



## **Star News Group response to the News Bargaining Incentive, Consultation on Revenue Distribution**

---

Star News Group welcomes the opportunity to respond to the consultation paper on the proposed Statutory Payment Scheme for distribution of any News Bargaining Incentive revenue.

Star News Group is an independent Australian news publisher with a long history of producing local, regional and peri-urban public interest journalism across print and digital platforms. Its mastheads serve identifiable communities and employ professional journalists, editors, photographers, designers and production staff who support the regular creation and publication of covered news content.

This response is structured against the consultation questions and focuses on the five matters identified in the paper: eligibility, payment allocation, additional support through weightings, payment conditions and administration of the scheme.

### **Executive Summary**

Star News Group broadly supports the proposed Statutory Payment Scheme and its purpose of supporting ongoing investment in news and journalism in Australia. The scheme should be practical, transparent and tightly connected to its public purpose: supporting paid journalism, professional editorial standards, diversity of media voices and the ongoing production of trusted public interest news for Australian communities.

Star News Group supports the use of the existing ACMA News Media Bargaining Code Register as the basis for eligibility. This is the most sensible, transparent and administratively efficient approach. The eligibility tests under the Code, including revenue, covered news content, professional standards, editorial independence, Australian audiences and the connection requirement, should remain central to the scheme.

Star News Group strongly supports retention of the \$150,000 annual revenue threshold, indexed. The threshold is not perfect, but it is an important integrity measure. The News Bargaining Incentive should not become a broad grants program for every small content operator, volunteer publication or well-meaning local project. Its purpose should remain focused on securing proper commercial arrangements, or equivalent statutory support, for professional news organisations that maintain real editorial and commercial operations.

Star News Group supports payment being based primarily on eligible full-time equivalent journalists. A journalist-based model is the clearest way to align the scheme with its public purpose. It is more transparent and less distortive than models based on total labour costs, production costs or broader business expenses.

Star News Group supports the inclusion of journalists, reporters, editors, sub-editors, photojournalists and videographers who are directly involved in producing, editing, verifying or publishing core news

content. The definition should not be expanded to include general operational, commercial, marketing, advertising production or design roles.

Star News Group supports weightings to recognise the additional challenges faced by regional, remote, local and peri-urban publishers, and by publishers serving under-represented communities. A weighting of 20 per cent would be more meaningful than 10 per cent in recognising the higher relative costs, recruitment difficulties, smaller advertising markets and reduced access to government advertising faced by these publishers.

Star News Group supports a retention obligation, provided it is practical and proportionate. The scheme should encourage publishers to maintain or rebuild newsroom capacity, but it should not unfairly punish good-faith publishers dealing with vacancies, recruitment shortages, illness, parental leave, housing shortages or other unavoidable staffing disruptions.

Star News Group supports the principle of the proposed retention obligation, that is, a requirement that recipients maintain eligible FTE journalist numbers used to calculate the payment, provided it is applied in a practical and proportionate way as well as targeted audit powers, public transparency at an appropriate level and meaningful penalties for serious misreporting or non-compliance. However, the scheme should distinguish between deliberate or reckless misreporting and minor administrative errors. It should also protect commercially sensitive information and avoid imposing unnecessary compliance burdens on small and medium publishers.

## **Responses to consultation questions**

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

Star News Group supports the proposed registration and application process, particularly the use of the existing ACMA News Media Bargaining Code Register as the basis for eligibility.

This is a sensible, transparent and administratively efficient approach. It avoids creating a new parallel process, while ensuring support is directed to genuine news businesses producing core news content for Australian audiences.

An organisation seeking inclusion in a statutory payment scheme linked to the Code should be able to demonstrate a minimum commercial base, a professional editorial operation and a practical capacity to employ paid journalists. Without that test, eligibility becomes too open ended, too difficult to police and too far removed from the original purpose of the Code.

### **Q2: Would your organisation meet the criteria as set out under the ACMA register? If not, please explain which component of the eligibility criteria may cause an issue.**

Star News Group's relevant news businesses and mastheads meet the criteria set out under the ACMA register. All relevant mastheads are currently registered with ACMA.

Star News Group produces covered news content for Australian audiences through place-based mastheads serving local, regional and peri-urban communities. Its mastheads produce public interest journalism, operate to professional editorial standards, maintain editorial independence and serve identifiable Australian audiences.

Star News Group is not an aggregator, marketing operation or republisher. Its relevant news sources are built around the creation, editing, verification and publication of original local news content.

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

Yes. Star News Group supports the proposed eligibility criteria and considers them broadly fit for purpose.

The criteria are consistent with the requirements of a credible news business. They appropriately focus on annual revenue, covered news content, professional standards, editorial independence, Australian audiences, and the connection between the registered news business and the nominated news source.

These tests are important because the purpose of the News Bargaining Incentive should be to support continued investment in professional public interest journalism. The scheme should support genuine producers of covered news content, not general content businesses, hobby publications, volunteer newsletters, marketing-style publications or projects that do not have a demonstrated commitment to ongoing journalism production, paid editorial staff and professional newsroom operations.

Star News Group strongly supports the retention of the \$150,000 annual revenue threshold, indexed over time. That threshold is a very low bar. It was not designed as a perfect measure of journalism quality, nor as the sole test of whether a publisher is producing public interest journalism. Rather, it operates as a low, objective and auditable test to ensure the scheme applies to genuine, operating news businesses with a minimum level of commercial and editorial substance.

The threshold also provides a clear pathway for smaller publishers. An organisation that does not yet meet the \$150,000 threshold is not permanently excluded from the scheme. It can aspire to become eligible by growing its revenue base, employing professional journalists, strengthening its editorial systems, meeting professional standards and demonstrating a sustained commitment to regular public interest journalism. In that sense, the threshold should help encourage professionalisation rather than simply act as a barrier.

The NBI should remain tied to the existing News Media Bargaining Code tests. The Code was designed to support professional news organisations producing regular public interest journalism, not every small operator that publishes content online.

That does not mean very small publishers or genuine local start-ups should be dismissed. Some may be doing valuable work, particularly in emerging markets, underserved communities or news deserts. However, there are other policy tools, grants, transition pathways and innovation funding mechanisms better suited to supporting those operators while they develop. The NBI should not be turned into that mechanism.

The NBI should remain focused on requiring large digital platforms to enter proper commercial arrangements with professional news organisations that meet the Code tests.

The revenue threshold is only one part of that framework. It must operate alongside the professional standards test, the Australian audience test, the editorial independence test and the covered news content test. Together, those tests preserve the integrity of the scheme and help ensure that any funding supports paid, accountable, regular public interest journalism rather than general content production.

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

No. Star News Group does not consider the proposed eligibility criteria to impose significant costs or administrative burdens, provided the process remains practical and proportionate.

The criteria reflect standard expectations for credible news businesses. Genuine publishers should already be able to demonstrate their revenue, editorial standards, Australian audience focus, core news production and editorial independence.

The key design principle should be proportionality. Smaller and medium-sized publishers should not be required to undertake excessively complex compliance processes. The scheme should rely on clear declarations, standard business records and targeted audit powers, rather than imposing heavy upfront reporting obligations on all participants.

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

Yes. Star News Group strongly supports payment based on eligible FTE journalists.

Payment per journalist is the best mechanism because it directly aligns the scheme with the public purpose of supporting journalism. It is transparent, simple to administer and less susceptible to distortion than models based on total labour costs, production costs, distribution costs or overall business expenses.

A journalist-based formula also reduces the risk that larger organisations with higher salaries, larger budgets or less efficient cost structures receive a disproportionate share of funding. The scheme should reward investment in journalism, not simply reward higher costs.

Star News Group therefore supports the use of FTE journalists employed to produce core news content as the central payment mechanism.

Star News Group does not support alternative models based on broader labour costs or production costs. Those models would risk rewarding scale, higher salaries, higher cost structures or inefficient operations, rather than supporting journalism directly.

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

Star News Group broadly supports the proposed focus on editorial roles directly involved in producing core news content. However, Star News Group does not support graphic designers being included as a general eligible category. Visual journalism is already properly captured through photojournalists and videographers who are directly involved in producing core news content. Graphic design, page layout and production design are different functions and should not be treated as equivalent to journalism. Graphic designers perform important work in the presentation of newspapers, websites and other publishing products, but their role is generally peripheral to the production of core news content. They are not ordinarily responsible for investigating, reporting, verifying, editing or publishing journalism.

The definition should be limited to key editorial roles only. Eligible roles should include journalists, reporters, editors, sub-editors, photojournalists and videographers who are directly involved in producing, editing, verifying or publishing core news content.

Editors and sub-editors of core news content should be expressly included. In local and regional newsrooms, editors and sub-editors are central to the production of quality journalism. They assign stories, verify information, edit copy, uphold editorial standards, mentor journalists and ensure that public interest news reaches audiences accurately and responsibly.

Graphic design, page layout, marketing, branding, advertising production and non-editorial creative work should not be eligible. Including these roles would broaden the scheme beyond its intended purpose and risk diluting support away from the journalists and editorial staff directly responsible for producing public interest news.

Star News Group does not support expanding eligibility to broader operational, commercial, creative or production roles.

**Q7: Do the proposed evidentiary requirements present any specific difficulties, or a sizeable burden, for your business? Are there any risks arising from these evidentiary requirements?**

Star News Group does not consider the proposed evidentiary requirements to present a sizeable burden, provided they remain proportionate.

Evidence of employment through payroll records and evidence of role type through job descriptions, statutory declarations or examples of work should be manageable for genuine news businesses.

However, the scheme should avoid requiring excessive individualised evidence from every journalist in every reporting cycle. A practical model would allow organisations to submit payroll records, role classifications and a responsible officer declaration, with targeted audit powers available where there is a risk of misreporting.

This would protect the integrity of the scheme without creating unnecessary red tape for small and medium publishers.

**Q8: Are the proposed weighting categories an appropriate and effective means of accounting for economies of scale and resourcing differences across the sector and meeting the objectives of the Statutory Payment Scheme?**

Star News Group supports the principle of weightings, but submits that the proposed weighting categories should be strengthened.

The consultation paper proposes weightings for regional and remote areas, small businesses, and news serving or representing marginalised communities. Star News Group supports those categories, but submits that the model should also recognise local and peri-urban public interest journalism.

Too often, producers of news in peri-urban and outer-suburban communities are excluded from government support programs because they do not fall neatly within regional or remote definitions. Yet these communities often have significant democratic, social and information needs. They can include fast-growing populations, culturally diverse communities, first-time voters, lower socio-economic communities and areas with limited alternative sources of trusted local news.

Government advertising and grant programs have too often overlooked these publishers. Inclusion within the NBI weighting distribution model would be vital to ensuring the scheme supports local public interest journalism wherever it is needed, not only where it satisfies narrow geographic definitions.

Star News Group also supports a small and medium publisher weighting, but suggests the relevant threshold should be based on the turnover of the news organisation and set at under \$50 million, rather than only applying to corporate groups below \$10 million. This would better capture genuine independent and medium-sized news organisations, while still excluding the largest media groups from receiving additional scale-related support.

Any local or peri-urban weighting should be tied to place-based public interest journalism serving a clearly identifiable local community, including outer-suburban, growth corridor and peri-urban communities that may fall outside regional and remote definitions but still have limited access to regular, trusted local news.

**Q9: What weighting values would best achieve these aims?**

Star News Group supports the proposed weighting approach, but submits that 10 per cent is too modest to properly address the structural disadvantages faced by smaller, regional, remote, local and peri-urban publishers.

Star News Group recommends a weighting of 25 per cent for eligible journalists who fall within priority categories, including regional and remote journalists, local and peri-urban journalists producing place-based public interest journalism, journalists employed by small and medium news organisations with turnover below \$50 million, and journalists producing news for under-represented or marginalised communities.

A 25 per cent weighting would provide a more meaningful recognition of the additional challenges faced by these publishers, including recruitment difficulties, smaller advertising markets, higher relative production costs and reduced access to government advertising.

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

Star News Group supports the intent of the retention obligation. Public funding should support journalism and should create an incentive to maintain newsroom capacity.

However, a strict requirement to maintain exactly the same number of eligible FTE journalists may be difficult in practice, particularly for regional, remote, local and peri-urban publishers.

Recruitment is increasingly difficult. Vacancies can remain open for extended periods, especially in smaller communities. Publishers may also face commercial pressures outside their control, including print cost increases, advertising downturns, staff departures, illness, parental leave or housing shortages affecting recruitment.

The obligation should therefore be designed as an incentive to maintain journalism capacity, not as a punitive rule that unfairly penalises publishers acting in good faith.

**Q11: Are there any risks or other issues we should take into consideration with regard to the retention obligation, including time periods and tolerance thresholds?**

Yes. Star News Group recommends that the scheme include a practical tolerance threshold.

While Star News Group supports the policy intent of maintaining journalist numbers, a strict requirement to maintain exactly the same number of eligible FTE journalists could be difficult in practice. Recruitment challenges, staff turnover, illness, parental leave, housing shortages and commercial pressures can all affect newsroom staffing levels, even where a publisher is acting in good faith and actively seeking to maintain or rebuild capacity.

Star News Group therefore recommends a tolerance threshold before any penalty applies.

The scheme should also allow reasonable grace periods for vacancies where an organisation can demonstrate active recruitment or other genuine steps to maintain editorial capacity.

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

Star News Group supports penalties for misreporting, particularly for serious or significant breaches.

The penalties should be proportionate and should distinguish between administrative error, minor inadvertent mistakes and deliberate or reckless misreporting.

For serious and significant breaches, penalties could include repayment of funds, administrative penalties, pecuniary penalties, suspension from the scheme, permanent exclusion in the most serious cases and public reporting of penalties imposed.

However, publishers should be given a fair opportunity to correct minor errors, particularly where there is no evidence of deliberate misconduct and no material financial benefit has been obtained.

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

Star News Group supports the general approach, provided the reporting framework is practical and proportionate.

Regular reporting is appropriate where public funds are being distributed. However, reporting should not become so burdensome that it diverts small newsroom and management teams away from journalism production.

Star News Group supports a model based on standardised reporting templates, responsible officer declarations and targeted audit powers.

Annual acquittal type reports would seem most appropriate.

**Q14: What lead-in time would you require for information required under regular reporting and event-based notices? Do you have any concerns about the feasibility of collecting this information, the timing or sequencing of obligations, or disclosure of commercially sensitive information?**

Annual reporting should be the default wherever possible and should align with normal business reporting cycles.

For event-based notices, the scheme should distinguish between initial notification and full supporting information. A publisher could reasonably provide initial notice of a material event within 30 business days after the matter is confirmed, with up to three months to provide full supporting material where the issue involves corporate restructuring, masthead changes, staffing changes, weighting status, payroll reconciliation, legal advice or board approval.

For regular reporting, the scheme should align with normal business reporting cycles wherever possible. Annual reporting should be preferred over unnecessarily frequent reporting, unless there is a clear integrity reason for a shorter cycle.

Star News Group accepts that transparency arrangements are appropriate, including publication of recipients, funding amounts, weighting categories applied, aggregate industry outcomes and penalties or exclusions where relevant. However, care must be taken with the disclosure of commercially sensitive information. The scheme should not require disclosure of detailed payroll, staffing or operational data beyond what is necessary to ensure accountability.

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

Star News Group supports a clear penalties framework for serious non-compliance.

The framework should include escalating thresholds. Minor administrative errors should be treated differently from deliberate, reckless or systemic misreporting. Serious and significant breaches should attract meaningful penalties, including repayment, exclusion from the scheme and pecuniary penalties where appropriate.

The scheme should also include procedural fairness protections, including notice of the alleged breach, an opportunity to respond, an opportunity to correct minor errors and review rights.

The integrity of the scheme is important. However, penalties must not be so rigid that they punish good-faith publishers dealing with genuine staffing shortages, recruitment difficulties or administrative complexity.