



SUBMISSION BY WIN NETWORK

NEWS MEDIA ASSISTANCE
PROGRAM

Response to consultation paper

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1. Executive summary

The role of local news in Regional Australia is crucial, serving as a vital source of information, community connection, and identity. However, local news and local broadcasters face significant challenges in the current media landscape dominated by digital platforms and streaming services.

1. **Traditional Journalism is still important:** Positive reinforcement through our education system towards broadcast journalism must be developed along with financial incentives to work in regional areas to assist in making regional journalism more attractive, combating the allure of metropolitan positions and higher paying media public service roles.
2. **Collaborative Production:** Considering a collaborative approach among license holders to produce local news could be a viable solution. This would reduce costs and pool resources while still delivering essential local content to regional communities.
3. **Government Intervention:** Financial strains on local news organisations necessitate government intervention. Measures such as abolishing commercial broadcast taxes and providing short-term financial support for news production would alleviate some of the economic pressures faced by local news outlets.
4. **Regulatory Adaptation:** Regulatory changes are essential to enable regional broadcasters to adapt to changing consumer behaviours and technological advancements. This could involve redefining regional broadcast licenses as distribution licenses and potentially having the government take over terrestrial transmission to ensure equitable access.
5. **Ownership Restrictions:** Relaxing ownership restrictions in regional Australia would allow the industry to adjust as needed allowing for dialogue between licence holders for consolidation of delivery into regional Australia, additionally, reviewing the Voices Test and one to a market would allow all media companies to compete on a level playing field by diversifying at a scale that would ensure traditional media has a future.
6. **Commercial Viability:** Recognising the challenges of commercial viability, license holders could be obligated to distribute only the primary channel, with additional channels dependent on commercial viability. This would ensure that resources are allocated efficiently while still meeting community needs.

By implementing these strategic interventions, we can preserve the invaluable service that local news provides to regional communities, ensuring that they remain informed, engaged, and connected despite the challenges posed by economic, technological, and consumer behaviour changes.

2. Introduction

The WIN Network is Australia's largest regional broadcaster with a strong history in delivering local news, major sporting events and entertainment to Regional Australians. WIN is a privately owned company that has been under the same ownership for the past 45 years. WIN Network's status as Australia's largest regional broadcaster is evident through its expansive reach, longstanding ownership, and commitment to local news, major sporting events, and entertainment. Through strategic investments in infrastructure, personnel, and programming, the network continues to fulfill its mission of serving and connecting regional Australia.

With a workforce of over 470 employees spread across 35 offices in Regional Australia, WIN Network plays a significant role in supporting regional employment and economic activity. By providing stable employment opportunities in media and broadcasting, the network contributes to the livelihoods of individuals and families across its operational footprint, further cementing its ties to regional communities.

The WIN Network has always emphasised local news as a cornerstone of its broadcasting strategy. By deploying 90 employees to produce 14 locally focused news bulletins, the network ensures that communities receive timely and relevant information about events, issues, and developments in their areas and provides a voice for these Regional Communities. This localised approach fosters a sense of connection and engagement among viewers, distinguishing WIN as a trusted source of regional news.

In addition to news coverage, WIN Network holds a prominent position through its affiliations with Nine, Ten and Seven in broadcasting major sporting events free of charge to regional audiences. This includes live coverage of popular sports competitions, such as men's and women's AFL, NRL, Soccer and Cricket, which are integral to the cultural fabric of regional communities. By providing access to these events, WIN contributes to the collective experience and enjoyment of sports enthusiasts across its broadcast footprint.

Beyond news and sports, WIN Network enriches the viewing experience with a diverse range of entertainment programming. This includes through its affiliations a mix of local productions, international imports, and exclusive content tailored to the preferences of regional audiences. Through its entertainment offerings, the network entertains, informs, and reflects the cultural interests and values of the communities it serves.

The extensive network of over 400 transmitters underscores WIN's commitment to ensuring broad coverage and accessibility for 8.5 million regional viewers at no cost to them. This infrastructure investment enables reliable signal transmission across vast geographic areas, overcoming challenges posed by terrain and distance to reach remote and rural communities.

3. Why local News Matters

As well as informing and providing a voice to Regional Australians, WIN News plays a crucial role during times of crises such as fires, floods, droughts, cyclones, and other emergencies. Viewers rely on the regional broadcaster for information about the situation, including updates on the status of the disaster, evacuation procedures, emergency contacts, shelter locations, road closures, and safety tips.

WIN News serves as a link between emergency responders and the public, conveying official announcements, warnings, and instructions from authorities.

WIN News is well-connected within the communities, with local reporters and camera operators who can provide on-the-ground coverage and firsthand accounts of the situation. This local knowledge and presence is invaluable in disseminating critical information and helping people make informed decisions to protect themselves and their families.

The trust and reliance placed on regional news broadcasters during emergencies highlights the importance of their role in providing essential information and support to communities in need.

4. Digital Shift in Media Education

As digital media continues to dominate the landscape, students are increasingly drawn to the allure of online platforms, often perceiving traditional free-to-air television as a dying medium. This shift in preference has prompted universities to tailor their journalism degrees towards digital media, leaving broadcast journalism overlooked and under supported. This has resulted in less Broadcast Journalists looking for careers in local news.

However, it's imperative to recognise the enduring importance of broadcast journalism and provide students with the necessary support and resources to pursue it as a viable and rewarding career path.

Broadcast journalism remains a cornerstone of the media industry, providing audiences with timely, immersive, and impactful news coverage. Despite the rise of digital platforms, television news continues to reach millions of viewers worldwide, offering a trusted source of information and a platform for in-depth reporting and analysis. Broadcast journalists play a vital role in shaping public discourse, holding power to account, and fostering civic engagement, making their contributions indispensable to society.

Despite its significance, broadcast journalism faces challenges in attracting and retaining students, particularly amidst the digital media boom. Higher school students are bombarded with messages proclaiming the decline of traditional television in favour of digital platforms, leading many to perceive broadcast journalism as a less desirable career path. Universities, in response to this trend, have shifted their focus towards digital journalism, neglecting the specific skills and training required for success in broadcast media.

5. Recruitment Challenges

Recruiting journalists to regional areas has long been a challenge due to the significant cost of living pressures faced by individuals considering such positions. The allure of the metro networks or higher paying media public service roles often overshadow the opportunities presented by regional journalism.

The cost of living in regional areas is influenced by various factors, including housing affordability, transportation costs, access to essential services, and employment opportunities for both journalists and their families.

The inability to recruit journalists to regional areas due to cost-of-living pressures has serious implications for regional journalism and the communities it serves. A lack of journalists in regional newsrooms can result in a decline in local news coverage, leaving important stories untold and issues unexamined. Despite the importance of free-to-air television in regional communities, attracting and retaining journalists, especially senior professionals and young talents, remains a significant challenge. Senior journalists may be hesitant to relocate to regional areas due to concerns about career advancement, limited opportunities for professional development, and perceived isolation from major media hubs. Similarly, young journalists may be reluctant to stay in regional areas, opting instead for opportunities in the metros where digital media and alternative platforms offer greater visibility and career prospects.

Without dedicated journalists reporting on local events, community concerns, and Government activities, there is a risk of decreased civic engagement, accountability, and transparency at the grassroots level. Moreover, the absence of diverse voices and perspectives in regional journalism can contribute to a limited understanding of regional issues and challenges.

Several strategies can be implemented to address the cost-of-living pressures and attract journalists to regional areas:

Financial Incentives: Governments and community stakeholders should offer financial incentives such as relocation allowances, housing subsidies, or tax breaks to make living in regional areas more affordable for journalists – as it does with the health and education sector. Also, an essential service, broadcast news networks need support.

6. Rebuilding Confidence in Journalism Graduates Post-COVID

The crucial role that journalists and camera operators play in regional broadcasting cannot be understated. They are the frontline storytellers, capturing the essence of local communities, and shedding light on issues that may otherwise go unnoticed. Their work contributes to the fabric of regional identity and democracy by providing a platform for diverse voices and perspectives.

The COVID-19 pandemic disrupted industries and journalism is no exception. Among the many challenges faced by journalism graduates during this time, a notable issue has been the erosion of confidence, particularly in the realm of traditional broadcast television. As the world merged from the grip of the pandemic, it is crucial to address the impact it has had on the confidence levels of journalism graduates and to support them in rebuilding their skills and mindset to face the challenges of the profession.

The onset of the COVID-19 pandemic brought about unprecedented changes in the journalism landscape. Many entry-level positions, especially in broadcast television, became increasingly scarce, further exacerbating the challenges faced by recent graduates. The sudden shift to remote work and virtual communication also presented obstacles for budding journalists, as they grappled with adapting to new modes of reporting and networking.

One of the most significant impacts of the pandemic on journalism graduates has been the erosion of confidence in their abilities. With limited opportunities for hands-on experience and face-to-face interactions, many graduates found themselves lacking the skills and self-assurance needed to navigate the demanding world of journalism. In particular, the art of picking up the phone and engaging in meaningful conversations with sources became a daunting task.

As we embark on the journey of recovery and renewal in the aftermath of COVID-19, it is essential to prioritise the rebuilding of confidence among journalism graduates.

Only now are we seeing graduates consider a career in journalism. They are the class of 2023. Most of the class of 2019, 2020, 2021 and 2022 – looked to digital journalism and sought work from home positions.

Ironically, the pandemic saw a record number of viewers turn to free-to-air news. It was the trusted source of information when misinformation was at its greatest. The importance of free to air cannot be understated, when it was regional news bulletins that were broadcasting the fortnightly National Cabinet and daily State Government press conferences to viewers in a bid to save lives.

7. Financial Challenges

The economic reality is that news is a cost to regional broadcasters, and with declining revenue and audience along with digital disruptors it is becoming increasingly difficult to sustain Regional TV business broadly, let alone local news services. It needs to be understood that Regional broadcasters pay twice for the News content they air. Once for the production of the Local News and again to the affiliate partner for a revenue share of the airtime that is aired within the bulletin itself.

WIN employs approximately 90 staff to bring 14 locally focused news bulletins to regional Australia and we cover all areas of the production chain including journalists, cameramen, editors and technical staff along with the constant maintaining, and renewal, of production systems like studios, edit suites and distribution networks. While WIN understands the social benefits to regional communities and have a long standing history of delivering local news, the financial burden that comes with providing what is essentially a community service means to continue the production and broadcast of local news, Government assistance is required.

WINs preference in the short term would be for a PING* Program grant similar to 2020 with some adjustment to the funding criteria ensuring those who actually produce greater amounts of local news receive greater funding. For long term sustainability we will need to look deeper in how regional commercial broadcasting can continue into the future by addressing the regulatory short falls of the Broadcast services Act, giving it some relativity to the climate in which Regional Broadcasters operate today,

** Despite not reducing any staff numbers during covid and producing more local news than any other regional broadcaster at the time whilst not insignificant, WIN received the least amount of PING funding in 2020.*

8. Regulatory Change

The WIN Network strongly advocates for regulatory reforms to enable flexibility in navigating the dynamic media landscape. The existing terrestrial delivery model has become economically unsustainable, necessitating regulatory adjustments to support businesses in remaining viable. With the prospect of three commercial broadcasters in regional Australia becoming financially unviable, it's imperative to create an environment conducive to consolidation and adaptation for the industry's survival. To this end, several suggestions include:

a. Relaxing Ownership Restrictions

The WIN Network highlights that it is imperative to abolish analogue based, archaic media ownership restrictions for broadcast license holders. Ownership restrictions such as “Voices Test” and the “One to a Market Test” are grossly outdated in a time when today there are literally hundreds of voices across in markets across Regional Australia.. Regulatory freedom is necessary for effective industry consolidation and competition. Such flexibility is vital in responding to evolving consumer tastes and maintaining the accessibility of free-to-air content for all Australians. The concern over potential loss of media diversity is outdated, given the plethora of news delivery channels available today.

Allowing broadcasters to explore consolidation or engage in joint ventures nationwide presents an opportunity for constructive dialogue.

b. Regional Licence's (Distribution licences)

Under revised regulations, a regional broadcast license ought to be reclassified as a distinct entity – a "content distributor" rather than a content creator. Regional Broadcasters are effectively re-broadcasters of the metropolitan broadcasters (the content creators) content. 99% of the content on regional broadcasters signals is that of the Metropolitan Broadcasters, which is available in Regional Australia via the streaming platforms of 7, 9 and 10. While still adhering to broadcast codes, these licenses would be acknowledged as distributors of news, sports, and entertainment content originating from sources other than themselves. This distinction recognises their role in disseminating content rather than solely generating it, aligning with the evolving landscape of media consumption and distribution.

c. New Regional Broadcast Distribution Licence structure

Transitioning from licenses tethered to spectrum allocation to treating spectrum as a utility, where payment aligns with actual usage, marks a significant shift. Under this model, spectrum could revert to Government ownership, facilitating the establishment of a terrestrial broadcast network. This network would operate on a regional basis, with fees structured according to commercial viability. Additionally, such a paradigm would present avenues for Government involvement in fostering public safety networks. By subsidising segments of the terrestrial infrastructure, Governments could support their own public policy needs like "Local News" and culturally significant content while ensuring broadcasters can sustain their operations.

d. Primary channel is the only obligation.

Looking ahead, given the substantial costs linked to regional terrestrial broadcasting distribution, it becomes imperative to continually streamline our business operations. One potential avenue for cost reduction involves decreasing the number of channels, which in turn facilitates shared multiplexing with very little technology disruption. Consequently, in strategising for the future, the requirement for holding a regional broadcast distribution license should pertain solely to a primary channel. This approach not only helps mitigate expenses but also optimises the utilisation of available broadcasting resources, ensuring a more efficient and sustainable model in the future.

e. Single local news per market

Regional commercial broadcasters cannot afford to deliver an effective local news offering, this is why to continue to produce any sort of local news broadcasters will need short term direct funding or significant long term regulatory change. WIN would be supportive of a model that would allow for a single effective quality service rather than 3 broadcasters providing a barebones obligatory coverage. While into the future funding or support would still be required, allowing for a single quality service being collaboratively broadcast across each market on each licence would be more beneficial to the community.

9. Government Role in Supporting Trusted News Sources

In an era inundated with unregulated opinions across digital platforms, traditional media outlets uphold accountability and reliability through adherence to regulations and Codes of Practice. However, to sustain businesses delivering trusted news, the Government must expand its role beyond production support to ensuring overall sustainability. This entails exploring various funding models, regulatory incentives, and direct resource funding to preserve a diverse and dependable media landscape. Our submission underscores several opportunities for Government support, advocating for a comprehensive approach to bolstering the industry and advancing public policy goals. Whether through abolishing the Commercial Broadcast Tax, implementing a Government managed transmission network, or deregulating ownership, these initiatives offer avenues to keep regional broadcasters viable and ensure their continued contribution to informed public discourse.

10. Spectrum Management and Adaptation

To ensure the continued viability of terrestrial broadcasting, the WIN Network advocates for the consolidation of regional spectrum resources. Recognising the need for a gradual transition, the Government could reclaim spectrum from regional broadcasters and consolidate it onto fewer transmitters, creating an opportunity for a spectrum dividend. One potential approach is adopting an aggregator model for transmission management, treating spectrum as a utility. Under this model, holders of regional broadcast distribution licenses can make commercial decisions regarding distribution, with the primary obligation being to maintain a channel featuring local culturally significant content such as local news, Australian-produced programming, and major sporting events. This would enable the efficient distribution of relevant programming while prioritising quality over quantity. Looking to the future, a hybrid model combining terrestrial services with other distribution methods may emerge, ensuring that important content remains accessible while adapting to changing technological landscapes.

11. Diversity and Industry-Government Collaboration

With the rise of the internet and social media, diversity in content has soared to unprecedented levels, albeit sometimes appearing overwhelming. However, regional broadcasters acknowledge that while our influence may be diminished in this vast landscape, we still hold a vital role as a trusted source of information. Looking ahead, the industry envisions a dialogue with the Government aimed at incentivising all broadcasters to embrace a consolidated model. This collaborative effort is essential for ensuring diversity in content delivery and sustaining the future of our industry. Additionally, supporting the removal of regulations such as VOICES and ownership restrictions across all broadcasting license holders is crucial. By allowing us the flexibility to adapt our business models, we can effectively navigate the changing media landscape and secure our place in the future.