

MURRAY BRIDGE NEWS

News MAP submission

February 2024

The News Media Assistance Program is a critically important piece of work. To explain why, let me tell you my story.

When I moved to [REDACTED] in 2012, I was one of about 20-25 employees at the local newspaper, then owned by Fairfax Media. We had five journalists, an editor, two photographers, a typesetter, three administrative staff, four or five salespeople, and a five-person production team which designed advertisements. Another 26 people worked at the printing press out the back.

When I left in 2020, just three of us remained - and I was the only one who worked solely on that newspaper, rather than across multiple mastheads. That was when COVID came. The newspaper shut down without so much as a farewell story, a Facebook post, or even a phone call to newsagents. Without a printed newspaper to sell advertising into, we journalists were told there was no “useful work” left for us to do.

I found out on April 14, 2020 that I would be stood down without pay from April 20. On April 23, I launched [Murray Bridge News](#): an online news service covering much of the newspaper’s former readership area. Support from the community was strong and immediate. I aimed to sign up 250 paying subscribers within a year; I hit that target in nine weeks. The future looked bright.

Then the federal government intervened. First it awarded a Public Interest News Gathering Program grant worth about \$65,000 per masthead to the newspaper's owners at the time: Australian Community Media. (That was more than the total revenue my start-up would generate in its first 12 months.) Then it gave ACM a Regional and Local Publishers Program grant worth \$25,000 per masthead, to subsidise the rising cost of newsprint. (Murray Bridge News was not eligible for either program.)

What did ACM do with that money? It immediately closed its Murray Bridge office and the printing press, laid off all 26 printing staff, and sold the property for [\\$2.1 million](#).

I took a huge risk to meet a community need at a time of crisis, and what did the federal government do? It used my taxpayer dollars to prop up the company whose business model had failed my community.

My start-up, Murray Bridge News, has never received a single cent of direct government funding. We have received just \$1055 worth of federal and state government advertising in almost four years. We have a close relationship with local government, but governments at higher levels have failed my business at every step. We have survived this long thanks only to our paying subscribers; the [local businesses who have advertised with us](#); and successful applications for grant funding from [Meta](#) (via the Walkley Foundation), [Substack](#) and [Google](#). By the end of 2024, that funding will dry up.

Murray Bridge News has become central to the life of its community. We have explored innovative ways of connecting with and engaging our audience, and attracting advertisers. Our email newsletter reaches about 30% of local households each week, and we have launched a network of TV screens in cafes and waiting rooms, and a quarterly print magazine. I employ two people, plus paid contractors. For a start-up in a highly disadvantaged regional community of around 20,000 people, we've done as well as we possibly could have in our first four years. We've been described as the "poster child" for hyperlocal media.

Yet without government intervention – or advertising from national clients, who we have so far been unable to access – I am not yet confident that Murray Bridge News will ever reach financial and operational sustainability. Unlike the large, national chains, my pockets aren't deep. I can't do this forever without making enough money to justify it.

That is why it is critical that News MAP contributes to the future of the media sector, and specifically of public interest journalism, in Australia. After years of closures, layoffs, consolidation and change in the industry, both here and around the world, it is becoming increasingly clear that government intervention of some kind is required to sustain the information systems which enable the cohesive functioning of Australian communities at the local level, and Australian society at the national level. As the owner and managing editor of a hyperlocal news publication in a regional community, I welcome this program, and hope it can be implemented in some form as quickly as practicable.

My specific feedback on elements of the program follows below. I apologise for the length of this submission. To paraphrase Blaise Pascal: I didn't have time to write a short one.

Introduction

The ACCC's definition of public interest journalism is:

Journalism with the primary purpose of recording, investigating and explaining issues of public significance in order to engage citizens in public debate and inform democratic decision making at all levels of government.

I do not think the ACCC's definition is sufficient. Public interest journalism does not just engage people in public debate and inform democratic decisions. It also:

- Upholds public health, safety and order, especially during emergencies
- Contributes to a sense of shared identity and belonging within a community, reducing isolation
- Promotes the services, events and opportunities that enable Australians to lead fuller, more rewarding lives

Any definition should reflect this.

Framework and objectives

Public interests arising from news and journalism

The paper's exploration of the public interests arising from news and journalism is sound. I would add proximity to the factors moderating these benefits. At a community level, news can be next to useless if it is produced in another town, LGA or region.

Considerations for the role of government

The majority of organisations producing public interest journalism are commercial businesses primarily because the federal government has not, to date, provided in legislation any route by which publishers may easily achieve not-for-profit and DGR status.

I would argue that the risk of inaction is perhaps more significant than the government realises. As PIJI has [noted](#), Australia has suffered a net loss of more than 150 local news publishers since January 2019. News deserts – areas without any local news coverage – are already appearing. In that context, it is extremely disappointing that it took the department 10 months to move News MAP from a funding commitment to a consultation about the objectives of any future intervention. On page 17, the paper itself notes a report from 2012 (!) which highlighted the need for greater resources for public interest journalism. The industry needs dollars on the ground, yesterday.

Policy objectives

Access: All Australians must have news; it must be locally relevant; it must be distributed in various ways; and it should not be exclusively hidden behind paywalls. Publishers must balance their need, and right, to make a profit against the public's need to know.

Governments may need to intervene by:

- compensating publishers for removing paywalls and making information freely available, or
- offering rebates or other support which enables people to purchase subscriptions needed to access information where they would otherwise be unable to afford it.

Quality: The regulatory differences between broadcast and text-based media loom large here. Broadcast has ACMA, a government-funded statutory authority; text publishers have the Press Council, a voluntary, privately supported organisation which not all publishers can access. The same goes for the MEAA code of ethics, which is generally considered the standard for journalistic practice but which explicitly does not apply to non-MEAA members. The nuclear option, one likely to generate significant push-back from the private sector, would be a requirement for practising professional journalists to register with an independent body, like lawyers or doctors do. Alternatively, government may consider, perhaps as a requirement for funding or other support:

- standardising regulation of news publishers across all media
- standardising ethical standards across all media
- measuring all media against a set definition of public interest journalism
- adopting benchmarks such as those used by PIJI's [Australian News Sampling Project](#) to measure the quality of journalism produced by a publication

Media diversity: Diversity is essential. Very often, media policy in Australia has been shaped by the big players, who have access to decision-makers and have (or believe they have) the clout to influence public opinion about elected officials. This is why, for example, we see the government, with its News Media Bargaining Code, shaking down Google and Facebook on behalf of News, Nine and the like. Moving forward, governments must listen to local publishers and the organisations which represent them, such as LINA and Country Press Australia. It is appropriate for governments to regulate media ownership, as the federal government did with the “two out of three rule” prior to 2017. However, “diversity” in the mid-21st century is more likely to mean encouraging multiple TV stations, multiple radio stations, multiple print or online mastheads in any given market; and multiple companies operating across larger areas, rather than one or two dominating most regional markets in most states. Governments can promote diversity by encouraging start-up publishers – or simply by not funding floundering established players where more agile and innovative competitors aim to supplant or supplement them.

I must also note that diversity includes a diversity of business models. In other countries, and particularly in the US, not-for-profit business models are seen as absolutely central to the future of local news. While I note the parallel work being done around DGR status by the Productivity Commission, it is worth emphasising that there is currently no way for a local news publisher to create a viable non-profit business model in Australia. The government needs to create a pathway here.

Engagement: This is an important objective, though not necessarily one government can effectively promote itself. Rather, it might be more suitable for governments to fund projects delivered by media, community and other organisations which will foster media literacy and engagement.

Potential measures

What the government is doing

Successive governments are to be commended for their commitment to funding public and community broadcasters. However, aside from the ABC, the majority of public interest journalism in this country originates with text-based publishers: newspapers and their online competitors. I have welcomed interventions which are platform-agnostic, such as those focused on cadetships and innovation. However, I've been frustrated at interventions aimed specifically at subsidising print media, a business model which is trending towards non-feasibility. I get it – the government doesn't want the print empires to collapse, leaving hundreds of communities without a local news service in the short term. But I think you'd be surprised how quickly new publications would spring up in the communities the big chains abandon, as they have in Queensland where News Corp has withdrawn, and in other centres around Australia, including here in Murray Bridge. Rather than bankrolling failing businesses (and, as I noted in my introduction, fattening their wallets at the same time as they abandon regional communities), governments would do well to support the "green shoots" in the industry.

Here let me briefly address the News Media Bargaining Code. This is a deeply flawed piece of legislation which the government was persuaded to introduce on the back of howling from national chains whose business models are failing. The code fundamentally misunderstands the relationship between news publishers and online platforms. If Google derives value from linking to news sites, then it derives value from linking to all sites, and the owner of every website should be compensated! Clearly this would be absurd. A far more effective intervention would be to close the tax loopholes that allow multinational platforms to shift their revenue offshore, tax them properly, then make a policy choice to use some of that revenue to subsidise news publishers or deliver other important public benefits. I also lament the fact that the revenue threshold for the code was set at \$150,000, not \$75,000 to match the GST threshold. As mentioned above, my operation has been described as the ideal example of a start-up meeting the needs of a community of around 25,000 people – and after four years, our revenue has never yet exceeded \$150,000 per year.

Considerations for future policy, regulatory and program design

Direct funding: As I have noted above, while direct funding is highly desirable as an intervention, directing it towards established players can repress competition and innovation and stifle media diversity. It must be carefully targeted. The Walkley Foundation, with its Meta Australian News Fund, has considered factors such as audience niches (regional, LGBT+, Indigenous etc) as well as journalism formats and focus topics. This sort of targeting is appropriate. As to the question of editorial independence: I believe concerns can effectively be quelled through clearly established funding guidelines, MOUs, editorial standards and the like. My publication has received funding from several non-government sources and has never had the slightest problem with editorial independence, or perceptions of a lack of independence. There will be some publishers who will always refuse government funding, no matter what. I'm not one of them. Keeping the doors open and people in jobs is more important to me than maintaining independence from government funding.

I also want to note that, if direct funding becomes the department's preferred intervention, it must be made available to news publishers for the core activities they are, more often than not, already undertaking. Murray Bridge News has been awarded several grants over

the past four years, but all except one were for additional activities: employing extra staff, doing new projects. Such grants allow us to do good work, but they don't allow me to pay myself a decent wage – and that, more than anything else, is what will determine whether my business can truly become sustainable.

Support for business models: “Ultra-local micro-businesses ... serve to address gaps in news production and availability ... (but have) comparatively slim resourcing and potential knowledge gaps.” Here we have it: the point of greatest need for government intervention. Indirect measures such as support for the Local and Independent News Association have had an outsized and positive impact. However, if more resources and knowledge-sharing mechanisms are what is needed to ensure the future of local news in individual suburban and regional markets, let the government provide them, directly!

As far as business models go, a very significant barrier is the government's refusal, so far, to provide a pathway for news publishers to pursue non-profit and DGR status. I explore this further below.

In my experience, the next biggest barrier preventing news media organisations from innovating or changing course is inertia. Almost everything I have done at Murray Bridge News, I first proposed to do during my years with ACM, only for my suggestions to fall on deaf ears. Likewise, the government's support for print media has stifled much-needed innovation. Locally owned start-ups are far better placed to respond to the information needs of their communities.

I believe the UK's [BBC Local News Partnerships](#) program is the gold standard for public funding of public interest journalism most applicable to the Australian context. While US publishers have had great success in generating revenue from philanthropy, the same culture of giving does not exist in Australia, and there are only two media-focused foundations I can think of – the Walkley Foundation and the inactive Judith Neilson Institute – which would be equipped to handle such funding. By contrast, the UK model could work here, with some significant tweaks. Australia's population is much smaller and more concentrated in fewer markets than the UK's. Perhaps, rather than funding full-time roles in

newsrooms, a program here could fund part-time roles; or, better still, it could simply subsidise local newsrooms in recognition of the work they are already – in all likelihood – doing. I would welcome an open tender process for any such funding. However, inconvenient though it might be for the department, it would have to be done on an LGA-by-LGA basis. Going state by state or region by region – by SA3 or RDA region, for example – would only further entrench established players at the expense of businesses like mine.

Artificial intelligence is only likely to make reliable information more and more difficult to find. Google is already shifting its search capabilities, the backbone of the internet for the past 25 years, towards an AI which will fetch what it believes to be the most relevant information. Bot accounts clog social media. AI-generated search results make it harder to find genuine information. Now AI illustration tools put human designers out of work, and the first AI-generated videos promise to do the same for videographers. The consequences of all this for news publishers are likely to be similar to the consequences of social media's increasing unreliability: direct connections with audiences and communities are likely to become more and more important. That will mean print, email, display signage, physical offices, physical boots on the ground in communities. Audiences are increasingly siloed and isolated; governments and publishers need to push back against that trend.

Tax-based incentives: I will repeat here my submission to the Productivity Commission: DGR status would be a game-changer for public interest journalism, and it should be made available to publishers big and small, on an equitable basis, as soon as possible. Tax concessions for investments in journalism would also be welcome, but are likely to favour large metropolitan organisations. I believe a combination of direct funding and tax incentives would be appropriate.

Government advertising: If government advertising is to be provided as a means of support for news publishers, it must be platform-agnostic and must be made available to all players on an equitable basis. It frustrates me no end that governments around the country assume only print publications exist in regional areas. The amount of government advertising our print rivals receive would be transformational for my business. We can't access any of it.

It can be very, very difficult for new publishers to even let government departments know they exist, let alone find out who to contact about getting advertising, let alone navigate the inexorable maze of forms and registrations needed to even make it onto the list of organisations eligible to receive it. We've been trying for four years and haven't managed it yet. The one time we secured an ad from the SA Tourism Commission in our magazine, it took my colleague weeks' worth of phone calls and emails to get an invoice paid. It was a nightmare.

Still, government advertising is welcome, but perhaps not the most efficient way of ensuring publishers produce public interest journalism. Grant funding, which can have strings attached or be targeted more closely, may be more effective.

Fostering media diversity

A better understanding of media diversity is needed than that provided in the *Broadcasting Services Act*. However, funding or other assistance to the sector should not be held up while this framework is developed.

I'm not sure there would be much value in regulating media at a local level. As mentioned previously, publicly evaluating local media, perhaps in association with funding opportunities, could be useful. Regulation of personnel diversity within media organisations would be overreach.

I refer to my previous answer about quality, under "framework and objectives", with regard to the problems around regulating broadcast versus text-based media, and ethics.

Support for media literacy

This would be welcome, and would best be provided through media or community organisations rather than government directly. I don't know if there are particular segments of the community which would most benefit. Some of the reasonably well-educated, affluent, Caucasian members of my community are among the most clueless about how the media works. Community members would benefit from training which helps them

differentiate between high-quality and low-quality information sources, and to identify non-trustworthy information online. I commend LINA for its efforts to open a discussion with the department in this area.

The risks of low media literacy are significant. Take the COVID pandemic: misinformation about vaccines and other public health measures was, and remains, rife. Once people distrust government in areas such as this, they seem to distrust government or authorities more generally in other matters. Where does that lead? To Trumpism, the end of democracy and the degradation of society and people's quality of living. I believe the splintering of our media over the past 30 years, and the failures of national media to focus on issues of importance to our society rather than chasing clicks with coverage of emergencies and political scandals, has contributed significantly to a loss of social cohesion and empathy in this country.

What metrics can we use? Someone more learned than me will have to answer that.

Establishing the evidence base

I am content to leave this work to PIJI, the Walkley Foundation, the MEAA and others. Kristy Hess has also developed a useful framework for assessing quality. As I said above, while it would be ideal for government to establish its baseline measures ahead of any intervention, it is more critical that interventions of some kind be made as soon as possible. I hope this work, which could be based closely on what others have done, will not hold up the rest of the News MAP package. I would love to see funding or incentives for news publishers in the federal government's 2024-25 budget. If the government takes more than 12-24 months to implement its interventions, it will be too late for many of the publishers who respond to this consultation – we may be out of jobs, and our communities may be left without local news.

Summary

While I have said a lot in this submission, the points I hope most fervently the department will take away are:

- Interventions must be platform-agnostic, not focused on preserving print
- Interventions must benefit small players, not just the major chains who have the ability to lobby decision-makers more effectively (and if a revenue restriction must apply, it should be set at \$75,000 rather than \$150,000 per year)
- Any direct interventions should allow for core funding of newsrooms, not just projects additional to the work they are already doing
- While important, the establishment of a detailed evidence base should not be allowed to delay the roll-out of any intervention
- DGR status for publishers of public interest news should be implemented as a priority
- The BBC Local News Partnerships Program is the gold standard for government interventions in local media, and I encourage the department to consider implementing a version of it in Australia
- Small players may need assistance to access government advertising

Thank you again for the opportunity to comment on this project.

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