Regions at the pointy end of media reform

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Media reform is finally on its way. It’s a chance for Australia to move on from archaic laws drafted “in an analogue world” to create a media monopoly board that is set for the digital era.

Some of the biggest winners from the government’s announcement are commercial regional
broadcasters. For months they have run a well-oiled and orchestrated Save Our Voices campaign.

Who stands to gain?

The broadcasters have argued that current media ownership laws are bleeding them dry, as they are forced to pay for TV content that competitors are already streaming online. They claim their role as champions of local voices is being diminished as a result and that – without change – regional news is under threat.

Seven West Media chief executive Tim Worner can spot a good bush tale when he sees one. This week, he argued media reform fed the “deal junkies” who stand to feather their own nests now the government plans to scrap the reach rule and two-out-of-three rule. This will pave the way for mergers and acquisitions.

There is talk that Fairfax Media, which owns hundreds of regional newspapers across Australia, might align with the Nine Entertainment. It has also been speculated that Nine is considering a merger with regional broadcaster WIN TV.

It’s easy to see how a few simple moves on the monopoly board can reduce the diversity of who gathers news for regional Australians. If local WIN news bulletins begin citing the front page of the local Fairfax paper then the sources and originality of stories become serious concerns.

The Turnbull government seems convinced that local news has a bright future. Extra local content obligations will be imposed on regional television networks if they are acquired by, or seek a merger with, another company. Communications Minister Mitch Fifield argued:

This is good news for the media industry, for consumers and particularly good news for regional consumers.

But, like Worner, we beg to differ.

The Nationals believe the points system that governs local content is the saving grace in this reform package. The government’s proposed changes will increase the required amount of local content points from 720 to 900 following a “trigger event” – a change in control of a regional commercial television licence that results in it being part of a group where the audience under a combined licence area exceeds 75% of the population.

While there has been much talk about the points system, there is little public discussion of what it actually does and how “local content” is determined.

Putting the points system on the map

To meet licensing conditions with the Australian Communication Media Authority (ACMA), broadcasters have to earn a minimum of 720 points for “locally significant” content over a six-week
period. But since 2014, broadcasters have not been obligated to report on their compliance.

The points system is based on how often broadcasters report stories relating to “local” areas as defined by a series of maps ACMA generated in 2007.

Dozens of towns and cities are grouped into a designated “local” area in the state; Western Australia and the Northern Territory are excluded from the points system. The towns and cities are often hundreds of kilometres apart and each can represent up to seven local government areas. For example:

- In Victoria, residents in Portland in Victoria’s far west are in the same “local” area as those in the Wimmera, Ballarat and Colac.

- In regional north Queensland, Clermont is in the same zone as Airlie Beach – almost five hours’ drive away.

Give a regional broadcaster an inch and they have taken – and will continue to take – a country mile, especially if they merge with larger players. The idea that licensees might consider and provide news for “smaller” local areas within a licence area is a pipedream.

Mergers lead to centralised resources. This means more and more news gaps are created as journalism is practised from further afield by one company across multiple platforms.

ACMA’s points system is based on locally significant news – that is:

- ... material that deals with people, organisations, events or issues that are of particular interest to people in the area;

or:

- ... material about a sporting event that involves a person or team from a nearby area, whose principal support base includes the area or a significant part of the area.

Before media reform becomes a runaway train, we need to return to the drawing board and rethink the maps that define and guide broadcasters on reporting news for “local areas”.

Perhaps a gridded system could be beneficial, where broadcasters gain bonus points for covering towns and cities at a considerable distance from the “centre” and ensure they regularly represent all corners of the grid – not just sensational news when it occurs in the backblocks, but the full range of stories that affect and matter to local people.

The very idea of “local” is inherently tied to the way people connect with and consider themselves part of a physical place, often synonymous with areas like neighbourhoods, suburbs, towns and small
cities. But the boundaries are never clearly defined and can be interpreted differently depending on our place in the world.

Regional TV networks benefit from drawing and defining local areas on policymakers’ maps. But, this is not often scrutinised.

In light of their Save Our Voices campaign, regional broadcasters have an obligation to represent local communities in the way their glossy promotional website advocates. As they say, rural and regional Australians deserve more than tokenistic media coverage of their regions.
Independent and separately controlled media operators in a commercial metropolitan radio licence area, and at least four in any regional licence area.

The objective of this rule is to ensure that there is a diversity of media voices in any one licence area, not just a diversity of media sources or channels.

The 75% reach rule

This rule specifies that a single person, or company, cannot be in control of commercial television broadcasting licences where the reach exceeds more than 75% of Australia’s population.
The effect of this is that television licences are broken up into metropolitan — Nine, Ten, Seven, etc — and regional television networks.

Most regional networks — like Prime or WIN — have agreements with metropolitan broadcasters for content, but are required by law to broadcast a minimum amount of local news and content.

### One to a market/Two to a market rule

This rule specifies that no person or company can hold no more than:

1 television licence or 2 radio licences ...
in a licence area.

### The reforms

The Turnbull government’s announced reforms will scrap both the “two out of three” rule and the 75% reach rule, which will allow:

- A single proprietor or company to own a newspaper, television and radio licences within a radio licence area...
- And allow a single company or proprietor to control television broadcast licences that cover the entire Australian population...
This could lead to a considerable decline in the amount of content and news made for rural audiences, as well as a consolidation of existing media entities and a greater concentration of media ownership overall.