



**SUBMISSION TO THE SENATE ENVIRONMENT AND COMMUNICATIONS LEGISLATION COMMITTEE
INQUIRY INTO THE *BROADCASTING LEGISLATION AMENDMENT (MEDIA REFORM) BILL 2016***

23 SEPTEMBER 2016

News Corp Australia appreciates the opportunity to submit updated data to the Senate Environment and Communications Legislation Committee regarding the *Broadcasting Legislation Amendment (Media Reform) Bill 2016* (the Bill) at **Appendix A** to this document.

While we refrain from repeating information previously provided to the Committee, including our opening statement at the public hearings just five months ago in April 2016, for convenience we restate our position regarding media reform in Australia here.

We are of the view that the current legislative framework governing media ownership and control is anachronistic as the market and technological developments have delivered massive changes in the media environment and delivered enormous choice to consumers. Accordingly, we support a holistic approach to media ownership law reform in Australia, whereby the Government should pursue the removal of all five media ownership and control rules – the 75% reach rule, the 2 out of 3 rule, the 5/4 rule, the one to a market rule, and the two to a market rule.

For the same reasons – that the era when media rules were put in place has been overtaken by the internet revolution rendering the rules no longer relevant or fit-for-purpose – we support true reform to the anti-siphoning regime.

The problem with the anti-siphoning regime isn't just the list. It's the process. It's a regime that corrupts the marketplace for sports rights. It's anti-competitive – the Productivity Commission has said this on multiple occasions. It's world's worst practice.

True reform of these two pillars of Australia's media laws (media ownership and control, and anti-siphoning) would significantly contribute to macroeconomic reform in Australia. While the Government states that the Bill incorporates measures to reform outdated media regulation, we are disappointed that this is limited to only two of the media ownership and control rules.

However, we support the Bill and what it seeks to achieve, and support the Bill passing both houses of Parliament intact and in its entirety.

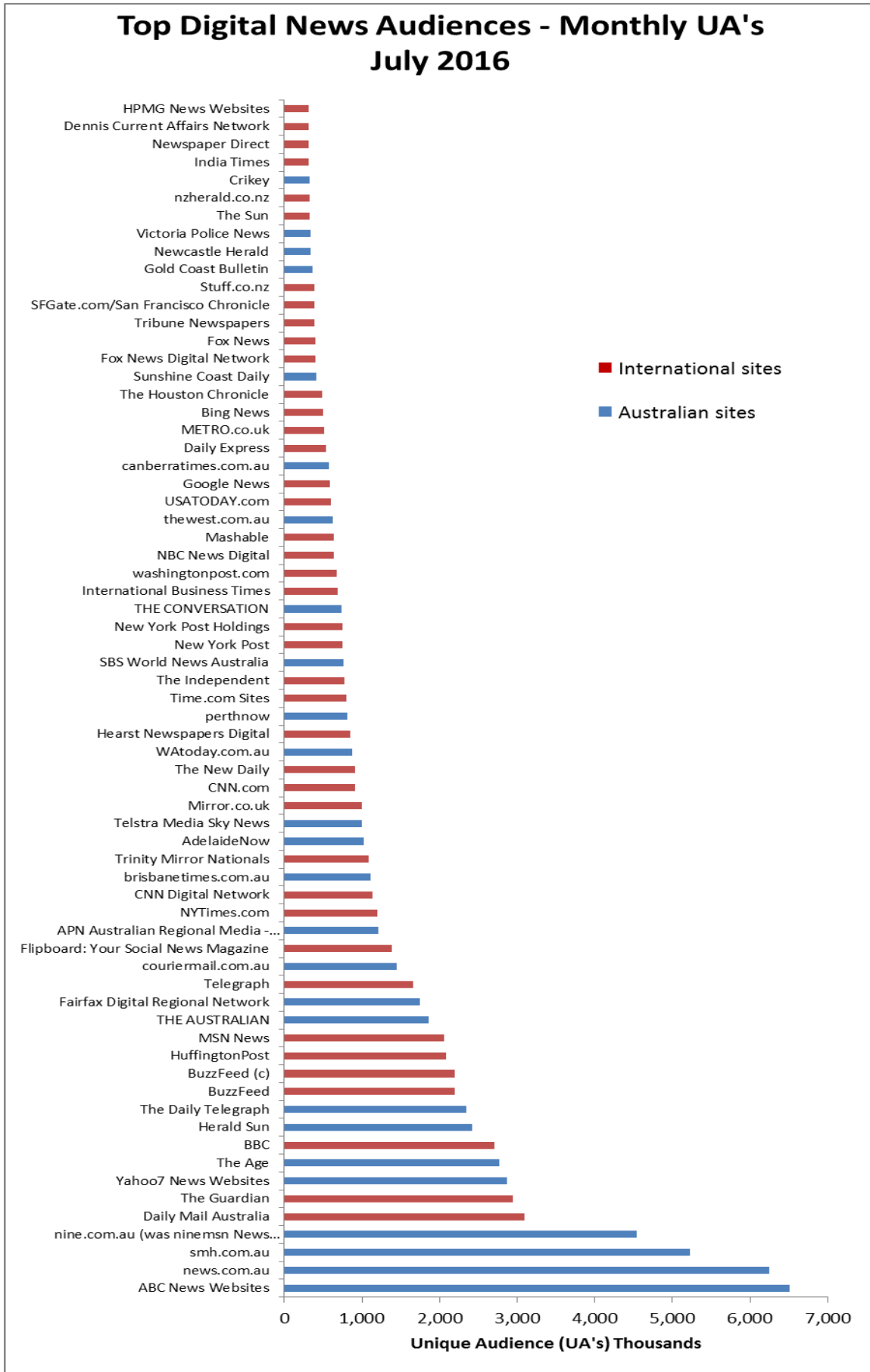
APPENDIX A – Nielsen Online Ratings Data, July 2016 (category: news and information)

The Table on page 3 of this document shows:

- There are 67 websites with over 300,000 unique visitors/month (UAs)
 - Of those, 41 websites (61%) are ‘international’ or NOT owned by the ‘traditional Australian media companies’
- 28 (42%) of the websites have an audience in excess of 1 million UAs
 - Of those 28 websites, 14 (50%) are international or NOT owned by the ‘traditional Australian media companies’
- 15 (22%) of the websites have an audience over 2 million UAs
 - Of those 15 websites, 7 (47%) are international or NOT owned by the ‘traditional Australian media companies’

OVERLAPPING AUDIENCES IN DIGITAL NEWS

- On average digital news consumers are going to 4.6 sites out of the 28 sites with over 1m UAs
- None of those 28 news sites with over 1m UAs has any unique audience – they all have some cross over with at least one other site
- There will of course be people who go to more and less, but no one is just going to one site for their information
- There is a plethora of choice for news consumers online and they are taking advantage of it



Note: desktop, mobile and tablet use