weighting.
- **Addition 3: A modified small business threshold (as above).** The proposed \$10 million threshold is too narrow. It captures micro-publishers but excludes the established mid-tier independent publishers (such as Crikey, The Conversation, Junkee and Man of Many) that are critical for media diversity in Australia. A tapered structure aligned with the Charge Bill's \$50 million SME definition would better support the full independent sector.

Q9: What weighting values would best achieve these aims?

We recommend the following indicative weighting values for consideration:

- **Regional and remote:** 1.5x. The 10% example used in the consultation paper is too low to materially counteract the cost of attracting and retaining staff in regional and remote areas.
- **Small or medium business (aligned to the Charge Bill's \$50 million threshold):** tapered, 1.3x for publishers under \$10 million and 1.15x for publishers between \$10 million and \$50 million.
- **Marginalised communities (First Nations, CALD, in-language, LGBTIQ+):** 1.5x.
- **No-commercial-deal publishers:** 1.25x.
- **AI-impacted publishers (documented year-on-year referral traffic decline above 30%):** 1.2x.

6. Component 4: Payment Conditions



This section addresses questions Q10 through Q12 regarding the retention obligation and penalties.

Q10: Is the proposed retention obligation an appropriate measure to ensure that funding delivers against a clear and valid public purpose?

Yes, in principle. Funding should support the journalists' sustained employment rather than serve as a windfall. However, the obligation as currently described risks unintended consequences if applied as a strict point-in-time minimum without tolerance for ordinary business variation. This is particularly acute for independent publishers like Man of Many, where a single departure can represent a material percentage change in headcount.

Q11: Are there any risks or other issues we should take into consideration about the retention obligation?

Three risks should be addressed in the final design:

- **Natural attrition:** resignations, parental leave, planned restructures and individual departures should not trigger penalties. A tolerance band of plus or minus 10% should apply, with a higher absolute tolerance for organisations with revenue under \$10 million (where a single FTE represents a much larger percentage of headcount).
- **Market downturns:** publishers responding to revenue downturns by restructuring should not be penalised for actions that preserve overall business viability. A multi-year averaging approach (such as a rolling 12-month average) better reflects sustainable employment than a strict point-in-time minimum.
- **Disincentive to hire:** if marginal hiring decisions risk locking in retention obligations, publishers may under-hire. The retention obligation should apply only to the funded headcount level, not to incremental hiring above the funded baseline.

Q12: What penalties should apply for organisations that are later found to have misreported their eligibility or employment practices?

Penalties should be graduated and proportionate to organisation size. Critically, severity should be calibrated as a percentage of distribution received in the relevant period, not as fixed dollar amounts. A \$1 million penalty is fatal for a \$3 million-revenue independent publisher and trivial for a \$1 billion-revenue conglomerate; equal nominal penalties produce profoundly unequal real effects, and would themselves work against the diversity policy intent to promote diversity.

- **Minor breaches (administrative errors, late filings):** warning, then a small fixed penalty.
- **Moderate breaches (significant under-reporting of structural changes, late notification of material changes):** financial penalty in the range of 5-10% of distribution received in the relevant period.

- **Serious breaches (deliberate inflation of FTE count, false statutory declarations, material misrepresentation):** repayment of the relevant distribution, exclusion from the scheme for a defined period, and referral for investigation.
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7. Component 5: Administration of the Scheme

This section responds to questions Q13 through Q15 on reporting, transparency and penalty administration.

Q13: Do you have any concerns about the general approach to regular reporting and an event-based notification framework?

Generally supportive. The annual reporting cadence is reasonable. Two refinements should be considered.

- **Event-based notification should focus on material structural changes only:** 15%+ headcount changes, ownership changes, masthead launches or closures, or a change of registered news source. Routine HR changes (single departures, internal restructures) should not require ad hoc notification, particularly for smaller publishers where individual movements happen relatively frequently.
- **Reporting templates should be standardised and provided in advance:** Bespoke information requests should be limited to compliance audits and triggered by clear evidentiary thresholds.

Q14: What lead-in time would you require for information required under regular reporting and event-based notices?

For the first reporting cycle, we recommend a 90-day window from the scheme commencement date. For subsequent cycles, 30 days after each financial year-end is reasonable. Most independent publishers do not maintain dedicated compliance staff and need adequate time to compile evidence to a satisfactory standard.

Commercial sensitivity is a material concern. Individual journalist payroll details, salary information and named-employee data should be confidential to the administering body. Only aggregate FTE numbers and weighting eligibility should appear in public transparency reports. Journalist's privacy must be protected.

Q15: Do you have any concerns or views about penalties under the scheme, including the thresholds and penalties for serious non-compliance?

Three principles should govern penalty design:

1. Penalties should be proportionate to organisation size, calibrated as a percentage of distribution received rather than as fixed dollar amounts.

2. A clear distinction should be drawn between honest error and deliberate fraud, with penalties calibrated accordingly.
3. An independent appeals mechanism should be available to all recipients before penalties take effect, to safeguard against opaque or inconsistent application.

8. Cross-Cutting Recommendations

Several important design considerations are not directly addressed by the consultation questions but materially affect whether the Statutory Payment Scheme will achieve its policy intent. We summarise six cross-cutting recommendations below.

- **Close the AI / LLM exemption:** The Charge Bill (Administration Bill clause 9) explicitly excludes services provided solely or primarily by large language models from the definition of internet search engine service. Pure-AI 'answer engines' such as ChatGPT, Perplexity, Anthropic's Claude and the AI-only successors to traditional search escape the regime entirely. This is a fundamental gap. AI-driven summarisation of news content is the single largest contributor to the decline in referral traffic now affecting Australian publishers (industry data points to median referral traffic declines of 20-60% directly attributable to AI search features). Clause 9 exclusion should be removed and replaced with a technology-neutral definition that captures AI services generating revenue from Australian users above the \$250 million threshold. This recommendation should be paired with rejection of any text and data mining (TDM) copyright exception of the kind currently before the Productivity Commission. An NBI that brings AI services in scope while a parallel TDM exception removes the underlying copyright protection of the journalism those services are trained on would be self-defeating, and would funnel charge-side liability back to platforms through the front door while removing the licensing basis for it through the back.
- **Use-of-funds transparency:** All recipients of distributions above a de minimis threshold should publish an annual Use-of-Funds Report disclosing the percentage of the distribution allocated to frontline editorial wages, technology and audience development, executive compensation, and debt servicing. This addresses the principal critique of the previous bargaining code era, that recipients of platform payments did not consistently spend the proceeds on journalism.
- **Independent administration:** The Statutory Payment Scheme should be administered by an independent body with publisher-representative oversight, drawing on the existing ACMA framework but expanded to include representation from independent publishers, the major industry bodies (DPA and LINA) and an independent academic. Treasury and the Department should provide technical support, but should not unilaterally determine recipients.
- **Multi-year stability:** Distribution should be calculated on a rolling multi-year average of platform charge revenue, with a minimum guaranteed annual floor sourced from any prior surplus. This insulates publishers from the volatility of platform revenue. We note

that the Charge Bill bases the charge calculation on revenue from the third-most-recent financial year (Administration Bill clause 14), which adds further volatility timing complexity that distribution-side smoothing should address.

- **Carry-forward limits on excess offsets:** The Charge Bill permits indefinite carry-forward of excess offset amounts (clause 20(2)). While this supports multi-year deals, it also enables platforms to bank credits and reduce future distribution pools through timing. We recommend a five-year cap on carry-forward.
- **News Innovation Fund quarantine:** A minimum of 25% of net charge revenue (after offsets) should be quarantined from the FTE-proportional distribution formula and directed to further rounds of the News Innovation Fund. The News Innovation Fund model, with grant-based allocation against published criteria for digital innovation, training, audience development and editorial diversity, has demonstrated in its initial round that it can reach a different and broader cross-section of Australian publishers than the FTE-formula or the ACMA register. A quarantined share would ensure that policy responses to fast-moving structural change in the sector (AI traffic decline, new distribution channels, regional and CALD coverage) are not entirely determined by historical FTE headcounts.
- **Government advertising parity:** As a complementary measure outside this consultation but materially relevant to its success, the Federal Government should commit a minimum of 20% of its advertising spend to independent Australian-owned publishers. The current concentration of Government advertising spend with the same platforms the NBI is designed to regulate partially undermines the scheme's intent.

9. Conclusion

The Distribution Framework is now the only live mechanism by which charge revenue will reach Australian publishers. With Google having directly communicated its position that no commercial deals will be signed under the offset architecture, the eligibility test, the FTE formula and the diversity weightings will determine the entire distributive outcome of an estimated AUD \$200 million per year transfer. Every distribution-side design choice is now load-bearing for the policy's success.

The empirical record of the original News Media Bargaining Code is directly relevant. ACMA-gated distribution to a small group of registered incumbents has already been tested in Australia. It produced 60 to 70% concentration in three publishers, USD \$1 billion in share buybacks, a AUD \$850 million billboard acquisition, a AUD \$100 million cost-out program and approximately 450 journalist redundancies in 2024 alone, against 183 newsroom closures and 175 contractions over the equivalent period. Repeating that distribution architecture, with the same gatekeeper test and no use-of-funds obligation, is a foreseeable structural failure rather than an unintended consequence. The Department, the Treasury and the responsible Ministers have a narrow window to design the second round better than the first.

Man of Many's high-priority structural recommendations are:

1. Substance-based eligibility (either ACMA registration or evidence of meeting the substantive CCA section 52G(c) tests).
2. A 10% single-recipient cap on the distribution pool.
3. A 30% Independent Diversity Floor for publishers under \$50 million.
4. An anti-double-dipping rule.
5. Alignment of the small-business weighting with the Charge Bill's \$50 million SME definition.
6. Closure of the AI/LLM and professional networking exemptions.
7. Annual use-of-funds reporting by recipients.
8. A 25% News Innovation Fund quarantine.

Adopted together, these measures convert the regime from a partial improvement on the original Code into a structurally sound policy that delivers on its stated intent.

We thank the Department for the opportunity to contribute and welcome any opportunity to discuss these recommendations directly.

10. Cross-Cutting Recommendation: JobKeeper-Style Use-of-Funds Verification

In addition to the use-of-funds reporting recommendation in Section 8, the Statutory Payment Scheme should adopt a verification mechanism modelled on the JobKeeper precedent under which distributions must demonstrably flow through to eligible journalist (and Tech and Operations) salaries rather than to general working capital, dividend distributions, debt servicing or capital management activities.

The principal critique of the original News Media Bargaining Code, set out in detail in our December 2025 Treasury submission and supported by Treasury's own December 2022 Statutory Review, is the absence of any such mechanism. Approximately AUD \$200 million per year flowed to platform recipients with no enforceable line of sight from charge revenue to journalist salaries, against approximately 450 journalist redundancies in 2024 alone across News Corp Australia, Nine Entertainment Co. and Seven West Media.

A JobKeeper-style attestation, supported by payroll evidence, statutory declaration and a graduated clawback for non-compliance, converts the use-of-funds principle from a reporting obligation into a structural safeguard. We recommend the Department adopt the JobKeeper precedent as the operational model for verification, including the pass-through rule (the recipient must demonstrate, by reference to payroll evidence, that an amount equivalent to the

distribution has flowed to eligible salaries during the relevant payment period) and the graduated clawback (administrative penalty for honest error, full repayment plus penalty for material misstatement).

Annexure A: Eligibility Definitions Reference

Three formal definitions are doing the heavy lifting in the eligibility design of the Statutory Payment Scheme. We set them out verbatim below because the differences between them are determinative of who is, and is not, eligible for distribution under the regime.

A.1 ACMA Glossary of News Media in Australia (Media Diversity Measurement Framework)

Source: ACMA Glossary of News Media in Australia | Media Diversity Measurement Framework. The Framework's 2025 baseline report identified 2,864 professional news outlets across Australia, against approximately 100 publishers currently registered on the News Media Bargaining Code register. The verbatim definitions are:

- **News:** 'Includes any factual reporting by journalists or other information on current events at either a local, regional, national, or international level.'
- **Professional news:** 'News produced by a news outlet that adhered to professional standards, is editorially independent, operates predominantly in Australia and produces publicly available news content.'
- **Professionally produced news media outlets:** 'Established media organisations, publishers, or news agencies that produce and disseminate news content through various media channels and adhere to journalistic standards, ethics, and practices.'

The Digital Publishers Alliance has proposed in its December 2025 NBI submission that this Framework should form the eligibility basis for the Statutory Payment Scheme on three grounds: ACMA has already operationalised these definitions through public consultation; the Framework captures the full news ecosystem (including social interest, community and cultural reporting); and it evolves biennially as the media landscape changes. Man of Many endorses this position. Adopting the MDMF as the eligibility basis would expand the addressable cohort from approximately 100 register entries to 2,864 outlets the Government's own media regulator has already identified as professional news producers, without the need to construct a parallel register.

A.2 Broadcasting Services (Regional Commercial Radio - Material of Local Significance)

Licence Condition 2014 Source: Broadcasting Services (Regional Commercial Radio - Material of Local Significance) Licence Condition 2014. This is the only Australian instrument that gives substantive content to 'public significance' in a news context. Neither the Code, the Treasury Laws Amendment (News Media and Digital Platforms Mandatory Bargaining Code) Act 2021, nor the ACMA Eligibility Guidelines provide a formal definition. The Licence Condition lists the following as issues or events of public significance for local and regional area news:

- social issues;
- health issues;
- events, including an event that has not yet occurred;
- persons or organisations in the local area and their views; and
- cultural interests, or issues relating to culture.

This is materially broader than the way 'public significance' has been applied to digital-native publishers under the Code's content test. The legislative architecture clearly contemplates a broad reading covering social issues, health, cultural interests and matters affecting persons and organisations. Importing this approach into the operational guidance for the Statutory Payment Scheme would resolve the principal ambiguity in the s.52A test as currently applied.

A.3 Section 52A 'core news content' definition under the NMBC Code, and the issues with its application

Source: Competition and Consumer Act 2010, Part IVBA, Section 52A. The verbatim definition: Section 52A defines core news content as content that reports, investigates or explains: (a) issues or events that are relevant in engaging Australians in public debate and in informing democratic decision-making; or (b) current issues or events of public significance for Australians at a local, regional or national level. Core news content can relate directly to matters of public policy and government decision-making, as well as other matters of public significance such as reporting on law and order, health, education, environmental issues, science, industrial relations and business. Reporting on community issues or events is considered core news content if they are of public significance.

Subsection 52N(1) requires four factors to be considered: amount of CNC, frequency, prominence relative to other content, and 'any other relevant matter'.

We identify six structural problems with this definition in practice:

1. **'Public significance' is undefined** in the Code itself. The closest authoritative gloss sits in the separate broadcasting instrument at A.2 above. In practice this leaves the test highly subjective and creates significant ambiguity for digital-native publishers covering technology, consumer regulation, public health, financial wellbeing and cultural reporting.
2. **The 'such as' list is non-exhaustive on its face but treated as exhaustive in application.** The Code uses 'such as' to introduce its examples (law and order, health, education, environmental issues, science, industrial relations and business), which makes the list indicative. Recent application has narrowed this to a 'hard news' reading that excludes digital-native lifestyle and vertical publishers, despite the Explanatory Memorandum framing.
3. **The interpretation has shifted against the digital-native sector.** Man of Many was originally registered on 21 November 2025 (after an 18-month process), when ACMA assessed the Business as meeting the content test. On 13 January 2026 our registration was revoked under paragraph 52H(2)(a) of the Code as no longer meeting the content test under section 52N, with the Corporation also revoked under subsection 52H(5). ACMA's reasoning relies on the same kind of articles (consumer products, automotive,

sport viewing, lifestyle) that were present at original registration. The substantive editorial position has not changed. The interpretation has.

4. **Three Mumbrella Publish Award-winning independents were revoked on the same day.** Man of Many, Broadsheet Media and Urban List were all removed from the register on 13 January 2026. Mamamia is currently in a stalemate with ACMA on its application. The pattern is structural, not case-specific.
5. **Social Interest Journalism is systematically deprioritised.** The narrow 'core news content' interpretation excludes women's health journalism, domestic violence reporting, financial wellbeing and consumer protection coverage, mental health, sustainability and consumer-rights reporting. These are categories of public-interest journalism that go directly to the health, safety and financial wellbeing of Australians, but tend to fall outside the political/policy framing the test has been read against.
6. **Asymmetry between the offset side and the distribution side.** The Charge Bill itself does not require ACMA registration for a Platform's Eligible Deal to qualify for an offset (Administration Bill clause 11(1)(b)). Only the Distribution Framework imposes registration as a gate. With Google having confirmed in writing that it will pay the levy rather than do deals, the Distribution Framework is the only live mechanism, and ACMA registration becomes a hard gate that excludes the majority of credible independent publishers from the only pathway that will distribute funds.

A.4 Suggested Path Forward Adopt the ACMA Media Diversity Measurement Framework definitions (A.1) as the eligibility basis for the Statutory Payment Scheme. This avoids the need to either build a parallel register or import the structural problems of the s.52A test. Where a substance-based test is preferred, import the public significance categories from the Broadcasting Services Local Significance Licence Condition 2014 (A.2) into operational guidance, which would resolve the principal ambiguity in the s.52A test as currently applied. In either case, recognise existing News MAP determinations (including JAF approvals) as a valid alternative pathway. This sequence (a) avoids the cost and delay of constructing a new register, (b) leverages a definition the Government's own regulator has already operationalised, and (c) extends eligibility from approximately 100 register entries to the 2,864 outlets the MDMF baseline has already identified as professional Australian news producers.

Supporting Published Analysis The structural analysis underpinning this submission is set out in greater detail in two articles by Scott Purcell (Co-Founder, Man of Many) in the Digital Media Digest series:

- The Digital Divide Part 4: Australia's News Bargaining Incentive Is Almost the Right Answer. And That's the Problem (28 April 2026).
<https://www.linkedin.com/pulse/digital-divide-part-4-australias-news-bargaining-scott-purcell-cfa-3xxpc>
- The Digital Divide Part 5: \$200 Million In. 450 Journalists Out. The Receipts Are In (29 April 2026).
<https://www.linkedin.com/pulse/digital-divide-part-5-200-million-450-journalists-out-purcell-cfa-cd4hc>

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Underlying primary sources include the Treasury Statutory Review of the News Media and Digital Platforms Mandatory Bargaining Code (December 2022), the Public Interest Journalism Initiative Australian Newsroom Mapping Project, the ACMA Media Diversity Measurement Framework, the Reuters Institute Digital News Report 2025, Bossio, Carson and Meese (New Media & Society, 2025), and ASX disclosures by News Corp Australia, Nine Entertainment Co. and Seven West Media.

Yours sincerely,



Scott Purcell

Co-Founder and Director Man of Many Pty Ltd

