



**CENTRE FOR MEDIA TRANSITION**

## **News Media Assistance Program Consultation Paper, December 2023**

**Submission from UTS Centre for Media Transition to the  
Department of Infrastructure, Transport, Regional Development,  
Communications and the Arts**

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## About the Centre for Media Transition

The Centre (CMT) was established in 2017 as an applied research unit based at the University of Technology Sydney (UTS). It is an interdisciplinary initiative of the Faculty of Arts and Social Sciences and the Faculty of Law, sitting at the intersection of media, journalism, technology, ethics, regulation and business.

Working with industry, academia, government and others, the CMT aims to understand media transition and digital disruption, with a view to recommending legal reform and other measures that promote the public interest. In addition, the CMT aims to assist news media to adapt for a digital environment, including by identifying potentially sustainable business models, develop suitable ethical and regulatory frameworks for a fast-changing digital ecosystem, foster quality journalism, and develop a diverse media environment that embraces local/regional, international and transnational issues and debate.

This submission was prepared by:

- Professor Monica Attard, Co-Director, Centre for Media Transition, Faculty of Arts and Social Sciences
- Dr Michael Davis, Centre for Media Transition, Faculty of Law
- Dr Timothy Koskie, Centre for Media Transition, Faculty of Law
- Dr Sacha Molitorisz, Centre for Media Transition, Faculty of Law
- Professor Derek Wilding, Co-Director, Centre for Media Transition, Faculty of Law

### **CONTACT**

Centre for Media Transition  
Faculty of Law, University of Technology Sydney  
Building 2, Level 15  
UTS City Campus, Broadway  
PO Box 123, Broadway NSW 2007

cmt@uts.edu.au  
+61 2 9514 9669

[cmt.uts.edu.au](http://cmt.uts.edu.au)

## Executive Summary

### Definitions and scope

- The existing definition of **public interest journalism** does not capture a crucial part of what is meant by this form of news. Journalism protects the public against undue influence by private and partisan actors through the application of a specific methodology to the assessment, arrangement and production of news. Defining journalism without reference to the operational aspects, particularly the independence and verification required, risks applying the label of journalism to a product which has failed to adhere to well-established journalistic standards including accuracy and impartiality. In short, the existing definition ought to incorporate references to professional standards.

### Policy objectives

- **Access** to news is critical, and it is appropriate that access is one of the foundation objectives of the News MAP framework, but it is important to acknowledge that citizens should have access to a *range* of sources of information. In addition, the concept of access also has a regulatory dimension and it would be appropriate to consider (though not as a precursor to the implementation of the News MAP program) the interaction of the regulatory mechanisms for promoting availability and the policy interventions to support news.
- We support the inclusion of **quality** as an element of News MAP but, in order to avoid any perception of interference in editorial decisions, we think the best way of embracing quality is to restrict the circumstances in which it is to be deployed. We think there are two contexts where it is both justified and necessary. The first is the well-established journalistic standards mentioned above: public interest journalism should be defined and recognised as requiring adherence to professional standards. The second is when News MAP is used to allocate public funds on a competitive basis. A set of quality indicators could be developed for application in this situation so that decision-making can be transparent and evidence-based.
- Recognition of **media diversity** is a necessary component of government policy addressing state intervention in support of public interest journalism. ACMA's Framework for Measuring Media Diversity in Australia is the result of extensive research and consultation on this topic and it is appropriate that wider government policy that is aimed, in part, at promoting media diversity should be based on the ACMA model. We also think it would be desirable for it to be a longer-term objective of government policy that media organisations that are recognised in legislation, policy and funding programs should be a part of an independent standards and complaints scheme (and, ultimately, a harmonised, cross-platform standards scheme). Finally, media ownership is still a relevant, although insufficient element, in protecting media diversity. It is unquestionably the role of government to monitor and to regulate ownership and control.

### Considerations for future policy, regulatory and program design

- Research for the Valuing News project shows that **state media subsidies** generally fall into three categories. **Activities** can include providing grants for journalism about marginalised groups or for existing media organisations to upgrade their equipment and upskill their staff to deal with contemporary

challenges. **Organisations** can be targeted through direct funding but they can also be assisted through tax schemes. Finally, schemes such as the Local Democracy Reporting Service in the UK or its equivalents in Canada and New Zealand, which target certain **types of news services**, may offer a more effective way of supporting a broader range of services such as through funding the employment of local reporters in regional areas.

- AI is already affecting the **business models** of Australian news providers. Recent CMT research on the use of and attitudes towards generative AI in Australian newsrooms found that there is profound uncertainty, deep concern, and occasionally cautious optimism about the opportunities of generative AI. Most newsrooms predict substantial upheaval, and while there is still a great deal of uncertainty about what this might entail, larger media organisations are applying significant resources to the investigation of the opportunities and limitations of generative AI. News will be an important input to large language models and while this is driving negotiations between AI companies and news businesses, there are media organisations that have signalled generative AI technology could and should be brought within the auspices of the News Media Bargaining Code.

### **Fostering media diversity**

- While we acknowledge the Department's preparedness to consider both the rationale for policy interventions and the continuing suitability of longstanding policy and regulatory settings concerning media diversity, some higher-level questions of media regulation need to be addressed. **Regulation** should take account of sources such as pay TV services, nationally-distributed newspapers and digital-only news sources. In relation to the existing rules, while the licence area caps should be retained as they effectively promote a minimum of three commercial media groups in most licence areas in Australia, the 5/4 'minimum voices' rule could be replaced by a more effective mechanism for achieving media diversity. We continue to support the introduction of a media-specific public interest test administered by the ACMA. Finally, digital platforms, as key players in the current environment, should be a part of monitoring media diversity. They could take a greater role in promoting a diverse and sustainable environment for trusted media sources by contributing to the costs of a media standards schemes.

### **Establishing the evidence base**

- ACMA's Media Diversity Measurement Framework will help to give a much more comprehensive understanding of media diversity. We support the idea of a number of core functions being performed by ACMA and additional work undertaken by independent researchers at arm's length from government. The **research** provided by non-government entities, however, needs to be collaborative and sustainable; and where it can be, longitudinal. Researchers at CMT and at the University of Sydney created a classifier that identifies 'public affairs content' and 'non-public affairs content', allowing us to separate out content that contributes to media diversity. The design for a second phase of this work is being developed for a funding proposal, so that AI technologies can be updated and leverage Large Language Models to enable a dashboard inquiry of live data that would also allow the detection of specific views in news representation.

## Introduction

Thank you for the opportunity to contribute to this consultation. In this submission we respond to selected questions from the Consultation Paper. While we have not responded here to questions 7 (on tax-based incentives) and 8 (on government advertising), we draw the Department's attention to the submission on these aspects from Professor Terry Flew and our colleagues involved in the Valuing News project.<sup>1</sup>

## Definitions and scope

### Invitation to provide feedback on the suitability of the ACCC's definition of public interest journalism

#### Public Interest Journalism—ACCC definition

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.

ACCC, Digital Platforms Inquiry Final Report (2019), p285

The Consultation Paper observes that 'the ACCC's definition identifies many of the characteristics essential to the democratic benefits of news and journalism.' It also notes that 'there are questions about whether it:

- fully encapsulates the requirements of public interest journalism; and
- is sufficient for journalism to simply inform on a matter of public significance, or whether it must do so with diligence, without the intention to mislead or influence for private or partisan purposes.'

#### CMT response

- The ACCC's definition of public interest journalism does not, in our view, accurately encapsulate its requirements, because it does not require adherence to professional standards.
- It is not sufficient for journalism to merely inform on matters of public significance. It should do so with regard to accuracy, impartiality and further well-established journalistic standards, with the aim of ensuring that the content produced is not an unexamined reproduction of information, or of preconceived ideas and viewpoints, or otherwise obtained unethically. Public funding to support the further pollution of the information ecosystem would not be in the public interest. Fundamentally, news and information produced in accordance with the methodology of public interest journalism helps to promote a safe, healthy and fully functioning society by giving news consumers reliable, researched, impartial, comprehensive and verified

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<sup>1</sup> The submission by Professor Terry Flew, Dr Agata Stepnik, Ms Wenjia Tang (Media and Communications, University of Sydney) and Dr Timothy Koskie (Centre for Media Transition, University of Technology Sydney) is available at <https://url.au.m.mimecastprotect.com/s/8GqCP7LYpFK0EmppHzEDJm?domain=hdl.handle.net>.

information. The definition used by the ACCC does not necessarily envisage a methodology to ensure this outcome.

- The operational elements of public interest journalism which create output are practised through an obligation to core values such as accuracy, impartiality and independence. The acts required to be performed in order to operationalise public interest journalism are also more or less settled, beginning with information which is subjected to balanced research via fairly conducted interviews with those holding various viewpoints or knowledge, and impartial information collation overseen by a set of ethical guidelines. The journalist uses a process of reasoned elimination to discard untruths<sup>2</sup> in order to seek out the closest approximation of the truth or 'positive epistemic valence'.<sup>3</sup> The remaining information is then subjected to a process of verification which generally takes the form of 'fact-checking'. The result can sometimes be imperfect. However, when acts of journalism are subjected to viewpoint diversity, impartiality, and accountability for error, journalism can, at least, engender trust rather than mistrust in the sense that it is not indifferent to the truth and provides a functional form of truth in a 'journalism of verification'.<sup>4</sup>
- As a result, journalism does more than record, investigate and explain, all of which can be performed without regard to accuracy and impartiality. Journalism protects the public against undue influence by private and partisan actors through the application of a specific methodology to the assessment, arrangement and production of news. Defining journalism without reference to the operational aspects, particularly the independence and verification required, risks applying the label of journalism to a product which has failed to pass the standards of accuracy and impartiality. We recommend a definition of journalism which specifically recognises the foundational importance of impartiality, accuracy and further well-established journalistic standards be adopted.
- We note there is an overlap in the concept of 'public interest journalism', the objective of 'quality', and the requirement to conduct journalistic activity under established media standards such as accuracy and impartiality. Our comments above mostly concern the need to recognise core standards as a part of public interest journalism. We address the concept of quality below in response to the questions concerning that objective, but, at the outset, we would like to note our disagreement with the approach taken by the ACCC on the role of quality. In the Final Report of the Digital Platforms Inquiry, the ACCC explicitly said journalism may be 'public interest journalism' without being 'high quality journalism':

It is important to distinguish 'high quality journalism' from 'public interest journalism' ... journalism may be produced with the purpose of examining matters of public significance, meeting the definition of 'public interest journalism', without meeting minimum quality standards – for example by failing to be accurate or failing to clearly distinguish reporting from the presentation of opinion.<sup>5</sup>
- We think this misconceives the nature of 'journalism' and 'public interest journalism' and fails to take account of the full range of what might constitute 'quality'. On the first aspect, covering an issue can be in the public interest, but the coverage of that issue will only amount to *public interest journalism* if it is produced according to recognised professional standards likely to offer some reassurance as to its quality. Indeed, there is a question whether it actually amounts to journalism at all – as

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<sup>2</sup> Alan Sunderland, 'A Partiality for the Truth', *Meanjin*, 12 December 2019. <https://meanjin.com.au/blog/a-partiality-for-the-truth/>.

<sup>3</sup> Jonathan Rauch, *The Constitution of Knowledge: A Defence of Truth* (Report, Brookings Institute Press, Santa Clara Open Consultation Report, 2021).

<sup>4</sup> Bill Kovach & Tom Rosenstiel, *The Elements of Journalism: What Newspeople Should Know and the Public Should Expect* (New York, Three Rivers Press, 1st rev.ed, 2014).

<sup>5</sup> ACCC, *Digital Platforms Inquiry* (Final Report, June 2019) 287.

opposed to some other, quite legitimate, form of information dissemination – if it does not observe conventions such as verifying sources, but that question does not need to be addressed here. On the second aspect, as a minimum, public interest journalism must be conducted under conditions that recognise established standards of practice such as accuracy and impartiality, but beyond that, its quality can be judged by the extent to which it fulfils other expectations such as immediacy, originality and geographical relevance. We address this second aspect in the quality section below.

- None of this is to say that every piece of journalism needs to be assessed to see if it meets the established standards of practice, and the fact that some articles will fail this test cannot serve to disqualify a publication as a whole from being recognised as pursuing public interest journalism; this is where standards schemes come in. For the time being, we just note the overlap of public interest journalism, quality, and the observation of professional standards. As indicated below, we fully support the inclusion of the policy objective of quality as we think it includes and goes beyond the minimum standards of practice to promote other aspects such as originality and connection with community. Our preference is that some recognition of standards such as accuracy and impartiality is built into both the definition of public interest journalism and the objective of quality. Should the Department change its current position on the quality objective, it would be imperative that a recognition of news standards is built into the definition of public interest journalism.
- Finally, we note that there is a distinction between 'public interest journalism' and 'core news', a different concept that was developed for application in the News Media Bargaining Code, after the ACCC defined public interest journalism. We think it would be helpful if it was made explicit that assistance provided under the News MAP program is to be provided to public interest journalism. Core news is not substitutable for public interest journalism because – like the ACCC's definition of public interest journalism – it does not embed any requirement for journalistic outputs to be produced using the methodologies of public interest journalism. As a whole, the NMBC does incorporate a standards aspect but this is achieved via the professional standards test (in our view, a weak requirement that could be enhanced – see our comments under 'quality' below), rather than via the definition of core news itself.

## Policy objectives

### Access

**Q1.1:** Is access to news the right objective?

- Access to news is critical, and it is appropriate that access is one of the foundation objectives of the News MAP framework. The concept of access is similar to the concept of 'availability' or 'source diversity' often found in policy addressing media diversity. ACMA's new Framework for Measuring Media Diversity embraces a sophisticated understanding of access, with its coverage of various 'supply-side factors'. By including access as an objective, the News MAP framework links well to the ACMA diversity framework. Having said that, it is important to acknowledge that citizens should have access to a *range* of sources of information, which we address in Q1.2 below.

- We note that the concept of access also has a regulatory dimension. The *Broadcasting Services Act 1992* is designed to ensure a certain level of structural diversity within the Australian media industry, both through the traditional ownership and control rules but also through the various categories of broadcasting services – which have different expectations and obligations around reach, coverage and content – and the requirements for providing services within a service area (in some cases, a licence area). The recognition of different categories of service brings with it expectations of public support for some of these sectors, and a substantial investment is already made by government, separately from that contemplated under the News MAP program. Beyond the structural aspects, there are obligations placed on certain commercial radio and commercial television services in regional areas to provide local content.
- Conceptually, these aspects overlap with the objective of ‘media diversity’ below, but their role in promoting ‘availability’ of services and content to Australians is a crucial part of established broadcasting policy. In the section on ‘Fostering Media Diversity’ below, we observe how some of the policy questions considered in that section cannot be fully addressed in the absence of a more comprehensive review of media regulation. Similarly, it would be appropriate at some stage to consider the interaction of the regulatory mechanisms for promoting availability and the policy interventions to support news. To be clear, though, we are not suggesting that the implementation of News MAP should be delayed to consider these higher level issues.

**Q1.2:** How should the access objective be understood, and to what extent should this include access to, or availability of, news and journalism relevant to each level of government, including national, state/territory, and local? What do citizens require at each level of government?

- For the reasons outlined above, it is important for citizens to have access to public interest journalism on all levels of Australian government. However, there is another dimension of access that could be considered as part of the objectives. In regional areas there are publications which adequately cover the local region, providing access to hyper local news, but are unable to offer news from outside the region. Such a publication might even receive government funding to properly execute its local reporting remit, but in essence will be depriving its audience of news from elsewhere, which represents participation in the democratic process. This locks regional audiences into their geographic areas. Similarly, metro publications that provide broad access to audiences of national and international affairs have noted their inability to sustain broad regional coverage, depriving their audiences of a total picture of the country and contributing to the locking out of regional news and information. CMT found declining levels of regional media coverage in two periods 2021-2022 and 2022-2023<sup>6</sup> and an alarming lack of narrative movement from regional media outlets to metro media outlets in relation to coverage of two significant policy areas – the Murray Darling Basin Plan and the imposition of alcohol bans in Indigenous communities. We found coverage of the Murray Darling Basin Plan tended to reflect the assumed audience of local media outlets with a focus on the interests, partisan and otherwise, of locally sourced stakeholders while metro and national media tended to focus on state and national scale issues,

<sup>6</sup> Monica Attard, Gary Dickson, Ayesha Jehangir & Nick Newling, *Regional News Media* (Report, Centre for Media Transition, UTS, 2023). DOI: 10.5281/10035674. <https://www.uts.edu.au/research/centre-media-transition/projects-and-research/regional-news-media/report-regional-news-media-2023>.



locking out regionally formed narratives. We also found that, over the decade-long course of coverage of alcohol bans in Indigenous communities, regional media tended to use Indigenous voices that were resistant to the planned government policy while metro and national media used conservative Indigenous voices which were explicitly in favour of the bans and other restrictions. In both cases, we found the paucity of association between regional and metro media allowed narrow narratives to develop based on individual media constituencies. News reportage as a corrective to misconception, misunderstanding or narrowed viewpoint thus becomes more difficult when news is only viewed through the lens of 'access'. The gap between audience expectations and what news producers provide is at the root of a common complaint of regional communities that they are locked out of important policy debates. If policy focuses on the producers of news and information in addition to audience access, it would better serve the interests of social cohesion and achieve the primary aim of journalism which is to inform people to make better decisions.

- **Q1.3:** What are the appropriate roles for government and industry in pursuing this objective?

- The appropriate role of government is to provide unfettered access to journalists to information needed in the production of quality public interest journalism and should otherwise be confined to the formation of appropriate policy settings to protect information integrity where it can (eg, on mis and dis-information and AI regulation), to promote media literacy, and to fund deeper associations between metro and regional media as well as the promotion of sustainable and broad public interest journalism, particularly in rural and remote regions of Australia. The role of industry is to produce news and information using established ethical principles, according to the methodology of public interest journalism and the law. Government should play no role in determining what journalists report.

## Quality

### Discussion Questions

**Q2.1:** Is quality the right objective?

**Q2.2:** How should the quality objective be understood? Is it the same for all forms of journalism?

**Q2.3:** What are the appropriate roles for government and industry in pursuing this objective? Assessments about the quality of news content raise concerns about the independence and freedom of the press. What approaches might government consider to measuring, safeguarding and promoting the quality of news content? What content, procedural and organisational factors might be taken into consideration?

- We support the inclusion of quality as an element of News MAP, although we suggest that its application should be restricted to two specific contexts.

- It is important that the Media Assistance Program supports quality journalism, and not poor quality journalism, and that this is explicit and clear. Quality public interest journalism improves public understanding and the public sphere generally. Poor quality journalism, by contrast, impoverishes public conversations and society generally. Indeed, poor quality journalism undermines public trust. Trust in journalism is at worryingly low levels globally, with fewer than half of Australians trusting news media and with news avoidance on the rise.<sup>7</sup> In this context, particularly with misinformation polluting public discourse, journalism needs incentives to be better, in order to help rebuild trust in news media and to improve the public sphere.
- That said, we recognise that it can be difficult to define quality, and there are differing views as to its suitability for inclusion in public policy. Napoli and Royal (187-88) discuss the tensions surrounding the involvement of the state in questions over quality, noting concerns by some within industry as to the risks this could pose to press freedom. They explain how, to avoid some of these problems:

news quality seems to morph over the time span of particular policy initiatives into more general terms such as public interest journalism or community information needs; or to be broken down and represented in terms of one or two of its component parts, such as accuracy or diversity.<sup>8</sup>

- This is something we also have addressed in the Australian context (Giotis, 174-75), noting that despite the ACCC's considerable interest in the concept at the outset of the Digital Platforms Inquiry, 'the ACCC ultimately gave quality little more than a cameo role in its Final Report'. In fact, the ACCC largely shifted the task of addressing quality from the domain of the NMBC (where the ACCC's definition of 'public interest journalism' emanates from) to that of disinformation. We have also noted that this did not, in fact, result in quality being dealt with in a substantive way in the Disinformation Code. We argued 'quality was handballed from one regulator to another (ACCC to ACMA) and, in the process, slipped into a regulatory crevice.'
- As quality is a complex concept, there is a tendency (as Napoli and Royal note in relation to both the work of the Federal Communications Commission (FCC) in the US and the Cairncross Review in the UK<sup>9</sup>) to embed the concept within policy responses, without actually defining it. This might avoid accusations of interference in press freedom, but as Napoli and Royal point out, the landscape has fundamentally shifted for news publishers – especially here in Australia where the NMBC represents a substantial intervention of the state into the news industry. This intervention was well supported by evidence from the ACCC of the impact of digital platforms on news publishers, and on a widely agreed upon understanding of the importance of news as a public good.
- Nevertheless, some attempt can be made at understanding what comprises quality. ACMA did define quality in its position paper on misinformation in 2020:

For the purposes of this paper, the ACMA defines quality news and information as news and information that is accurate, reliable and timely, providing people with the knowledge they need to make informed choices and to participate in public life.<sup>10</sup>

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<sup>7</sup> Sora Park, Kieran McGuinness, Caroline Fisher, Jee Young Lee, Kerry McCallum, Xiaolan Cai, Mona Chatskin, F.X. Lilik Dwi Mardjianto & Shengnan (Pinker) Yao (2023). *Digital News Report: Australia 2023*. Canberra: News and Media Research Centre, University of Canberra, 18, 109.

<sup>8</sup> Philip M. Napoli & Asa Royal, 'Government Interventions into News Quality' in Regina G. Lawrence & Philip Napoli (eds), *News Quality in the Digital Age* (Routledge, 2023) 187-201, 188.

<sup>9</sup> Ibid 189.

<sup>10</sup> ACMA, *Misinformation and News Quality on Digital Platforms in Australia: A Position Paper to Guide Code Development* (Report, June 2020) 9.

- We think this is a good definition, but it was offered in a different context, less likely to support fears of political interference in news. For News MAP we think the best way of embracing quality is to restrict the circumstances in which it is to be deployed. We think there are two contexts where it is both justified and necessary.

### Context 1: minimum standards of practice

- In our first response regarding the issues of Definition and Scope (above), we argued that the News MAP framework ought not to support all journalism, but only public interest journalism which must necessarily adhere to well-established journalistic standards such as accuracy and impartiality.
- These well-established journalistic standards have been articulated in a range of codes of practice, codes of ethics, standards and guidelines overseen by bodies including the Australian Press Council and the Australian Communications and Media Authority. These codes ought to provide a blueprint for the News MAP approach to supporting quality. As we also noted above (p.6), the focus should be on the *process* of journalism, rather than merely on outputs. It is not enough to assess quality by poring over content. Rather, the process requires a methodology that cultivates accuracy and impartiality, and avoids, for instance, invasions of privacy that are not in the public interest. In this respect, we note that the codes of practice developed by the ABC and the APC both cover newsgathering practices, whereas the Commercial Television Industry Code of Practice only concerns content that is broadcast. As we have observed elsewhere, this leaves a serious gap that allows conduct such as that seen in the *60 Minutes* fiasco involving the attempted abduction of two children in Lebanon to fall outside the scope of existing standards.<sup>11</sup>
- It is worth noting that the News Media Bargaining Code promotes professional standards, quality and originality. In s 52P, it prescribes professional standards and ‘quality’ as a requirement for news media businesses to be eligible under the code. And in s 52X, it imposes on digital platforms a requirement to develop plans to surface original news content. It is further worth noting, however, that these provisions are not in effect, given no digital platform has been designated under s 52E of the code.
- We have argued elsewhere<sup>12</sup> that the News Media Bargaining Code was a missed opportunity. The development of the world-first code could have been used as a chance to reform news media oversight in order to create a harmonised cross-platform system of news media standards.<sup>13</sup> First, s 52P could have required that news media businesses must be members of an ‘external’ scheme instead of merely an ‘internal’ scheme, as legislated.<sup>14</sup> Second, and more significantly, news media businesses’ eligibility for the scheme could have been conditional on their agreement to participate in a process of reform of news media oversight with the aim of creating a harmonised, industry-based scheme. Similarly, News MAP ought to be similarly conditional: those who benefit ought to be required to commit to participating in such news media oversight reform. However, as we observe below in relation to media diversity, we think development of a cross-platform scheme

<sup>11</sup> Derek Wilding, ‘The Scandal of 60 Minutes: No Broadcasting Standards, No Investigation’ *The Conversation*, 30 May 2016, <https://theconversation.com/the-scandal-of-60-minutes-no-broadcasting-standards-no-investigation-60109>.

<sup>12</sup> Chrisanthi Giotis, Derek Wilding and Sacha Molitorisz, ‘How Australia’s Competition Regulator is Supporting News, but not Quality’ in Regina G. Lawrence & Philip Napoli (eds), *News Quality in the Digital Age* (Routledge, 2023), 169-86.

<sup>13</sup> Derek Wilding and Sacha Molitorisz, ‘Holding Tomorrow’s News Accountable: Repairing Australia’s Torn Patchwork of News Media Oversight Schemes’ 44(1) *Australian Journalism Review* 19.

<sup>14</sup> Centre for Media Transition, *Review of the News Media and Digital Platforms Mandatory Bargaining Code Consultation Paper, Submission to the Treasury*, April 2022.

should be a longer-term objective, without holding up the implementation of the News MAP program.

## Context 2: criteria to be used in competitive allocation of funding

- We submit that the News MAP program should take account of these well-established journalistic standards and, in addition – when used to allocate public funds on a competitive basis – should take account of further indicators of quality. As an example of one such indicator of quality, originality is a key marker of journalism that deserves support, whereas derivative journalism – even if in the public interest – is less deserving. In this way, the News MAP framework can foster *quality* public interest journalism, being journalism that: as a minimum, conforms to well-established standards of practice; and then, in addition, fulfills further journalistic indicators of quality, such as originality, immediacy and geographic relevance.
- We think the criteria used to allocate funds in this way should include established indicators of quality. This will avoid the situation described by Napoli and Aso where:

... the FCC simultaneously expresses its hesitancy to wade into the waters of assessing news quality ... while at the same time repeatedly referencing news quality in a way that suggests that there is a mutually agreed-upon understanding of how news quality is defined and assessed.<sup>15</sup>
- We are not aware of any definitive list of quality indicators that could be used for this purpose, but it would be possible to develop such a list. In our earlier work for the ACCC on the impact of digital platforms on news and journalism we reviewed other work on news quality and collated and grouped three sets of indicators of news quality.<sup>16</sup> We argued that indicators of journalistic quality can be grouped under three sets of criteria: content indicators, organisational indicators, and audience engagement indicators. The tables we developed for that purpose go beyond what would be required for News MAP, but in the Attachment below we present a revised table that shows the kind of tool that could be developed. We do not suggest that this table ought to be adopted. Rather, we include it to show that if the News MAP scheme aims to deal with quality explicitly, as it should, then that can be done, but more work is needed to identify and refine the indicators of quality to be taken into account.<sup>17</sup>
- In addition to the use of an established set of quality indicators, independence from government could be encouraged through mechanisms such as those used in arts and research funding that establish arm's-length decision-making, and in a similar way that research activities with the potential to intrude into editorial aspects can be

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<sup>15</sup> Napoli & Asa (n 8) 190.

<sup>16</sup> Derek Wilding, Peter Fray, Sacha Molitorisz and Elaine McKewon, *The Impact of Digital Platforms on News and Journalistic Content* (Report, Centre for Media Transition, UTS, 2018) 78-87 <https://www.uts.edu.au/sites/default/files/2018-12/CMT%20News%20Report.pdf>. Note this work was originally conducted in 2018. A condensed version was published in Chrisanthi Giotis, Derek Wilding and Sacha Molitorisz, 'How Australia's Competition Regulator is Supporting News, but not Quality' in Regina G. Lawrence & Philip Napoli (eds), *News Quality in the Digital Age* (Routledge, 2023), 169-86, 180-81.

<sup>17</sup> We note that the original ACMA News Measurement Framework, which featured a separate localism component, had nodes that reflected some of the same concepts that might appear as quality indicators. The nodes covered originality (unique news stories), connection (news specifically relating to a locality) and civic journalism (news of public significance). See ACMA, *News in Australia: Diversity and Localism – News Measurement Framework* (Report, December 2020). <https://www.acma.gov.au/publications/2020-12/report/news-australia-diversity-and-localism>. These measures of localism were part of the ACMA consultation in 2023: *A New Framework for Measuring Media Diversity in Australia Consultation Paper* (Report, January 2023) 3.

performed by third parties.<sup>18</sup> We think that while the quality indicators themselves would be of value in making decisions to provide assistance to specific news initiatives or providers, they should not be used for industry-wide schemes such as a tax rebate. Such schemes should be based on the category of public interest journalism which, we suggest, should build in the observance of minimum standards of practice, but should not include some other assessment of quality.

## Media diversity

### Q3.1: Is media diversity the right objective?

- Yes, recognition of media diversity, as it is generally referred to in Australia and the US, is a necessary component of government policy addressing state intervention in support of public interest journalism.
- Two aspects of media diversity – diversity in programs and diversity in ownership and control – are part of the foundations of broadcasting regulation in Australia, as seen in objects (a) and (c) in s 3(1) of the Broadcasting Services Act. In the UK, where ‘media plurality’ is the equivalent term used in policy and regulation, the House of Lords Select Committee on Communications succinctly articulated the importance of this policy objective:

Achieving a workable approach to plurality, particularly in provision of news and current affairs, is generally considered fundamental to a well-functioning democratic society, ensuring as far as possible informed citizens and a media without any single set of views or individuals wielding too much influence over the political process.<sup>19</sup>

- In its new Framework for Measuring Media Diversity in Australia, ACMA makes a similar point:

A strong and diverse news media market helps promote pluralism and protect our democratic processes – ensuring Australians have access to a range of sources of news and information, while preventing any single media voice from having excessive influence over the news agenda, public opinion and political discourse.<sup>20</sup>

### 3.2: How should the media diversity objective be understood? How might the media diversity objective be promoted in the contemporary media environment?

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<sup>18</sup> Napoli and Royal (ibid 191) use the example of research that includes newsroom interviews. While it would not be appropriate for government to involve itself in this activity, it is a role that has successfully been performed by academic researchers, one example of which is CMT’s 2023 research into the use of AI in Australian newsrooms: Monica Attard, Michael Davis & Lisa Main, *Gen AI and Journalism* (Report, Centre for Media Transition, UTS, 2023). DOI: 10.608/m9.figshare.24751881. <https://www.uts.edu.au/research/centre-media-transition/projects-and-research/gen-ai-and-journalism>.

<sup>19</sup> Select Committee on Communications 2014, *Media Plurality - 1st Report of Session 2013-14* (Report, House of Lords, The Stationary Office Ltd., London), 77.

<sup>20</sup> ACMA, *A New Framework for Measuring Media Diversity in Australia Consultation Paper* (Report, January 2023), 8.

- An unavoidable problem in adopting the term ‘media diversity’ is that it brings different understandings and expectations as to its scope. In the Consultation Paper, the term is used to refer to the structural aspects identified with media ownership and control, designation of categories of service etc, while a more expansive approach, understandably, is adopted in the ACMA Measurement Framework. The term is also used by others in a different sense altogether from ownership and control, to exclusively to refer to cultural diversity or other aspects of representation or participation by marginalised groups.
- The expression ‘media plurality’ (as used by Ofcom in the UK) has some benefit over ‘diversity’ if the intention is to restrict the concept to source diversity and consequential aspects of content diversity and exposure diversity (essentially what is covered by the ACMA framework). Both ‘media diversity’ and ‘media plurality’ are preferable to ‘media pluralism’ in the Australian policy context as this more normative term – used in the EU – has a much more expansive meaning. Kari Karppinen explained this when he said that ‘media diversity is understood in a more neutral, descriptive sense, as heterogeneity on the level of contents, outlets, ownership or any other aspect of the media deemed relevant ...’<sup>21</sup> For that reason, and because ‘media diversity’ is well entrenched in policy and regulation in Australia, it may remain the best choice, even though its scope often needs clarification.
- Finally, we note that ACMA’s Framework for Measuring Media Diversity in Australia is the result of extensive research and consultation on this topic. While different credible approaches to the design of such a framework are possible, the ACMA version is robust and defensible and, in our view, should be implemented. It is appropriate that wider government policy that is aimed, in part, at promoting media diversity should be based on the ACMA model with its recognition of source, content and exposure diversity.

**Q3.3:** What are the appropriate roles for government and industry in pursuing various elements of this objective? For example, is it the role of government to monitor media diversity and regulate ownership and control?

- It is difficult to identify the ‘role of industry’ in pursuing what is a *public policy* objective of promoting media diversity, apart from the specific obligations that are imposed through legislation on the national broadcasters. That said, there is a certain mandate that accompanies the operation of a news business which is not attributable to others. While the set of media freedoms that operate in Australia has some notable gaps, there are nevertheless entitlements and exemptions from obligations that are given to media organisations in recognition of their ‘public good’ function. The corresponding expectation that we have of news organisations is that they comply with the law and behave according to well established ethical principles. As we note above in our responses to the ‘quality’ objective, we think this should extend beyond the adoption of in-house policies so that media organisations that are recognised in legislation, policy and funding programs should be a part of an independent standards and complaints scheme such as that administered by the Australian Press Council (for print and online media) or the ACMA (for broadcasters). We think it would be desirable for this to be a longer-term objective of government policy in this area, recognising the need for extensive

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<sup>21</sup> Kari Karppinen, *Rethinking Media Pluralism* (Oxford University Press, 2012) 3-4.

consultation as well as the need to avoid government interference in press freedom.

- As demonstrated in the statements of the House of Lords Select Committee and the ACMA (noted above), diversity in ownership and control is a fundamental aspect of media diversity more generally. This principle was established in the analogue era and continues to be important in the digital environment, including the platform environment. However, as we have said elsewhere, media ownership is still a relevant, although insufficient element, in protecting media diversity.<sup>22</sup> This point is now recognised in ACMA’s Framework which takes account of the other elements of diversity mentioned above. Nevertheless, it is unquestionably the role of government to monitor and to regulate ownership and control. While to some extent, aspects of monitoring developments within the industry could be performed by a third party provider (for example, PIJ’s mapping of changes to Australia’s newsrooms), the proper administration of the ownership and control rules requires the presence of a regulator that is able to exercise formal powers to obtain information, compel the attendance of witnesses etc.

## Considerations for Future Policy, Regulatory and Program Design

### Direct Funding to Support the Production of Public Interest Journalism

**Q5.3:** How should any support for public interest journalism be targeted? For what purposes and to what entities and why? ...

- As the Consultation Paper recognises, any support Australia provides to public interest journalism needs to be scoped to tackle specifically the public interest journalism problems Australia is facing while accommodating its distinct media environment. In research conducted for the ‘Valuing News’ project,<sup>23</sup> we have found there are a few approaches taken internationally that could be instructive here, but they have their own flaws to consider in addition to assessing their fit to the issues. Further, no one support will be a panacea – there are many distinct concerns in the Australian media environment, as well as opportunities, which would best be tackled by a range of approaches. No nation we studied for our investigation into media subsidies undertook just one intervention. These generally fell into three categories, where support targeted activities, organisations, or types of services; these choices would have diverse impacts on what journalism is produced.
- First, support can be tailored to fund **specific activities** that can be tied to desired outcomes, such as providing grants for journalism about marginalised groups or for existing media organisations to upgrade their equipment and upskill their staff to deal with contemporary challenges. Such grants have been used in many nations for highly targeted support, such as the Pascal Decroos Fund for Dutch-language

<sup>22</sup> Wilding et al (n 16) 146.

<sup>23</sup> ‘Valuing News: Aligning Individual, Institutional and Societal Perspectives’, funded by the Australian Research Council, Discovery Project DP220100589 (2023-2025). <https://mediated-trust-arts.sydney.edu.au/valuing-news/> The lead Chief Investigator is Professor Terry Flew from University of Sydney. Derek Wilding and Tim Koskie from CMT are working on this project. See submission by Flew et al (n 1).

journalism content<sup>24</sup> and the Wallonia Brussels Journalism Fund for producing investigative journalism.<sup>25</sup> There were also many 'innovation' funds for adapting business models, equipment, or practices, such as the Innovation component of the Canadian Periodical Fund<sup>26</sup>, which paid partial costs of equipment, development, and training for smaller news publishers. However, unless some kind of external intermediary is used (as in Belgium), governments can be seen as enabling the kind of content or innovations they want to see – and disincentivising alternatives. A further downside to most of these schemes is that they provide one-off contributions for what is being identified as a systemic breakdown of sustainability. Conversely, by making these an enduring form of support, as done by the Wallonia Brussels Journalism Fund, there are opportunities for guiding training and development that could have a positive effect in the long term.

- Second, support has been made available to **types of organisations** that meet certain criteria. This has the advantage of maintaining distance from editorial decision making. However, it does open the door to the largest potential costs. Indirect support through tax exemptions, for instance, is often cited as a crucial lifeline of sustainability for media organisations internationally,<sup>27</sup> but most of the support may flow to the largest players in a media market with no specific incentive to achieve public interest journalism goals. Instead, criteria used to allocate the tax benefit include frequency of publication, proportion of news content to advertising, and presence in regional areas. This kind of support may make more sense when the media market is successfully yielding the desired results and the organisations need assistance to continue to do so. That said, programs that target types of organisations can be refined to address some of the shortcomings sometimes experienced. In Australia, when reviewing tax benefits, the Productivity Commission recently noted the difficulties presented in achieving deductible gift recipient (DGR) status and proposed that the DGR scheme should be expanded to cover (among other things) charities focussed on public interest journalism.<sup>28</sup> In addressing the production of a specific form of content – public interest journalism – this approach could provide a more targeted outcome.
- Third, support programs can target **types of services** rather than specific activities or organisations. The BBC's well-received Local Democracy Reporting Service, for instance, paid the salaries for reporters who were hired by commercial media organisations specifically to provide local journalism to underserved communities.<sup>29</sup> This model was later taken up in New Zealand<sup>30</sup> and in Canada,<sup>31</sup> but with direct

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<sup>24</sup> Journalismfund Europe, 'Pascal Decroos Fund | Journalismfund Europe Grants Application Platform', <https://grants.journalismfund.eu/en/pascal-decroos-fund>

<sup>25</sup> Wallonie Brussels Federation, 'Aide à la Presse en FW-B', 2018, [https://www.culture.be/preview/index.php?eID=tx\\_nawsecuredl&u=0&q=0&hash=71211abbeccde9c5f1035c7dcf96fec71e947bd6&file=fileadmin/sites/culture/upload/culture\\_super\\_editor/culture\\_editor/documents/Focus\\_2018/Focus\\_2018-Zoom-1.pdf](https://www.culture.be/preview/index.php?eID=tx_nawsecuredl&u=0&q=0&hash=71211abbeccde9c5f1035c7dcf96fec71e947bd6&file=fileadmin/sites/culture/upload/culture_super_editor/culture_editor/documents/Focus_2018/Focus_2018-Zoom-1.pdf).

<sup>26</sup> Canadian Heritage, 'Canada Periodical Fund', 2023, <https://www.canada.ca/en/canadian-heritage/services/funding/periodical-fund.html>.

<sup>27</sup> Antony Seely, 'VAT: Zero-rating epublications', (Briefing paper, Canada House of Commons, 2020). <https://researchbriefings.files.parliament.uk/documents/CBP-8853/CBP-8853.pdf>; Canada Revenue Agency, 'Canadian Journalism Labour Tax Credit', 2020, <https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/corporations/business-tax-credits/canadian-journalism-labour-tax-credit.html>.

<sup>28</sup> Productivity Commission, 2023. *Future Foundations for Giving* (Draft Report 2023). <https://www.pc.gov.au/inquiries/current/philanthropy/draft>.

<sup>29</sup> BBC, 'Local Democracy Reporting Service', 2023, <https://www.bbc.com/lnp/ldrs>.

<sup>30</sup> Gavin Ellis, *Local Democracy Reporting Open Justice: A Review*, (report for NZ on Air on 9 March 2023). [https://d3r9t6niglb7tz.cloudfront.net/media/documents/LDR\\_OJ\\_Review\\_August\\_2023.pdf](https://d3r9t6niglb7tz.cloudfront.net/media/documents/LDR_OJ_Review_August_2023.pdf).

<sup>31</sup> Department of Canadian Heritage, 'Local Journalism Initiative', 2022. <https://www.canada.ca/en/canadian-heritage/services/funding/local-journalism-initiative.html>



government support.<sup>32</sup> Under the UK model, the BBC itself initiated and maintains the scheme, thereby ensuring stable funding; it also set its objective and scope. In New Zealand, the subsidy was initially a product of the Joint Innovation Fund, for which the cabinet approved the structure, limited duration, and general purpose.<sup>33</sup> Both RNZ (a public service broadcaster) and NZ on Air (a government agency) allocated funding under the scheme. Both committed to continuing the fund across 2024, but only after they received a funding increase from the government.<sup>34</sup> Under a program like the Local Democracy Reporting Service, any organisation could potentially use the funds to employ a journalist, including digital natives or new players – but that reporter must report on regional news. Such schemes enable the subsidy to be quite specific without dictating editorial decisions, as seen in the Belgian press aid for daily written non-commercial press journalist salaries.<sup>35</sup> For that aid, recipients needed to make French-language content written to a standard of quality and adhering to an ethical code, but the support is ongoing and the news organisations decide what to investigate. While it may be necessary to set expectations around quality and levels of service, it is possible to do so without giving funders a role in editorial decision-making. Such an approach leaves more open which organisations could provide the service and how they could choose to undertake it, allowing for new players as well as more targeted support of public interest journalism goals.

## Support for Business Models

**Q6.3:** How are news organisations reacting to, or leveraging, the development of more sophisticated artificial intelligence services? What are the likely consequences for news and journalism resulting from existing and novel artificial intelligence services over the coming years and decades? What opportunities and challenges are likely to emerge?

- AI has been used extensively in newsrooms for well over a decade, particularly larger newsrooms, for automating production of data-driven news such as financial markets, sports results and weather as well as for data analysis, trend identification (eg, on social media) and translation and other back-end processes. In a recent global survey, more than 75 per cent of respondents reported using AI in their

<sup>32</sup> In Australia, the ABC has partnered with researchers at Deakin University (led by Professor Kristy Hess) and Griffith University to investigate ways the ABC can support the local news section. See <https://about.abc.net.au/press-releases/abc-partners-with-universities-to-support-regional-and-rural-journalism/> and <https://www.deakin.edu.au/research/impact-stories/ensuring-the-future-of-quality-rural-journalism>.

<sup>33</sup> Clare Curran, 'New Innovation Fund part of public media funding allocation' (media release, 2018). <https://www.beehive.govt.nz/release/new-innovation-fund-part-public-media-funding-allocation>.

<sup>34</sup> RNZ, 'Outstanding public media that matters' (media release, 2023). <https://www.rnz.co.nz/media/186>; New Zealand Government, 'Funding boost to deliver world class public media for all New Zealanders' (media release, 2023). <https://www.beehive.govt.nz/release/funding-boost-deliver-world-class-public-media-all-new-zealanders>.

<sup>35</sup> Ministère de la Communauté Française, 'Décret du 31/03/2004 décret relatif aux aides attribuées à la presse quotidienne écrite francophone et au développement d'initiatives de la presse quotidienne écrite francophone en milieu scolaire', Moniteur Belge, 2017. [https://etaamb.openjustice.be/fr/decret-du-31-mars-2004\\_n2004029133](https://etaamb.openjustice.be/fr/decret-du-31-mars-2004_n2004029133).

newsrooms.<sup>36</sup> However, the arrival of generative AI is driving a third wave of major digital disruption to the news industry, following the move to online news and then to mobile.

- In 2023 CMT commenced a multi-year research program into the impacts of generative AI on Australian news and journalism. Our December 2023 report on the use of and attitudes towards generative AI in Australian newsrooms found that there is profound uncertainty, deep concern, and occasionally cautious optimism about the opportunities of generative AI.<sup>37</sup> Most newsrooms predict substantial upheaval, and while there is still a great deal of uncertainty about what this might entail, larger media organisations are applying significant resources to the investigation of the opportunities and limitations of generative AI.
- Most larger newsrooms are experimenting with generative AI in their news production processes and see the most-immediate opportunities for generative AI to lie in automating time-consuming tasks in production workflows. These include search engine optimisation, translation, writing summaries, producing voiceovers, automating social content and producing non-news digital content (eg, online quizzes and polls), as well as image and graphics production. Other, more-transformative opportunities will emerge with further consideration and development. These include personalisation of news and use of chatbot interfaces to deliver personalised and aggregated news in response to user queries, rather than, or in addition to, article form. Smaller newsrooms have fewer resources to devote to AI adoption and integration, and many fear they will be left behind by the next wave of innovation, even as they struggle to adapt to the last.
- The release of ChatGPT in late November 2022 was quickly followed by reports of irresponsible use by publishers. Technology website CNET published a series of articles that contained significant AI-generated errors or 'hallucinations', forcing a retraction as well as the quick development of internal guidelines for AI use. Critically, every newsroom we spoke with for our research stated categorically that they were not using generative AI to produce full news stories, and that all editorial use was, and would continue to be, subject to human oversight. Australian newsrooms are thus acutely aware of the risks that generative AI represents for the integrity of journalistic processes and its potential to impact the broader news and information environment, as well as the value of trusted news brands.
- The area of biggest concern is the risk to news integrity due to an increase in the amount of misinformation and inauthentic content being propagated online. Newsrooms thus see the need for robust verification processes, particularly when incorporating images and other content sourced from online media, and especially when covering breaking news. AI's well-documented problem with bias is another concern. Despite their awareness of the editorial risks, only a minority of newsrooms we spoke had developed internal guidelines on the use of AI at the time of publication.
- The question of whether generative AI tools violate copyright either in training input or in their output remains unresolved, but there are doubts about whether copyright will protect the content of news businesses, particularly on the input side. Many news organisations we spoke with in our research have blocked AI crawlers in an effort to preserve their intellectual property. Overseas, *The New York Times* has sued OpenAI for violation of copyright, with the case ongoing, and some larger

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<sup>36</sup> C Beckett & M Yaseen, *Generating Change: The Journalism AI report*, London, Polis, London School of Economics and Political Science, September 2023, <<https://www.journalismai.info/s/Generating-Change--The-Journalism-AI-report--English.pdf>> [accessed 21 September 2023].

<sup>37</sup> M Attard, M Davis & L Main, *Gen AI and Journalism*, Sydney, UTS Centre for Media Transition, 12 December 2023, <<https://www.uts.edu.au/research/centre-media-transition/projects-and-research/gen-ai-and-journalism>> [accessed 28 February 2024].

media organisations have announced licensing deals with AI companies or are in negotiations (Axel Springer, Time, CNN, News Corporation). Local newsrooms are keenly interested in these developments.

- In an important sense, the future of AI is bound up with that of news. As Francesco Marconi, co-founder of journalism AI startup AppliedXL and former head of R&D at the Wall Street Journal, observes, to have an AI industry that is sustainable in the long term, ‘we also need an equally sustainable news sector, because it is the source of high-quality information’ that is used to train LLMs. News will be an important input to large language models and while this is driving negotiations between AI companies and news businesses, there are media organisations that have signalled generative AI technology could and should be brought within the auspices of the News Media Bargaining Code News Corp is at the point of advanced negotiations with AI companies over the use of its content worldwide.
- We are yet to fully understand how the arrival of generative AI will disrupt the business models of news organisations. What is clear is that they are anticipating more upheaval and are preparing to adapt and protect their businesses. No newsrooms we spoke to expected to lay off journalists as a result of AI adoption. Instead, most saw the ability to automate low-value tasks as an opportunity to free up journalists for reporting. Yet, as revenue pressure on media organisations continues, AI may relieve that pressure in some areas while possibly increasing it in others. Some fear the integration of AI into search and other online information retrieval tools will lead to fewer people accessing news directly through websites, instead remaining in the ‘walled garden’ search environment.
- Navigating concerns over news integrity and quality may require some degree of industry-wide collaboration. Decisions about the role of AI in news should consider all ethical, legal and societal dimensions, and in our view there is an opportunity for the Australian news industry to begin having this conversation together as well as within their own organisations, including through the development of common guidelines or codes.

## Fostering Media Diversity

### Considerations for Future Policy, Regulatory and Program Design

**Q9.1:** Who should be regulated? The contemporary news ecosystem includes a broader range of actors, including intermediaries such as digital platforms. How should these intermediaries be considered in relation to diversity of control, and should they be subject to any specific regulations or requirements? What other factors affect diversity? Should this consider transparency of the source of donations or funding? Should diversity be considered at the production or program-input level? Should personnel diversity within an organisation be considered?

**Q9.2:** Why should they be regulated? Should news media diversity be regulated at a national level or at a more localised level (for example, major cities, regional and remote)?

**Q9.3:** How should they be regulated? What are your views on whether government regulation of news media diversity be focussed on the media through which it is delivered or be agnostic to the media delivery mechanism?

- We acknowledge the importance of these questions and the Department's preparedness to consider both the rationale for policy interventions and the continuing suitability (or otherwise) of longstanding policy and regulatory settings.
- However, it is difficult to address questions concerning one aspect of policy and regulation – the promotion of media diversity – without first addressing some higher-level questions of media regulation which are not the subject of this consultation. Below are three examples of questions that would need to be resolved before any fundamental change to regulation of media diversity could be addressed:
  - Is it still appropriate and relevant to regulate a licensed 'commercial television broadcasting service' without reference to the content and reach of its video-on-demand (BVOD/AVOD) services, its YouTube channels, its website content and other digital content?
  - Does the concept of an 'associated newspaper' – being a print product associated with a specific licence area of a licensed commercial broadcasting service (and fulfilling certain other criteria) – remain fit for purpose in an environment where the content produced by the print media sector is distributed in digital form?
  - Is the designation of a 'licence area' an adequate mechanism for identifying media sources?
- Some of these and other related questions were considered by the Convergence Review over a decade ago, with that inquiry offering the idea of the 'content service enterprise' that would operate across different platforms.<sup>38</sup> In 2024, our regulatory framework still depends on mechanisms such as the current version of the 'Alston determination' and the restrictions in the definition of 'broadcasting service' in the Broadcasting Services Act, along with add-on schedules that address various problems that have arisen in recent years.
- Until these higher-level issues are tackled, it is really only practicable to address regulation of media diversity in terms of narrower questions, such as those set out below, to which we offer some brief comments.<sup>39</sup> While we would welcome a more far-reaching consideration of media regulation in Australia, we recognise that the government has taken important steps to modernise regulation – for example, the introduction of the Communications Legislation Amendment (Prominence and Anti-Siphoning) Bill 2023 and the exposure draft of the Communications Legislation Amendment (Combatting Misinformation and Disinformation) Bill 2023 – and that ACMA's media diversity framework will provide a much-needed expansion in the scope of data on news production in Australia.

***Are the current rules still workable and suitable?***

- Regulation should at least function to prevent further consolidation of media in Australia where this has an undesirable impact on media diversity and is not otherwise justified in the public interest. It is no longer tenable to apply these rules to commercial television, commercial radio and associated (print) newspapers. Regulation needs to take account of sources such as the non-broadcast platforms of existing licensed services; pay TV services; nationally-distributed newspapers; and digital-only news sources.
- In our research report for the ACCC's Digital Platforms Inquiry, we said that until such time as the regulatory framework is more comprehensively reformed, the licence area 'caps' that impose a limit of one commercial television licence and two

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<sup>38</sup> Convergence Review, *Convergence Review Final Report* (Report, Department of Broadband, Communications and the Digital Economy, March 2012).

<sup>39</sup> In doing so, we draw on chapters 2 and 3 of Tim Dwyer and Derek Wilding (eds), *Media Pluralism and Online News: The Consequences of Automated Curation for Society* (Intellect, 2023).

commercial radio licences in a single licence area continues to be relevant as they constitute a foundational mechanism for structural diversity: these rules effectively promote a minimum of three commercial media groups in most licence areas in Australia. In contrast, the 5/4 ‘minimum voices’ rule is a blunt instrument that attributes the same value (a single point) to a racing radio station and a valued local newspaper with on-the-ground journalists. This is not to say the 5/4 rule should simply be repealed, but that there are better ways of achieving the public policy objective of media diversity. We continue to support the introduction of a media-specific public interest test administered by the ACMA (not the ACCC) which could work with ACMA’s new Measurement Framework to identify mergers and acquisitions that have an undesirable impact on media diversity. Aspects of how this might work are set out in Chapter 2 of *Media Pluralism and Online News*.<sup>40</sup>

***Are there ways in which regulation of digital platforms can contribute to media diversity?***

- For the most part, digital platforms are distributors not producers of news and, accordingly, it is not appropriate to target them as the subject of ownership and control rules. That said, the operation of digital platforms as key players in the current environment should certainly be a part of monitoring media diversity. In its advice to government, ACMA notes our support of Ofcom’s developing ‘share of attention’ measure that takes better account of how audiences use news sources.
- As we noted above, in section 52X of the News Media Bargaining Code, Australia has at least taken the first step towards regulation to promote local news content, even if this initiative only requires the development of a proposal for platforms to promote original news content, and would only come into effect if a digital platform is designated under the code. Beyond this, platforms may also be the subject of regulation aimed to discourage the proliferation of mis- and disinformation.
- We have previously argued that digital platforms could take a greater role in promoting a diverse and sustainable environment for trusted media sources by contributing to the costs of a media standards schemes. While they would not be directly subject to rules about accuracy and fairness etc, it is reasonable to expect that, as leading distributors of news content (and the beneficiaries of advertising revenue derived in part from this content), they would contribute to a scheme that promotes this content.

## Part 3: Establishing the Evidence Base

### Mapping—Maintaining news market data across Australia

While this Consultation Paper is not seeking views on those elements already consulted on by the ACMA, we welcome views from participants on whether there are other elements of the evidence base that could appropriately complement the ACMA’s work.

- We note the adaptations to the ACMA Media Diversity Measurement Framework as set out in ACMA’s August 2023 advice to the Department, as well as the confirmation of some choices that were flagged in the earlier paper – for example, the focus at the initial stage on professional news, a design choice with which we agreed. As we observe above, various different and valid approaches could be taken to the design of the framework but we recognise the work that has gone into

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<sup>40</sup> Ibid.

this project and we commend both ACMA and the Department for the commitment to developing a research base not otherwise held in Australia. The framework will help to give a much more comprehensive understanding of media diversity.

- We support the idea of a number of core functions being performed by ACMA and additional work undertaken by independent researchers. It is encouraging that the Media Diversity Framework is being embedded within the media regulator, as is the case with Ofcom in the UK, and that an evidence-based, coordinated approach to news industry assistance is being developed as part of the News MAP framework. As public interest journalism is at a critical inflection point, industry and government need to engage with each other on a long-term basis, irrespective of government cycles, to find solutions to multiple salient issues. Both government and independent research are important levers in arriving at sustainable solutions, with independent research necessarily being at arm's length from government. The research provided by non-government entities, however, needs to be collaborative and sustainable; and where it can be, longitudinal.
- Specifically, we reiterate our earlier support for the production of the Australian edition of the annual *Digital News Report* by researchers at the News and Media Research Centre at the University of Canberra. The time series offered by this report is unique in Australia, with the work providing an essential research base for other researchers as well as for industry.
- In its advice to the Department, ACMA acknowledged the differing views on the extent to which content diversity should be addressed under the Framework for Measuring Media Diversity (eg, whether it should include diversity of viewpoints), noting also the substantial resources that are needed to conduct traditional content assessment as well as the risks of subjectivity. ACMA's response was to propose that it 'will seek only to examine content diversity based on topics and variety of news produced by news outlets, rather than also seek to assess relevance and range of viewpoints'. ACMA also observed that, 'Over time, it is possible that automated classifiers could be relied upon to undertake content analysis at scale, as well as consider qualitative news content assessments based on key diversity concerns.'
- As we noted in our earlier submission, researchers at CMT and at the University of Sydney (as part of the now concluded Media Pluralism Project and with data scientists from the Sydney Informatic Hub) created a classifier that identifies 'public affairs content' and 'non-public affairs content',<sup>41</sup> allowing us to separate out content that contributes to media diversity, as well as to perform a topic analysis (eg, 'business, finance and governance', 'health', 'sport').
- This initial work was developed to proof-of-concept stage for computationally evaluating media diversity. While the dashboard is fully functional, it currently relies on a static, historical dataset of articles collected during 2019. We have since consulted with the Data Science Institute at UTS about a proposal for updating the tool so that analysis can be based on current ('live') content. A further stage of the work would take the sub-classification beyond a genre analysis. Such a tool could be used to help establish a baseline measure of media pluralism and to chart change over time.
- The Media Pluralism Project dashboard (Phase 2) would provide the opportunity to update the tools AI's technologies in line with the most recent developments. The automatic classifiers could leverage Large Language Models (LLM), which have been shown to capture more language nuances than traditional work token-based approaches. These new technologies allow the building of more sophisticated analysis tools (eg, detection of specific views in news representation). The tool

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<sup>41</sup> Ibid 29-31.

would have a scaleable configuration subject to the usage requirements of the media regulator. In addition, it could be calibrated to be more closely aligned with the 'core news' and 'covered news' categories used in the News Media Bargaining Code. This new live data dashboard could also be developed to include more sophisticated narrative analysis, such as the presence/absence/prominence of certain views during an election campaign.

- We intend to provide more information on this updated tool when we have completed a design statement in the near future.

## ATTACHMENT TABLE OF QUALITY INDICATORS

Indicator	What it indicates	Indicator	What it indicates	Indicator	What it indicates
<b>A. Core Standards of Practice</b>		<b>B. Core Professional and Organisational Practice Indicators</b>		<b>C. Broader Social Functions</b>	
<i>Accuracy</i>	Content is factual, verified and not misleading; opinion is based on accurate information and does not omit key facts; material presented in the body corresponds with the headline.	<i>Immediacy</i>	Publication and updating of breaking news as soon as practicable (after fact-checking) for each given format.	<i>Power watchdog</i>	Scrutinises the activities and conduct of powerful interests so they can be held democratically and socially accountable.
<i>Clarity</i>	Distinguishes fact from opinion.	<i>Authority</i>	Stories use the expertise of authoritative and reliable sources; corporate or partisan sources are clearly identified.	<i>Community leadership</i>	Influence with opinion leaders; ability to inform public opinion and debates.
<i>Fairness</i>	Material is fairly presented; persons or groups unfavourably portrayed given right of reply.	<i>Depth and breadth of coverage</i>	Explaining background context, causes and consequences involved; range of content from range of genres.	<i>Public sphere</i>	Engages its audience/facilitates deliberative, representative public discourse.
<i>Impartiality</i>	Presentation of contrasting information and viewpoints from different sources, without unduly favouring any one source	<i>Analytical value</i>	Knowledgeable and insightful interpretation of events and issues that helps people make sense of their world.	<i>Critical Information Needs (CINs)</i>	Gives details of emergencies, risks, health, welfare, education, transportation, economic opportunities, environment, civic information and political information.
<i>Privacy and protection from harm</i>	Respects privacy; avoids causing substantial offence, distress or risk to health or safety (unless it is in the public interest).	<i>Originality</i>	Content is produced through original research, interviews, verification of information.	<i>Geographical relevance</i>	Provides original local news voice for local communities; reports on local institutions, decision-making processes and events.
<i>Integrity and transparency</i>	Avoids or discloses potential conflicts of interest.	<i>Creativity</i>	Filmed/written/illustrated presented in a creative way; innovative use of technology;		
<i>Ethical conduct in newsgathering</i>	Uses fair honest, responsible means to gather material.	<i>Independence</i>	Editorial staff enjoy independence from commercial and political interference.		