



Australian Government

**Australian Government response to the Senate
Select Committee on Public Interest Journalism
report:**

Future of Public Interest Journalism

August 2018

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Australian Government response

The Australian Government's response to the *Future of Public Interest Journalism* is set out in detail below.

Recommendation 1:

- The committee recommends that the ABC and SBS be funded adequately, so that they can deliver on their charter obligations, support rural and regional service provision and have a strong fact checking capacity.

The Government **agrees in principle** to this recommendation.

The Government will always ensure that our national broadcasters are appropriately resourced.

Base funding represents the vast bulk of Commonwealth funding provided to the Australian Broadcasting Corporation (ABC) and the Special Broadcasting Service Corporation (SBS). At \$3.1 billion and \$814.2 million, respectively, over three years (from financial year 2016-17) for the current funding triennium, this represents a significant investment in national broadcasting. Base funding enables the continued operation and transmission of TV, radio and online services for the national broadcasters.

The Government also provides additional funding to the ABC and SBS to support their services, particularly those located outside the capital cities, including: local news and current affairs; multilingual, multicultural and Indigenous media services; and delivery of news content across digital and mobile platforms.

While funded by Government, both the ABC and SBS have legislated independence in relation to content and editorial matters to ensure that what is broadcast is free of political interference. The ABC and SBS have each developed Editorial Policies/Guidelines to assist content makers and the public to understand the editorial and ethical principles that are fundamental to the ABC and SBS. These policies take into account the requirements of current regulation and seek to reflect the standards that audiences can reasonably expect of the national broadcasters.

Recommendation 2:

- The committee recommends that the Commonwealth provide additional surety in future funding for the community broadcasting sector beyond the forward estimates, in particular what component will be set aside for training and education, and ensure that the sector is fully consulted in the national rollout of digital services.

The Government **notes** this recommendation.

The Australian Government supports community broadcasting and recognises that it provides a valuable service to groups in the community that are not specifically served by commercial, subscription or national broadcasters. Community broadcasting also contributes to the overall diversity of Australia's media landscape.

The Government has a long record of supporting community broadcasting, primarily through the Community Broadcasting Program (CBP). The CBP provides annual funding of approximately \$15.5 million to the sector, which helps support content development, industry training, transmission, online services and Australian music. Portions of the CBP's funds are also targeted to support radio for the print handicapped, Indigenous and ethnic services.

In the Mid-Year Economic and Fiscal Outlook 2017-18, the Government allocated an additional \$12.0 million (GST exclusive) for community radio broadcasting, to be administered through the existing CBP. Of this funding, \$4.0 million will be allocated in 2019-20 and 2020-21 to assist community digital radio with the cost of continuing services in metropolitan areas and extending services to regional areas. To support the capacity, skills and competencies of the community radio sector's workforce and volunteer base, an additional \$0.6 million per annum over four years will be allocated to the National Training Program—supplementing an approximate \$0.6 million of existing annual funding for the National Training Program. These funds will focus on enhancing the management and small business skills of the sector.

The Digital Radio Report released by the Australian Government in 2015 recommended establishing a Digital Radio Planning Committee for Regional Australia (the Committee). The Committee was formed in 2015, is chaired by the Australian Communications and Media Authority (ACMA), and focuses on the rollout of digital radio in regional areas that are most likely to be commercially viable. Members of the Committee include the Community Broadcasting Association of Australia, among other key industry stakeholders. The Committee developed planning principles for the rollout of digital radio services, which informed the 'Planning principles for the expansion of digital radio in regional Australia' released by the ACMA in 2016.

The ACMA consults with all eligible digital radio broadcasters, including community broadcasters, when developing digital radio channel plans for the rollout of digital radio services in new licence areas. The ACMA also consults on decisions to 'deem' community broadcasters, a process which enables a community broadcaster, for which the licence area is different to the relevant commercial licence area, to provide digital radio services.

Recommendation 3:

- The committee recommends that the Commonwealth work with the states and territories through the Council of Australian Governments to determine how areas of the Australian Curriculum may be improved regarding digital media awareness and media literacy.

The Government **notes** this recommendation.

Media literacy is currently covered in a number of areas across the Australian Curriculum including the English, Arts and Humanities, Social Sciences learning areas and the Critical and Creative Thinking general capability. Media literacy is specifically addressed in the 'Media Arts' subject of the Arts learning area. Through the Curriculum, students are supported to develop the knowledge, skills and critical thinking capability to interpret and use language confidently including the capacity to understand, analyse and evaluate information.

While media literacy is included as part of the Australian Curriculum, implementation of the Curriculum, including decisions about the resources used, is a matter for state and territory governments and non-government education authorities as well as individual schools. There will be a review of the Australian Curriculum in 2020 and this may provide an opportunity to revisit how media literacy is taught through the Curriculum. State and territory education authorities as well as other interested stakeholders, will be given the opportunity to participate in the review.

Recommendation 4:

- The committee recommends that the Commonwealth develop and implement a framework for extending deductible gift recipient (DGR) status to not-for-profit news media organisations in Australia that adhere to appropriate standards of practice for public interest journalism.

The Government **does not support** this recommendation.

Organisations providing public interest journalism already have the ability to seek deductible gift recipient (DGR) status under the existing legislative framework. Media organisations can seek DGR status if they meet the requirements of one of the established general categories or through specific listing in the income tax law.

More broadly, the Government has implemented a number of tax measures to support Australian entities, including those undertaking public interest journalism. Some of the key tax measures include reducing the corporate tax rate for small and medium-sized businesses; increasing the unincorporated small business tax discount; lifting the small business entity turnover threshold from \$2 million to \$10 million; and the \$20,000 instant asset write-off.

Recommendation 5:

- The committee recommends that the Treasury undertake cost-benefit modelling on extending the tax deductible status of news media subscriptions to all Australians, not just those who can already claim the cost of subscriptions through existing income tax arrangements, for subscriptions to news media organisations in Australia that adhere to appropriate standards of practice for public interest journalism.

The Government **does not support** this recommendation.

Under the tax system, deductions are allowed for losses and outgoings to the extent they are incurred in gaining or producing assessable income. News media subscriptions are deductible if there is a sufficient nexus with the taxpayer's current employment. Deductions are not allowed where expenses are of a capital, private or domestic nature. The Government does not consider the tax law should be amended to extend the tax deductibility status of news media subscriptions. If some private expenses were made tax deductible, it would create pressure for deductibility for a range of other private expenses.

As a direct investment in public interest journalism, and as part of the reforms to Australia's media laws, the Government has announced it will provide support to regional and small publishers through the \$60 million Regional and Small Publishers Jobs and Innovations Package. This includes the \$50 million Regional and Small Publishers Innovation Fund; the Regional and Small Publishers Cadetship Program, which will support 200 cadetships; and 60 regional journalism scholarships. These programs were opened in June 2018 by the Department of Communications and the Arts and the Australian Communications and Media Authority.

Recommendation 6:

- The committee recommends that the Australian Law Reform Commission conduct an audit of current laws that impact on journalists reporting on matters that touch on or focus on national security and border protection, to identify and analyse unjustifiably harsh or draconian laws, inconsistencies in the law and any lack of clarity in the law regulating the work of journalists in this context, and to consider whether further reform is needed to achieve an appropriate balance between the need to preserve national security and the need for journalists to be able to carry out their work in the public interest.

The Government **notes** this recommendation.

The Australian Law Reform Commission (ALRC) is only funded to undertake two inquiries concurrently, because it can only fund the President and one additional Commissioner position at any one time. Given that the ALRC is currently conducting two inquiries, being the Litigation Funding Inquiry (due to report by 31 December 2018) and the Review of the Family Law System (due to report by 31 March 2019), it has no capacity to embark on a third at least until 2019. However, the Future of Public Interest Journalism may be referred to the Attorney-General for consideration as a potential topic for a future inquiry.

Recommendation 7:

- The committee recommends that the Commonwealth work with state and territory jurisdictions through the Council of Australian Governments to complete a review of Australian defamation laws, and subsequently develop and implement any recommendations for harmonisation and reform, with a view to promoting appropriate balance between public interest journalism and protection of individuals from reputational harm.

The Government **notes** this recommendation.

Defamation law is regulated by states and territories, which agreed to a uniform national defamation law regime in January 2006 through the Standing Committee of the Attorney-General. The Government will bring this recommendation to the attention of states and territories and invite them to consider it.

Recommendation 8:

- The committee recommends that the Commonwealth look at ways to expand whistle-blower and shield law protections, and to harmonise those laws between the Commonwealth and state and territory jurisdictions, noting the work in this area already underway.

The Government **notes** this recommendation.

The Government currently has legislation before Parliament which will strengthen whistleblower protections - the Treasury Laws Amendment (Enhancing Whistleblower Protections) Bill 2017. The Bill enhances existing corporate sector whistleblower protections and creates a new tax whistleblower protection regime in the *Taxation Administration Act 1953*.

The Parliamentary Joint Committee on Corporations and Financial Services tabled a report titled "Whistleblower protections" in September 2017. This report included a recommendation that "*The Commonwealth, states and territories harmonise whistleblowing legislation across Australia.*"

The Government is considering the recommendations and will release its response to each of the Parliamentary Joint Committee report recommendations in due course.

