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Secretariat
News Media and Digital Platforms Mandatory Bargaining Code Review
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Joint submission to the review of the News Media and Digital Platforms Mandatory Bargaining Code

The Community Broadcasting Association of Australia, First Nations Media Australia and the Local & Independent News Association thank the Treasury for the opportunity to review the operation of the News Media and Digital Platforms Mandatory Bargaining Code from the perspective independent, community-based news publishers and broadcasters.

Our organisations represent small and regional news providers

The **Community Broadcasting Association of Australia (CBAA)** is the peak body and national representative organisation for over 450 community radio stations across Australia. Our members deliver 500+ free-to-air broadcast radio services on AM, FM and DAB+, and increasingly via online/mobile including the sector's aggregate app, Community Radio Plus.

Community radio draws its listeners from a wide cross-section of the Australian community. Nationwide, over 5 million listeners tune in each week – that's 25% of Australians aged 15 years and older. 80% of stations are in regional or remote parts of Australia, and 26% of the population or 1.7 million people in non-metro Australia listen each week.¹ The sector is powered by the efforts and dedication of more than 22,000 volunteers and roughly 700 FTE staff, representing community interests including First Nations, multicultural, youth, seniors, LGBTQIA+, radio reading services for people with a disability, faith-based and diverse arts and music communities. Community broadcasting is Australia's largest independent media sector. It makes an important contribution to the diversity, inclusiveness and social cohesion that characterises Australia's open society.

First Nations Media Australia (FNMA) is the peak body for the First Nations media and communications industry.

The First Nations radio sector comprises 28 urban and regional radio services, 8 remote media organisations servicing 138 remote communities, collectively reaching nearly 50% of the Aboriginal and Torres Strait Islander population each week. In addition, the sector publishes print media including Koori Mail, online news sites such as IndigenousX, a regional satellite television service reaching 240,000 remote households (ICTV) and a free to air national TV service (NITV).

The industry has a strong web presence with First Nations broadcasters active on social media, including indigiTUBE, a dedicated online platform showcasing aggregated content complimented by

¹ Community Radio Listener Survey (2022) <https://www.cbba.org.au/broadcasters/get-data-national-listener-survey-station-census/national-listener-survey-fact-sheets>

an app, each of which streams 25 radio services. These channels offer a wide range of news and current affairs reporting from a First Nations perspective, in over 20 languages nationally, including the first language of many people in remote communities. They are the primary and often only source of information for much of the Aboriginal and Torres Strait Islander population.

The **Local & Independent News Association (LINA)** has recently been established to support the thriving local news industry in Australia. Hyperlocal publishers have been filling the gap vacated by traditional regional news outlets and has become a critical element of the media landscape in Australia.

Since 2020, at least 74 new local, regional and remote online and print news outlets have launched by independent or SME publishers.² The local and hyperlocal sector has far from disappeared, with over 500 organisations currently operating regional and local news publishing across Australia.³ With LINA's support, members will serve local audiences with quality, original, local, public interest news and coverage of important local issues. LINA will help to reduce the number and scale of news "deserts" in Australia. LINA will grow existing, and encourage new, local media entrants by providing capacity building support, expert advice and access to critical third-party services, giving a deeper level of hands-on support to many organisations. LINA is an initiative of the Judith Neilson Institute and the Community Broadcasting Association of Australia.

Public interest journalism for communities across Australia

We welcome the review's intention to interrogate whether the Code has delivered outcomes consistent with its underlying objective of helping to support the sustainability of public interest journalism in Australia. The Code has not yet had any significant impact for our sectors, despite the critical role we play in providing public interest journalism across Australia.

The media organisations we represent are crucial to the diversity and sustainability of the Australian media ecosystem. We deliver hyperlocal, local and national news to millions of people nationally. Of the 5+ million people who tune in to community radio each week the top reason listeners give for tuning in is to hear local information and news. First Nations media organisations are the primary providers of First Nations news and current affairs to their communities and in forms that are appropriate and relevant. Hyperlocal publishers are community-focused, independently owned and original, they cover public interest news, issues of local importance and like First Nations media organisations and community broadcasters, are often the only providers of local news and current affairs to their communities.

Our sectors are vital in addressing the gaps in public interest journalism which the Code was created to address. The *ACCC's Digital Platform Inquiry report* stated that "the ACCC's research has highlighted concerns with the reduced production of particular types of news and journalism, including local government and local court reporting, which are important for the healthy functioning of the democratic process."⁴ Where the large media organisations have an increasingly limited capacity to provide this kind of content, local and community media continue to cover local and community issues, scrutinise local government and cover matters in local courts. We broadcast live from local council meetings and hold politicians to account at all levels.

Our sectors play a critical role in connecting and informing communities. We monitor the issues that are important to our communities, celebrate the achievements of local people, share in the grieving for community losses and deliver local information through emergencies like floods, bushfires and COVID-19. Our media is a vital source of focused information delivered by people with an in-depth knowledge of what matters to the people around them. It is well documented that audiences feel they cannot receive localised or community-specific information from other media sources. Our journalists care about their communities and the content they create is vital to the health and wellbeing of communities across Australia.

² Based on information retrieved from Telum Media.

³ Ibid.

⁴ Australian Competition and Consumer Commission (2019) Digital Platforms Inquiry Final Report, <https://www.accc.gov.au/system/files/Digital%20platforms%20inquiry%20-%20final%20report.pdf>

Careers and training in public interest journalism

We also create significant employment and opportunities for journalists and are an important conduit for skills and training in the media industry.

The community radio sector is powered by the efforts and dedication of approximately 688 full-time equivalent (FTE) jobs and 22,200 volunteers.⁵ This means that the community radio sector is an important conduit for media skills, training and employment opportunities. The community broadcasting sector provides in-house training opportunities, and accredited and non-accredited training, as well as through conferences, partnerships, mentorships and scholarships. Our volunteers and employees gain skills in broadcasting, management, marketing, media, networking, community building, governance and more. Many community broadcasters go on to have long careers in the industry, using the skills they learned in community broadcasting to make and support public interest journalism in newsrooms all over the country.

The First Nations media industry employs approximately 600 people, of which around 79% are Aboriginal and Torres Strait Islander people, many living in regional and remote communities. First Nations media organisations are proficient in engaging and recruiting Aboriginal and Torres Strait Islander staff, providing employment opportunities in local communities and support for achieving the goals of individual people. The First Nations media industry provides a range of mechanisms for media workers to receive training, mentoring and continued professional development throughout their career. Many First Nations media organisations operate school-based programming opportunities to engage and provide skills to young people and deliver or facilitate pathways and accredited training. Through their commitment to training and education, the sector has launched the careers of many Aboriginal and Torres Strait Islander journalists. These journalists contribute First Nations perspectives to the news landscape, diversifying news content and shifting the representation of Aboriginal and Torres Strait Islander people, with outcomes relative to Closing the Gap.

The closure of many traditional local media outlets, including regional papers, means that important community issues are going unreported. But this has spurred regional journalists to find new ways to source and create credible, independent news. New innovative hyperlocal media enterprises are emerging. Many provide employment for regional journalists who had or would have lost their jobs with the decline in regional media offerings.

The Code has had minimal impact on our sectors

How many small to medium news providers have registered?

2 hyperlocal publishers

0 out of 450+ community broadcasters

0 out of 45 First Nations media organisations

The Code has had minimal impact for our sectors. No First Nations media organisations or community broadcasters have registered or received any income through the Code. Two hyperlocal publishers have registered: Hills to Hawkesbury Community Newspapers (Hills to Hawkesbury Community News – 10,000 magazines per fortnight, Galston, Glenorie & Hills Rural News – 7,000 per month, Doorall Roundup – 12,000 per month) and Fassifern Guardian & Tribune (readership of 27,000 in the Scenic Rim and Ipswich). Alongside Hills to Hawkesbury Community Newspapers, Naracoote news is part of the Minderoo Foundation's Public Interest Publishers Alliance but has not yet registered.

The challenges for our sectors

Whilst an intention of the News Media Bargaining Code was to redress the imbalance in negotiations between Google/Facebook as global corporations and Australian-based news services this has not been the case for small media organisations. Unfortunately, there remain considerable hurdles.

⁵ Community Broadcasting Association of Australia (June 2021) State of the Sector Report.
https://www.cbaa.org.au/sites/default/files/media/State%20of%20the%20sector%202020_final_published_June21.pdf

The Professional Standards Test

There is already some uncertainty in our sectors about whether our organisations are eligible to register for the Code. This is compounded by the absence of our Codes of Practice from the Professional Standards Test.

We seek the inclusion of all Codes of Practice developed in consultation with and registered by the ACMA into the Professional Standards Test. This would include the Community Radio Broadcasting Codes of Practice and the Community Television Broadcasting Codes of Practice which are appropriate sets of standards, alongside our stations' own internal editorial standards.

The Revenue Test

Many of our organisations do not meet the cut-off of \$150,000 in annual revenue required by the revenue test. The Future of Regional Newspapers in a Digital World Inquiry has recommended that the threshold be lowered to \$75,000 per annum.⁶ A lower threshold would enable more of our members to register.

Transparency

There is a distinct lack of transparency around how the platforms put a value on the content they are paying for.

Bill Grueskin, a Professor of Professional Practice at Columbia Journalism School recently spent time in Australia as a Journalist-in-Residence at the Judith Neilson Institute, examining the impact of the Code one year on from implementation. One of the key findings of his report⁷ was that there is no published set of metrics, such as page views or number of reporters, that the platforms will use to determine the value of deals they may strike with publishers. One contract from Google, seen by Grueskin, which was negotiated by the Country Press Association showed that regional papers could expect approximately \$31,000 to \$62,000 per year, depending on their size and how many stories they generate.

However, without a clear guideline for how the platforms value the content they are paying for, it leaves media organisations in the unenviable position of not having a guide for how much they can reasonably negotiate.

This could have the impact of allowing the platforms to make a judgement they have paid "enough" to media organisations to satisfy public perception they are undertaking a genuine value transfer, when in reality, smaller organisations are not receiving any benefit whatsoever.

Using the contract mentioned above, where a publisher may receive between \$31,000 and \$62,000 per annum from Google, Grueskin found that in return, publishers would be expected to post several stories per day to its Showcase product. For small media organisations that in many cases have only one staff member, we believe that this may have the unintended consequence of incentivising the publishing of lower-quality news articles, or sponsored stories, just to satisfy this contractual obligation.

Ratio of effort to commercial outcome

We do not have a good understanding of the amount of income our media organisations would be able to secure through the Code. Our media organisations are low cost/high output and even small additional income can have a big impact in terms of the benefit returned to our communities. However, the staff and volunteers whose efforts and dedication power our sector have little remaining capacity for additional responsibilities. The burden of registering for the Code and engaging in the bargaining process is too great a barrier when the potential income to be gained is unknown and the terms of the agreement may involve extra work.

⁶ Standing Committee on Communication and the Arts (2022) Future of Regional Newspapers in a Digital World Inquiry, https://www.aph.gov.au/Parliamentary_Business/Committees/House/Communications/Regionalnewspapers/Report

⁷ Bill Grueskin, *One Year of the News Media Bargaining Code* (2022), <https://jnstitute.org/news/millions-of-dollars-for-news-shrouded-in-mysterious-deals/>

Capacity to undertake complex commercial negotiations

Another take-up barrier is the limited capacity to undertake complex commercial negotiations in our sectors. We do not have access to the expert advice necessary to engage in the process. While the ACMA is able to appoint mediators to assist with the bargaining, our organisations would also need a high level of support understanding the Code, the registration process, the bargaining process, and obligations under the agreement.

No guidance aimed at our level

Our organisations would benefit from additional guidance aimed at our level to enable us to fully understand and consider registering for the Code.

Collective bargaining

At this point in time, we have not sought approval to collectively bargain, though anticipate exploring this course of action in the future. We are keen to see how, for example, the work Minderoo Foundation is currently undertaking with 18 small to medium news publishers in the Public Interest Publishers Alliance including two hyperlocal publishers - Hills to Hawkesbury Community News and Naracoorte News - develops, to give us a better understand whether collective bargaining is an option for our members.

Other forms of support made available by digital platforms

The review seeks feedback on the other forms of support made available by digital platforms to individual news businesses and the Australian news sector more broadly. Our view is that increasing the availability and amount of funding offered through these initiatives is an effective way of supporting public interest journalism in our sectors, if it is adequate, consistent and ongoing.

11 of the 54 grants allocated through the Facebook Australian News Fund benefited First Nations media organisations, community broadcasters, and hyperlocal publishers. Provided in partnership with the Walkley Foundation and judged through a rigorous arms-length assessment process, the money provided through this fund directly supported projects like Murraylands' stories on poverty and the housing crisis and a National Indigenous News remote stringer journalist network.⁸ These are one-off grants supporting a single year project for each organisation.

Our sectors would also be keen to consider multi-year funding arrangements. We understand that "Country Press Australia, which represents 160 regional newspapers, signed a letter of intent for a multi-year agreement for Facebook to provide an innovation fund to support newsroom sustainability and digital transformation rather than a licensing agreement to pay for journalism to appear in the special News section".⁹ Because of the challenges we have outlined, an ongoing, low upkeep funding arrangement may better achieve the aim of supporting public interest journalism in our sectors.

We have been working closely with Government on the need for an increase in ongoing funding to the community broadcasting and First Nations media sectors. We appreciate the long-standing support that the Government has provided to community media. An increase to our funding would improve the sustainability of our sectors, enable us to fund local employment and training opportunities; help us respond to emergencies and provide us with a strong base from which to innovate and grow our capacity to provide local public interest journalism.

We have also had some positive conversations with Government about funding to support the setup of the Local & Independent News Association, alongside funding from the Judith Neilson Institute. Government funding would help LINA to support hyperlocal media to survive and grow, providing capacity building support, expert advice and access to critical third-party services.

⁸ 54 Newsrooms and Independent Journalists Receive Funds From AUD \$15M Facebook Australia News Fund (2022), <https://australia.fb.com/post/54-newsrooms-and-independent-journalists-receive-funds-from-aud-15m-facebook-australia-news-fund/>

⁹ Miranda Ward (2022) Facebook News launches in Australia, Financial Review, <https://www.afr.com/companies/media-and-marketing/facebook-news-launches-in-australia-20210804-p58fn6>

Conclusion

“I find it troubling that the news media bargaining code is still going to reward the larger entities and not going to reward small regional newspapers—which is most of my electorate, I’ve got to say! I don’t know how this gets fixed. I don’t know what kinds of sums can be developed so that smaller regional newspapers can be the beneficiaries more so than News Corp.” —Dr Anne Webster, speaking as Chair of the Standing Committee on Communication and the Arts’ Inquiry into Australia’s Regional Newspapers.

In the *Future of Regional Newspapers in a Digital World: Inquiry into Australia’s regional newspapers* report, the House of Representatives Standing Committee on Communications and the Arts encouraged the Government to support local media and community broadcasters to increase our capacity to fill news deserts and counter the decline in regional news offerings in communities around Australia. The Committee found that, “community radio broadcasting and television, along with news media in both print and digital are vital in providing localised news services to communities across Australia, particularly in regional and remote areas. Local media provides a range of relevant information concerning access to social services, delivering weather warnings, and providing information about community developments.”¹⁰

Digital platforms are rapidly evolving and growing their news offerings. If the media organisations we represent are to continue providing independent, original, local and hyperlocal news to their communities they must be supported to engage and keep pace with the ways in which people are consuming news.

We ask that the review considers how the Code or other forms of support made available by digital platforms can provide some recognition to community broadcasters, First Nations media organisations and hyperlocal publishers to ensure our newsrooms remain sustainable and are able to keep delivering hyperlocal, local and national news to millions of people across Australia into the future.

We appreciate your consideration of this submission and would welcome any further opportunity to assist with the review.

Sincerely,



Jon Bisset
On behalf of CBAA, FNMA and LINA

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¹⁰ The Future of Regional Newspapers in a Digital World (2022)
https://www.apf.gov.au/Parliamentary_Business/Committees/House/Communications/Regionalnewspapers/Report