

Centre for Media Transition



Hi there

Dimensions of diversity



Media diversity has been a hot topic this year. With the Senate Inquiry into Media Diversity in Australia due to report in the next fortnight, it may generate even more discussion.

As we move further into the digital era, we seem more prepared to adjust our understanding of what media diversity means. When the Broadcasting Services Act was introduced almost thirty years ago, diversity was almost exclusively

understood in terms of ownership and control. Ownership is still an important aspect, but it's not the whole story. Diversity in content and consumption, and a recognition of cultural or 'standpoint' diversity, are just as important. Internationally researchers are looking at the role of algorithms in shaping our consumption of news via the distribution channels of digital platforms.

Here in Australia, the Australian Communications and Media Authority has recently recognised how localism is closely tied to media diversity, while the Senate Inquiry has revealed the close connection with news standards or quality. Both are aspects we've highlighted in our own work, including our submission to the Inquiry. This complexity is also perhaps a reason why 'media pluralism' is a better term than media diversity.

This week, the news standards aspect received thoughtful treatment in a piece in *The Conversation* by former Public Service Commissioner and former public member of the Australian Press Council, Andrew Podger. On the ownership front, there was news that Seven West Media might soon be successful in its bid to acquire its affiliate, Prime Media. And on Fourth Estate this week, Monica Attard had Susanna Freymark, editor of

an online newspaper created from the ashes of the *Richmond River Express Examiner*, closed by News Corp when Covid struck, and Matt Nicholls from the *Cape York Weekly*. They talk about what it takes to build a publication in the shadow of the major media owners.

Below, Monica and Prue Clark look at the possible implications of the Seven-Prime deal and I give a short explainer for why this transaction won't trigger any regulatory obstacles under the media ownership laws. Anne Kruger reminds us of some tips from First Draft about reporting on unproven Covid-19 'lab leak' theories, and we close by flagging a few topical forthcoming events.



Turmoil, deals and broken dreams



As the turmoil in regional news continues, at least there's one known-known. Seven is mounting a \$132m takeover bid for the Prime regional television network. If shareholders approve – as is likely – the Seven network will merge with its affiliate that already carries Seven content across northern and southern New South Wales, the ACT, Victoria, the Gold Coast area of south eastern Queensland and all of

regional Western Australia.

It will be a win for advertisers who'll be offered a single platform across metro and regional audiences. James Warburton, Seven CEO, said the deal would give Seven 'the potential to reach more than 90% of Australia's population each month'.

The big unknown is what changes regional audiences will see. Perhaps there'll be none. It is certainly the case that during the pandemic, when large swathes of news media contracted, Prime made no changes, according to PIJI's Newsroom Mapping Project.

But there'll certainly be pressure on Prime rival, Southern Cross Media, which has a two-year affiliate deal with Ten, due to end in 2023. It appeared that an option for Southern Cross was to negotiate a similar deal with Seven. And Australian Community Media, owned by Antony Catalano and Alex Waislitz, might also be now licking their wounds — they'd hoped to bring Prime into their tent to create a regional empire. Catalano, a major shareholder in Prime, blocked a sale of Prime to Seven back in 2019 but is reportedly supporting the bid this time around.

Political manoeuvring aside, all eyes are on what happens to the news that Prime's regional audiences have come to depend on – especially the big regional bulletins – if and when the deal is approved.





Monica Attard CMT Co-Director

Prue Clarke CMT Regional Researcher

Will media ownership laws affect the 7-Prime deal?



Up until 2017, Seven's proposed acquisition of Prime would have been blocked by Australia's media ownership laws.

Even though we speak of 'the Seven Network', commercial TV licences are issued for specific geographic areas. A network is formed by combining licences in different areas. The Seven Network is comprised of licences in five metropolitan licence areas (Perth, Adelaide, Melbourne, Sydney and Brisbane) and one regional area (Regional Queensland). Prime holds

licences in two regional New South Wales licence areas, three regional Victorian areas and four regional Western Australian areas.

The 75% reach rule that was in force for almost three decades said that a person or company couldn't control commercial TV licences if the population, in total, was more than 75% of the Australian population. The practical effect of this was to prohibit truly national TV networks. Seven had been sitting close to 75%, so a combination of Seven's licences and Prime's licences would have breached the old section 53(1) of the Broadcasting Services Act.

But that all changed in 2017. Parliament amended the Act by removing the 75% reach rule as well as the remaining cross-media rule. The original cross-media rule, introduced with the reach rule, had prohibited common control across all three platforms of commercial TV, commercial radio and newspapers associated with their licence areas. That rule was changed by the Howard Government in 2006 to permit control across two of these platforms but not three. However, the reach rule remained, even though it was subject to much criticism. It took until 2017 for it to be removed as part of the most significant round of media reform in decades. It was this round of changes that led to the creation of Nine Entertainment as we now know it.

Does it matter that Seven will acquire Prime? The reach rule was part of that major regulatory realignment in the late 1980s, at a time when there were concerns over whether metro-controlled TV networks would adequately serve regional communities. It's hard to know whether in practice it will make any difference. Serving sparsely populated markets is less profitable than targeting metro audiences. To further complicate matters, regional viewers can now access TV programs via the online catch-up services of the metro stations (which are not treated as 'broadcasting services' under the Act).

Importantly, quotas for news and local information in some regional areas demonstrate that content regulation – at least if it's well-designed – can deal with the issue the reach rule was seeking to address. So to answer the question: no, Seven's acquisition of Prime should not prompt concerns over media diversity. The same cannot be said of Prime's support for the Catalano-led proposal to allow all three regional commercial networks (Prime, WIN and Southern Cross) to merge into one giant regional network. But that's a matter for another explainer.



The unproven lab leak theory



The Australian newspaper reported that Sharri Markson contributed to a briefing of a US Congress committee on Tuesday via video link, about her new book on the Wuhan lab and Covid-19. At First Draft, we have previously debunked and put things into context in relation to the unproven 'lab leak' theories.

Given this week's briefing, we thought it timely to re-share our best-practice guidance for journalists on how to cover the issue.It's a timely reminder that the media

needs to take care not to report simply for the sake of it - often when there is no new information on the issue.



Anne KrugerFirst Draft APC Director

Upcoming Events

The Centre for Media Transition warmly invites you to our virtual events program. We have three events to finish off the year and hope to see you online for one, some or all of them.



Black lives matter and Journalism

In 2020, as protests following the murder of George Floyd roiled the world, journalism institutions found the lens turned on themselves. As newsrooms scrutinised systemic racism within the police and other institutions, journalists of colour demanded their industry had its own racial reckoning. One year on, a panel of journalists of colour from Australia and the US asks what's changed.

Register now



46 Boxes of stuff

Community media has played an important role in ensuring access, driving social change and bringing people together.

Join us for '46 Boxes' with authors, Liz Giuffre and Dom Romeo

Register Now



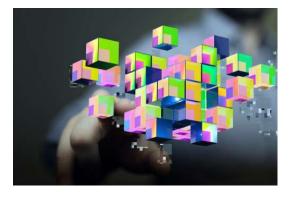
A Year in Media Transition

Digital platform regulation has been on the move this year. Will it help improve online discourse and protect democracy? Or overreach and threaten free speech? Hear from CMT's Sacha Molitorisz and a panel of media and regulation experts on 9 Dec.

Register Now



Alexia GiacomazziEvents and Communications Officer



Codifying Online Safety

And finally, please join the IIC Australian Chapter, Australia's eSafety Commissioner, Julie Inman Grant, and an industry panel for a discussion about the development of new industry codes under the Online Safety Act 2021.

The webinar on 22 November 2021 will be moderated by IIC Australian Chapter President, and CMT Co-Director, Derek Wilding. More information and registration here.

Please visit our website for more information about the Centre and our research.





The Centre for Media Transition and UTS acknowledges the Gadigal and Guring-gai people of the Eora Nation upon whose ancestral lands our university now stands. We pay respect to the Elders both past and present, acknowledging them as the traditional custodians of knowledge for these places.

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