

# Submission to the Senate Select Committee on the Future of Public Interest Journalism

## Introduction

The Senate has asked the Committee to inquire and report on

- (a) the current state of public interest journalism in Australia and around the world, including the role of government in ensuring a viable, independent and diverse service;*
- (b) the adequacy of current competition and consumer laws to deal with the market power and practices of search engines, social media aggregators and content aggregators, and their impact on the Australian media landscape;*
- (c) the impact on public interest journalism of search engines and social media internet service providers circulating fake news, and an examination of counter measures directed at online advertisers, 'click-bait' generators and other parties who benefit from disinformation;*
- (d) the future of public and community broadcasters in delivering public interest journalism, particularly in underserved markets like regional Australia, and culturally and linguistically diverse communities;*
- (e) examination of 'fake news', propaganda, and public disinformation, including sources and motivation of fake news in Australia, overseas, and the international response; and*
- (f) any related matters.*

DigEcon Research has twice submitted to the relevant Standing Committee on Media Reform legislation being considered by the Parliament. Those submissions focussed on the risk to public interest journalism from excessive media concentration. The second of those submissions emphasised the limitations in the role of the Australian Competition and Consumer Commission (the ACCC). The ACCC is only empowered to allow mergers, only the courts can prevent mergers (or penalise people who proceed with an anti-competitive merger).

Irrespective of the ACCC's powers, the provision of a news service itself, especially when free-to-air electronic media is included, is not trade and commerce. As a consequence, 'public interest journalism' isn't directly covered by the definition.

Those points aside this submission will discuss briefly in turn items (a), (d) and (e).

## The current state of public interest journalism

The Committee does not need to undertake significant research to understand the current state of public interest journalism. The following propositions are easy to observe:

1. The print media is suffering from a severe decline in advertising and consequent inability to employ journalists. As the News Corporation submissions to the print media inquiry of the early 1990s said newspapers are collapsing to single title markets.
2. Free to air broadcasters are also suffering from a collapse in advertising revenue and commercial networks long ago gave up on serious "current affairs" with once great flagship programs like *A Current Affair* and *60 Minutes* now reduced to overblown

magazine formats living on a diet of celebrity, paid interviews and thinly disguised advertorial.

3. The growth in alternative media channels has provided extra commentary, but not extra investigation. Despite the promise of Anderson's *The Long Tail* the new publications are not story breakers.
4. The public broadcasters are continuing to provide a valuable resource of public interest journalism, however, in a society where they become the only source of that analysis they become too exposed to politicians who can't distinguish between public broadcasters and state media (e.g. accusing the ABC of being un-Australian).

The role of government must at least include ensuring against media concentration where to do so would reduce the 'number of voices.' It is appropriate with changing technology to recognise the ability to re-purpose content across text websites, sound and video formats. The removal of artificial impediments like the 'two out of three' rule is appropriate.

In its place a test like that proposed by the Gillard Government in 2013 is more appropriate. However, guaranteeing the public interest does not require an Orwellian sounding "Public Interest Media Advocate", the ACCC can be trusted to administer this additional concentration test.

#### *Recommendation 1*

*The Media Reform legislation be amended to include a public interest diversity test to be administered by the ACCC as part of merger approval.*

However, to facilitate diversity the small developing media outlets need the ability to reach the scale and scope of source coverage provided by the large conglomerates. This need can be met by an additional role for the public broadcasters, and that is as a source of sound and video clips in real time for use by any of these outlets.

In the history of the ABC it began its life reading news from newspapers, then the newspapers stopped that and denied the ABC from access to AAP. The ABC in response developed its extensive news gathering resources. AAP today is simply owned by the print media duopoly.

In an Andrew Olle Lecture Chris Anderson (of PBL) made the observation that we don't need every news organisation with a camera at every event.

(<http://www.abc.net.au/local/stories/2004/10/29/1463447.htm>) There are some agreements on pooling, but this could be formalised for new media.

It is time policy went full circle and the ABC became the content source for the new publications.

#### *Recommendation 2*

*The ABC and SBS have their charters amended to include in their purpose their original footage from covering events, press conferences etc for the use by other smaller news organisations.*

### **The future of public and community broadcasters**

Community broadcasting is a concept that has been less successful than anticipated. Both radio and television versions of community broadcasting are probably more suited to streaming services rather than broadcasting services.

The ABC Local model utilised for regional areas can be applied equally well to metropolitan markets; citizen journalists providing their content to a platform maintained by the public broadcaster that can also be leveraged by the public broadcaster.

This is the corollary of the public broadcaster as shared content provider recommended above; it is the role of the public broadcaster as a curator of other resources.

How effective would streamed community media be if it was all available as “channels” within the public broadcaster streaming service?

*Recommendation 3*

*The ABC and SBS have their charters amended to require them to develop and curate community broadcasters on their streaming platforms, using ABC Open as a model.*

## **Fake news and disinformation**

The technical definition of ‘fake news’ before it was purloined by the alt-right was a story posted to a website that was configured to look like it was a ‘real’ media site but wasn’t. The intention was either to generate clicks for page views to accrue advertising revenue, or, more perniciously, to give an air of respectability to genuinely made up stories.

There are two potential remedies. The first is to guarantee that new media sites have an adequate supply of ‘genuine’ content that they don’t need to resort to linking from unreliable sites. The second is to provide both new media and citizens with reliable sources that can assess these stories.

Unfortunately, even some reputable news organisations fall for ‘fake news.’ The only solution is vigilance. Such vigilance requires strong editorial control. The only lever available to Government is the management of the public broadcasters. The creation of editor-in-chief as a separate job function would facilitate this greater control.

*Recommendation 4*

*The ABC and SBS both be required to create a position of editor-in-chief reporting to the CEO to take responsibility of public interest content across all their organisation’s platforms. The editor-in-chief be required to report annually on any identified instances where their organisation reported ‘concocted’ news (that is, news intentionally made up for the purposes of deception).*

## **Conclusion**

Public interest journalism is critical to the functioning of a democracy. The creation of a plethora of new media organisations offers the prospect of greater scrutiny and a return to the days where a citizen had real choice among the editorial stances of different titles.

However, the current media environment consists of an ever greater concentration in the large media organisation and a lack of trust in new media that has been created by malicious actors.

Government can act to promote the public interest by ensuring merger activity protects the diversity of voices and by utilising the resources of the public broadcasters to facilitate the development of trustworthy new media.

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## About DigEcon Research

### Purpose

DigEcon Research is a stand alone research body. Ultimately, its pursuit is policy research, the focus of which is the meaning and significance of the Digital Economy. This policy research encompasses both economic and social research.

### Researching the significance of the Digital Economy

The concept generally referred to as the Digital Economy is frequently discussed but there is little shared meaning in the term. A key definitional issue is whether the Digital Economy is something yet to happen or in which we are now embedded.

DigEcon Research focuses on the analysis of social and economic change rather than an analysis of a notionally static "Digital Economy". Analysis of the change as it occurs should highlight those areas where there is genuine policy choice rather than merely a need to adapt policy to changes that have already occurred.

Before Thomas Kuhn popularised the idea of "paradigms" J.K.Galbraith railed against the "conventional wisdom". There is no denying that what Kuhn called "normal science" or the repeated application of existing theory to new problems results in most practical developments. It is equally true that the application of existing theory to problems they were not designed for results in, at best, vacuous solutions and, at worst, wildly dangerous outcomes.

The Digital Economy challenges the fundamental concepts of neo-classical economics. It also challenges most of the precepts of how societies are organised. In this context policy research needs to focus on what is different, not on what is the same. The Digital Economy is not just a matter of means of production but about the fundamental structures of social organisation.

### Work program

This research is designed both to inform policy makers and to assist those who would seek to influence policy makers or to make business decisions. DigEcon Research however does not provide strategy recommendations nor undertake policy advocacy on behalf of any party.

A key element of DigEcon's research and analysis relates to the direct regulation of the converging industries of telecommunications, media, consumer electronics and information technology. However, the agenda encompasses the wider economic and social policy issues.