

**Standing Committee on Communications and the Arts:
Inquiry into Australia's regional newspapers.**

Opening Statement by Damian Morgan, Director of Today News Group.

I'm proud to be a partner of a new and innovative independent regional newspaper publishing organisation in Queensland.

The *Today News Group* publishes local independent weekly newspapers (and news online) under fourteen mastheads in the Rockhampton, Gladstone, Bundaberg, Gympie, Burnett, Noosa, Ipswich, Warwick, Stanthorpe, Longreach and the Central West regions of Queensland.

We were founded in Queensland after NewsCorp closed their regional newspapers in 2020 with a mission to provide regional news services in communities that were left without a local newspaper.

Most of our newspapers are 'start-ups' and many of our staff are ex-NewsCorp employees who were made redundant. Four of those ex-NewsCorp staff are business partners and shareholders of publishing businesses in our group.

We have also recently purchased and revived the iconic 98 year old *Longreach Leader* – which was previously independently owned.

The *Today News Group* is not a corporation. We're a group of independent publishing companies with a common vision and approach to regional publishing in the modern era.

One of the companies in our group (CQ Media Pty Ltd) acquired the NewsCorp printing facility in Rockhampton, where we now employ more than 15 staff, and print newspapers for ourselves and various other publishers 6 nights per week.

I appreciate the opportunity to appear before this Inquiry, and the most important messages I'd like to communicate today are:

1. Despite recent closures of many regional newspapers by large publishers, there is still a viable and critical role for regional newspaper publishers – and a revival is underway in Queensland.

- A 'local paper' is the journal of record for the regions we serve. In many cases we are the only source of independent local news; we give a voice to community groups, hold the powerful to account, and provide a public noticeboard for important community announcements.
- A local newspaper also gives a voice to our regions in important political debates at a state and national level, and our grass-roots reporting on

important political issues is an essential ingredient in a properly functioning democracy.

- When NewsCorp stopped printing in 2020 it created opportunity for independent publishers (like us) to start-up and fill the void by providing essential local news, and adding to news media diversity in the process. However, the revival that is underway requires appropriate support from government of all levels to be sustainable in the long term.

2. Support offered by the Australian Government for regional journalism is a great investment in regional communities.

- Regional newspapers provide trusted and regulated news to many Australians that digital news does not. Many of the most vulnerable Australians lack the resources to access online news.
- Regional newspapers consistently top surveys as the most trusted source of news and it should be of great concern that an increasing number of Australians are now getting their 'news' from unregulated social media, which we now know spreads false news more quickly than the truth. For example, social media has been a significant enabler of COVID-19 vaccine hesitancy in regional Australia.
- Publishing regional newspapers is a challenging business, but we are innovating and changing our business models. Our unique ability to reach regional Australians with a trusted and independent source of news remains in high demand, which is a powerful niche in an increasingly fragmented market, and a strong basis for ongoing viability.
- Appropriate government support through these critical years of change will help preserve local news services in the long term.

3. The News Media Bargaining Code has been very positive.

- The News Media Bargaining Code has been a very positive first step for independent news publishing in Australia, and is a positive precedent for other governments around the world. However, further regulation is needed and the power balance is still very heavily skewed to the tech giants, especially in the area of defamation risk.

4. Local Government 'news' services need to be regulated.

- A new and growing challenge for independent regional news businesses is the rise of Council 'news' services. Many local government marketing and communications departments are employing journalists and producing 'news' well beyond the typical scope of Council updates; sometimes under misleading names that give the impression of independence. For example, the Bundaberg Regional Council has a multi-media 'news' service called 'Bundaberg Now' covering everything from local sport, business and



community news. We strongly believe this concept poses a dangerous threat to independent local news in Australia.

In summary, we believe regional newspapers can and will play a critical role into the future. We believe that the business model for successful regional publishers into the future requires innovation and economies of scale on the backend of publication, combined with committed local reporters and sales staff on the ground producing hyper local news; not syndicated or clickbait.

We also need strong and ongoing commitments from government to support through advertising, appropriate financial assistance and ensuring the digital platforms continue to pay for content – and also further regulation to ensure need we do not end up with local government propaganda news services.

Thanks for this opportunity.