

# FREMANTLE Herald

– FREMANTLE'S PAPER –

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## Introduction

This submission has been authored by Andrew Smith, founder and owner of The Herald Publishing Company P/L (the Herald).

I have a rare perspective of 34 year's experience in the newspaper game in Western Australia. The Herald is a small, family-owned media organisation. The Herald is in direct competition with the media empires of 7West Media, previously, News Corp, Silicon Valley et al.

The Herald has built its reputation and loyal readership with fiercely independent journalism and strong local stories.

Printing four mastheads a week - Fremantle Herald, Melville City Herald, Cockburn City Herald, and Perth Voice, the Herald delivers independent local news to homes and businesses in the local government Cities of Fremantle, Melville, Cockburn, Vincent, and parts of the Cities of Perth, Stirling, and Bayswater every week.

All Herald revenue is derived solely from advertising. We do not charge a cover price believing instead in the right of free access to news. Costs in the print media are high. Advertising revenue covers all our costs - wages, superannuation, taxes, rent, bills, equipment, printing, and distribution.

It is not easy operating at the small end of town. We have a large number of small clients - predominantly other small businesses and sitting MPs. We also have a small amount of WA and national advertisers (including federal and WA governments) which accounts for around 10 per cent of advertising in all.

In our heyday - prior to 2016 - fuelled by the Western Australian mining boom, we printed and distributed up to 130,000 copies every week. In 2020, in response to the COVID-19 pandemic wrecking and ruining our small business advertising base. We slashed our weekly distribution (and ad prices) by 50 per cent, distributing to 50 per cent of letterboxes weekly, and doubled our Street Press pickup network. More recently, a weekly e-news to 8,000 subscribers, with the goal of reaching 50,000 subscribers by the end of 2023.

Now, we letterbox up to 30,000 homes in our distribution area every week: plus bulk drop a further 5,000 papers via our Street Press pickup points in a raft of businesses and shopping centres across our distribution areas.

Above we have briefly addressed key attributes of independent print media as a key to diversity. What follows now is specific feedback on the proposed framework for measuring media diversity in Australia, plus our recommendations.

We have included a detailed examination of the nature and importance of independent newspapers in Appendix 2. This material is adapted from our January 2022 submission to the Australian House of Representatives Standing Committee on Communication and the Arts on ‘The Future of Regional Newspapers in a Digital World’.

Understanding the key recommendations from that submission are integral to understanding our feedback on the Australian Communications and Media Authority’s (ACMA) new framework for measuring media diversity in Australia:

1. We are not interested in government grants, nor do we want them: they are corrosive to our independence and ethic,
2. Instead, we want, for our readers, our fair share of advertising of government services,
3. We want to see the rank prejudice against our extensive, intelligent and democracy-loving readership - all those who cherish a Fair Go - abolished forever by the advertising of all government services - federal, state and local - in a layered, nuanced and widespread way using procurement programmes if necessary and,
4. An additional recommendation that was not included in the original submission: we now want the withholding of government advertising for bona fide news media due to critical news stories - a very common practice especially in local government - criminalised as corruption. Virtually every local government bar one or two in our distribution area has used this strategy over the past 34 years, some for decades: Cities of Perth, Stirling, Vincent, Fremantle, Melville and Cockburn. (See Appendix 1)

## **Response to ACMA’s new framework for measuring media diversity in Australia**

### **General Comments on Media Diversity: Cornerstones of Democracy**

A critical and at times antagonistic relationship exists between democratic governments and legitimate news media. Both are cornerstones of democracy.

To ensure local and diverse news is accessible to all Australians, all levels of government must advertise in small independent news media organisations - newsprint and digital. Without stabilising the industry, there is no point in developing a news measurement framework because there will be no news left to measure.

We want to caution against looking at the media landscape in terms of rural versus metropolitan or online versus traditional media. To ensure true media diversity today we must abandon partisan and geographic divides and think instead, of news in these terms:

- Company structure: who owns it? Is it independent? Is it a subsidiary of a larger company?
- Where does the revenue come from? Are there other revenue streams that can be utilised to support the business if they are in competition with another media company?
- Medium: how is the news delivered? Are tangible newspapers which are costly to print and deliver, important?

- Editorial: what is the quality of the journalism?
- Audience: who are the audiences, how many are there, what barriers to access may they have?
- Democracy: how would our lives, and the country differ without them?

The body of work ACMA has developed is comprehensive. It offers a solid starting point to begin thinking about media diversity in Australia. But we think it needs more finessing.

The research appears to tease out some of the issues we are concerned about so we will reiterate to ensure we have not made any assumptions:

- News preference data must also be compared with news availability. For example do the people who get their news from social media have access to other forms of news or not - like their own local newspaper or website/app?
- Trust is such an important part of readers engagement with a local news media, especially local newspapers. How is trust measured in the data?
- How is the correlation between the high value of local news and low access to local news media like independent newspapers measured?

The single biggest threat to media diversity in Australia is the economic and financial insecurity of small, independent media organisations. Please, don't be mistaken, confused or ill-informed: the economic and financial instability of small, independent, local news media, including community radio, tv and newspapers is not fault of the business owners, or because the medium is 'dead', or that the companies is not inherently viable.

The financial instability is due to the independent news advertising revenue base being eroded by poorly regulated, global social media giants, the transient love affair for some with all things new, and the most basic levels of ignorance, poor policy and/or vengeful behaviour.

All levels of government are as culpable for this erosion. An erosion which undoubtedly threatens the very democratic institutions in Australia that all politicians and bureaucrats swear to uphold.

Media diversity and localism would be guaranteed if all levels of government put a proportion of their advertising spend with local and independent news media, like our independent newspapers.

The Australian Government total advertising spend with the Herald in 2021/22 was \$41,640. The three agencies that booked advertising with the Herald were: Department of Health, Department of the Treasury, and Australian Bureau of Statistics. According to their annual reports, these Departments must report on payments over \$14,500.

In 2021/2022 the total combined reportable payments made to advertising agencies, market research organisations, polling organisations, direct mail organisations, and media advertising organisations was \$120,820,948. Equivalent to 0.034% of the total reportable spend for the three Australian Government agencies.

Here in WA, in the the 2021/2022 financial year the total WA government advertising spend with the Herald was a measly \$6,399.

The WA government came a very sad last compared to the Australian Government's \$41,640; the City of Fremantle's \$40,633; the City of Vincent's \$26,117; the City of Perth's \$12,714; and the City of Melville's \$10,268.

The WA government spend with the Herald was one-fifteenth the amount the City of Fremantle spent in the same period.

Despite posting a skate-worthy \$5.7 billion dollar surplus in 2021/2022 and having the lead role in the COVID-19 campaign messaging, that measly and inconsequential spend indicates complete disengagement and lack of communication by the WA government with our vibrant communities and vital readership.

Please remember that figure, that minuscule \$6,399 WA government media spend during a period of grave community crisis which devastated small businesses. During that time a government who insisted we "were all in this together" was spending untold millions with overseas-owned digital social media giants.

In 2021/22 the six WA government agencies that advertised with us had a combined advertising spend of \$25,412,981. Of that the Herald received \$6,399. Or 0.027% of those six agencies' combined spend.

Ironically, the WA government Small Business Development Corporation's (SBDC) total media expenditure was \$414,355 of which Google received \$60,572; Facebook \$18,143; LinkedIn \$5,299. Not one dollar of SBDC's advertising spend was placed with small business media organisations.

What's more, the SBDC's sheer bias against local newspapers is palpable. Even its name as a corporation is an affront against authentic small business.

In its own documentation educating small businesses on marketing their businesses, the SBDC dismisses newsprint media as expensive. It implies newsprint advertising is risky due to the absence of data analytics. This is in spite of newsprint media typically being open and honest about our reach. Unlike social media we do not have secretive and closely guarded algorithms and geo-fences that dictate who will or won't see a business.

Should we laugh derisively at the ignorance of this WA government policy? Or should we cry?

Low costs are a common justification for governments and businesses advertising on social media. This justification does not account for the full cost of digital media advertising - namely those modern-day marketing staff busy doing expensive salary-driven work to support advertising campaigns with the already grossly wealthy in Silicon Valley.

Newspapers like ours do not require our clients to wear the cost of specialist marketing staff as is required to access and manage the finer points of digital advertising. Instead, we've always provided a suite of expert services which, dollar for dollar, are delivered at lower prices than much of the digital sector.

We've heard of innocent small businesses and digital novices being charged tens of thousands of dollars in start-up fees for accessing so-called "cheap" digital advertising.

Our estimate is that communications and marketing departments across all levels of government are now spending hundreds of millions of taxpayers dollars on self-promotion on social media, excluding the costs of Communications and Marketing specialists.

Despite their best digital marketing efforts and spends there appears to be a downward spiral in popularity and trust ratings of most governments. Could social media marketing campaigns be a causal factor?

These figures in our view represent wastefulness of tax dollars on a grand scale. They are an indictment on federal, state and local governments as they preside over the demise of local, home grown businesses, independent news media, and governments' own plummeting reputations with their constituencies.

And consider this, the recent Chinese trade bans and COVID-caused supply chain interruptions should be enough for anyone with a half-critical policy brain to say "Hold it! Maybe we should have a look at the way we do things? Maybe we should critically assess if globalism is good for Australia?". Most world-dominating corporations couldn't care for good government or democracy, provided they continue to be paid.

Despite our cynicism, we hold out some hope for the flurry of activity that has, in part led to the ACMA framework being developed and the fact that for the first time in over 20 years we have started to respond to the calls for submissions. For this we thank you.

### **Summary of Recommendations for ensuring media diversity in Australia**

The broad recommendation to ACMA's framework for measuring media diversity in Australia, as we recommended to the House of Representatives Standing Committee on Communication and the Arts inquiry into 'The Future of Regional Newspapers in a Digital World' is to:

1. Firstly, ensure there is a diverse media to measure there must be consistent and significant government support for local media organisations through advertising spend. Give our readers their rightful access to information on government services. We are not talking about grants. We do not want grants. Grants are unsustainable and a challenge to our independence and ethic. All we want is a fair proportion of government advertising spend. It is the most sustainable and democratic way to ensure media diversity and localism in Australia.
2. Secondly, we want the withholding of government advertising for bona fide news media due to critical news stories - a very common practice especially in local government - criminalised as corruption. Virtually every local government bar one or two in our distribution area has used this strategy over the past 34 years, some for decades: Cities of Perth, Stirling, Vincent, Fremantle, Melville and Cockburn. (See Appendix 1)
3. Thirdly, that ACMA advocate to the Treasurer on behalf of local, independent media businesses for a tax-deductible gift status. A tax-free status would ensure the existence and sustainability of local and independent media organisations. Newspapers especially are a

community service first and a business second. The myriad things we report on, campaign on, and sponsor with our own advertising earnings complies with every single aspect of the federal governments legislation that warrants tax free status. Every single one.

4. Fourthly, as we've already recommended in our earlier submission to the House of Representative Committee that ACMA or relevant federal agency conduct research in partnership with Australian States and Territories to determine the real cost of advertising across different media: this must include all costs, including the tens of thousands of marketing personnel necessary to access the 'black box' mysteries of social media advertising. Then extend this research to examine the cost across all levels of government for remediating the health, welfare, and social issues due to the toxicity of the unregulated digital media.

### **Summary of Recommendations on ACMA's Framework for Measuring Media Diversity in Australia**

*Indicator 1:* ACMA develop a database of local, independent news media companies by contacting national, state, local and university libraries to provide a list of publications which log publications with them and/or other sources they may be aware of.

*Indicator 2:* ACMA expands the usability of the data by counting the total number of news journalists, editorial staff, and overall staff to measure growth of news rooms and media organisations. ACMA may also consider quantifying the number of schools of journalism, and journalism graduates versus journalists in paid professional employment.

*Indicator 3:* The metric must count the number of media owners of local news organisations across Australia, not only in "sample localities". This guarantees visibility of small, independent, local news organisations and ensures a focus on localism. This will ensure fair treatment for small, independent media companies who are often overlooked by large media conglomerates.

*Indicator 4:* Modify the metric to itemise the count of the number of stories published and the number of stories sourced and written in any given week, rather than only those that made it to print or air. Include letters to the editor and other reader-contributions.

*Indicator 5:* Modify the metric to ensure local media organisations are fairly represented and not penalised for having less space to run stories or who are unable to get comment in time for deadline by communications teams who can see us as less important than corporate, state-wide or national publications.

*Indicator 6:* No recommendation as local news media like us are always driven by a local connection in all the stories we ever run, whether the story has international, national or local significance.

*Indicator 7:* Modify the indicator to ensure the scale includes local media organisations and are not overshadowed by large media businesses. The methodology should be modified to include questions around availability of news sources. This would help tease out preferences versus a necessity. Just because respondents consume their news a

particular way does not necessarily denote a preference or a choice. It can be indicative of a necessity due to lack of alternative options.

*Indicator 8:* Modify the indicator to ensure the scale includes local media organisations and are not overshadowed by large media businesses.

*Additional Indicator 9:* Modify the methodology for Indicator 8 in order to tease out Reader Trust (with a capital T) as a standalone indicator. Trust is a foundational tenet of local, independent news organisations and must be given correct treatment in the conversation around diversity and localism.

*Additional Recommendations not aligned with an Indicator*

*Recommendation:* ACMA develops an anonymous framework for the regular surveying of local, independent media organisations owners to self-report on the economic health and feelings of financial safety in the media industry; and survey audiences and residents to determine where they get their important news from.

*Recommendation:* We know governments and bureaucrats can waste years and millions of dollars commissioning reports with no action on recommendations. So let's start with some groundbreaking surveys on the effectiveness of our democratic and news gathering institutions by going right back to basics and asking the consumers who, after all, as taxpayers, are paying the bills.

*Recommendation:* The priority pilot program is for ACMA to advocate on behalf of all small, independent news media through the National Cabinet process. ACMA must ensure government agencies, authorities and commissions, across all levels of government, support local and independent news organisations with a fair proportion of taxpayer-funded advertising spend. This spend cannot be suspended or withdrawn due to small and local media organisations doing their jobs and reporting on the issues which impact audiences.

*Recommendation:* Secondary project to support media organisations to digitise their archives of published and unpublished materials. This would ensure visibility of local and independent news media and continue to publicise their important role as keepers of public record.

## **Detailed response to the Proposed Framework**

Given the detailed body of work ACMA has presented, including the questions it would like the feedback to answer, we have chosen to structure our feedback in a question and answer style. We have also addressed the questions with a future focus, in the event that the framework may be used to assess government funding strategies or similar.

*1. Do you consider the framework, as outlined in the paper, would be an effective tool in measuring and tracking levels of media diversity in Australia?*

We believe the framework to be a good starting point.

We have feedback about:

***Indicator 1: How many sources of news are available? Methodology: Search Commercial media databases and government registers.***

We are concerned about local and independent media companies being missed from the list.

***Recommendation:*** ACMA develop a database of local, independent news media companies by contacting national, state, local and university libraries to provide a list of publications which log publications with them and/or other sources they may be aware of.

***Indicator 2: Availability of journalists. Metric: Count of journalists.***

The way this indicator is suggested in the framework is satisfactory. Although it may not tell the whole story in regards to diversity of news media in Australia.

From a strategic perspective the availability of journalists is generally not a problem given the number of schools of journalism graduates and the number of paid positions available in the workforce. The big problem here is the contraction of news rooms across the country due to economic pressures. This in turn leads trained journalists to leave the profession, often in favour of Marketing and Communications positions.

Many journalism graduates are seduced by extremely well paid marketing positions where their craft is about sanitising the flow of information and rarely about enhancing it for public consumption and the public good.

Marketeers once trained as journalists and then crossed the line for their ‘thirty pieces of silver’ to practise the ‘Dark Arts’. Nowadays the latest ABS employment statistics show that marketing professionals (90,800) outnumber genuine news journalists (26,100) by a ratio of 3.4 to 1.

The ‘Marketing Curse’, as we call it often enhances deceit, redefines the truth, and screens from public view and public scrutiny the people and the processes who have significant decision-making powers that will impact the lives of ordinary Australians.

Let’s reflect for a moment on some of the shocking revelations of the Holmes Royal Commission into Robodebt. For years some of the most vulnerable and unprotected members of Australian society were hounded to death or lived in misery. People were being bullied mercilessly by an allegedly illegal program devised by governments, ministers, bureaucrats and a whiz bang digital algorithms

This marketing-led view of the world represents one of the greatest threats ever to democracy world-wide.

The marketing behemoth that has swept the world began in the late eighties and cemented its undemocratic grip on power in the mid-nineties. No longer could my journalists pick up the phone and have a conversation with people at the heart of the issue, they are now email questions for a workshopped response from the Communications team. This is in fact an unrecognised ‘tax’ on legitimate media.

Who in the independent media can compete against these armies of personnel? Many are on great government salaries and many of whom are quite ignorantly working against democracy and the public good by massaging the message prior to public consumption.

**Recommendation:** ACMA expands the usability of the data by counting the total number of news journalists, editorial staff, and overall staff to measure growth of news rooms and media organisations. ACMA may also consider quantifying the number of schools of journalism, and journalism graduates versus journalists in paid professional employment.

***Indicator 3: Number of owners. Metric: Count of owners or controllers.***

The indicator places value judgements on how “popular and impactful” a news source is. Populism and impact are not mutually exclusive - just because a publication has a big audience number doesn’t necessarily mean it is impactful. It could mean there are no other options and so it is the only option or the least-worst option available.

Similarly just because a news source has a small audience does not make them less valuable. In the Herald’s instance, due to reduced advertising revenue we reduced our distribution from 130,000 copies to approximately 35,000 copies each week. This does not make us less independent or valuable to the media landscape given the way news leads are picked up and run by many other news media.

How does the metric account for large media companies (e.g. 7West, Australian Community Media, Community News) versus small, independent media companies?

**Recommendation:** ACMA must count the number of media owners of local news organisations across Australia, not only in “sample localities”. This ensures transparency and a focus on localism. This will ensure fair treatment for small, independent media companies. This will ensure fair treatment for small, independent media companies who are often overlooked by large media conglomerates.

***Indicator 4: Range of Topics. Metric: Count of articles.***

In newspapers - and likely TV and radio - what makes it to print or air is a fraction of the news stories actually sourced or written in any given week. For local, independent newspapers, the number of news stories is directly tied to weekly revenue.

If the revenue allows we may push the paper out by a few more pages and fit in more news. Otherwise the paper will stay tight and stories are cut including many that never see light of day.

**Recommendation:** Modify the metric to itemise the count of the number of stories published and the number of stories sourced and written in any given week, rather than only those that made it to print or air. Include letters to the editor and other reader-contributions.

***Indicator 5: Range of Viewpoints. Metric: Average number of sources quoted or interviewed.***

Again, in newspapers this metric may be skewed by the amount of space available due to economic constraints.

Sometimes stories have to be subbed to summarise quotes rather than quote directly.

Similarly, local, independent newspapers are sometimes shut out by local and state governments on contentious issues as they seek more favourable coverage elsewhere, or sources do not get back in time for deadline.

***Recommendation:*** ACMA modify the metric to ensure local media organisations are fairly represented and not penalised for having less space to run stories or who are unable to get comment in time for deadline by communications teams who can see us as less important than corporate, state-wide or national publications.

***Indicator 6: Local Relevance***

No comment other than local news media like us are always driven by a local connection in all the stories we ever run, whether the story has international, national or local significance.

***Indicator 7: Consumption. Metric: List of most popular cross-media sources of news by audience size, frequency of use.***

We note this indicator scale is only National and State level.

We are concerned Indicator 7 is weighted toward large media conglomerates.

Similar to indicators 3, 4 and 5, we have concerns this indicator does not account for the necessary contractions small, independent media has to make to remain profitable against large media companies, especially in tough economic times, like now.

***Recommendation:*** Modify the indicator to ensure the scale includes local media organisations and are not overshadowed by large media businesses. The methodology should be modified to include questions around availability of news sources. This would help tease out preferences versus a necessity. Just because respondents consume their news a particular way does not necessarily denote a preference or a choice. It can be indicative of a necessity due to lack of alternative options.

***Indicator 8: Impact. Metric: List of most popular cross-media sources of news by stated reliance or personal importance.***

We note that this Indicator's scale is only National and State level.

Again, we are concerned Indicator 8 is weighted toward large, media conglomerates.

Similar to Indicators 4 and 5, we have concerns this indicator does not account for the necessary contractions small, independent media has made to remain profitable against large media companies, especially in tough economic times, like now.

**Recommendation:** Modify the metric for indicator 8 to ensure local media organisations are included and not overshadowed by large media businesses. Modify the methodology to tease out Reader Trust (with a capital T) as a standalone indicator.

## ***2. Do you consider the framework, as outlined, would be an effective tool in measuring and tracking the health of local news in Australia?***

The health and stability of local and independent news organisations is a critical issue when assessing the health of news diversity. We do not believe the framework, in any form, would be able to assess this key indicator. Instead, a health assessment would need to be a separate survey of media organisation owners like me. Obviously commercial confidence enters into this.

Or better still, have a responsible agency like ACMA or the Australian Bureau of Statistics commission extensive public surveys to establish where people get their news from: national, state and local. This would assist local, independent news organisations to provide data to potential advertisers. Market surveys are prohibitively expensive for local, independent media organisations in the current economic climate.

Or bring in legislation as the WA government has in the local government act requiring local authorities to conduct regular resident satisfaction surveys.

One such survey by Catalyse showed 70 per cent of Fremantle residents got all their vital news from the Fremantle Herald, around 50 per cent from our competition paper the then Fremantle Gazette, and fewer than 20 per cent as an aggregate of all other media including social media.

And all this while the mayor was in constant conflict with our editor over the quality of his stories with very, very few of his complaints bearing fruit. All legitimate complaints were corrected in line with our ethical editorial practice.

Meantime the council stepped up its very expensive social media footprint - now costing an estimated \$2 million per year - and stepped down even further on advertising its services in our reliable, news-driven tome (approximately \$40,000 per year). Despite 70% of residents sourcing their information from the Herald.

**Recommendation:** ACMA develops an anonymous framework for the regular surveying of local, independent media organisations owners to self-report on the economic health and feelings of financial safety in the media industry; and of readers and/or residents to determine where they get all their important news from.

## ***3. Do you agree with the proposed scope of the news market?***

Yes, we also believe the scope could be revised to explicitly include newspapers with bona fide newsrooms validated by university Schools of Journalism and possibly exclude

advertising/promotional publications. Advertisers are a form of print media whose stories are advertisements designed to appear like editorial.

Then again, being very broad-scope in our approach, it might be worth including the advertising and promotional mediums as there are plenty of folk out there who love reading ads as a means of keeping 'informed and don't engage with news media per se.

If advertisers and social media without a bona fide newsroom or news feeds which they pay for are to be included, then detailed surveys of news readership on all media must be central to any 'proposed scope of the news market'.

#### ***4. Do you agree with the proposed key measures of diversity and localism?***

As outlined above, we agree with each of the key measures and think they could be strengthened to ensure the breadth of the media landscape is captured.

We also believe the true essence of independent media has not been encapsulated by the framework.

There is an intangible quality to local, independent news journalism. At the heart is the way local independent news is gathered and the often-cherished place independent news organisations have in their communities (as outlined in Appendix 2). Hence, detailed surveys of news readership are essential.

The reason we set up the the Fremantle Herald in 1989 was because the (now defunct) Fremantle Gazette, after 10 years as an independent newspaper, was taken over by moneyed interests who swiftly converted it to an advertiser. Soon after the moneyed interests sold it (plus a dozen other once-independent papers it had taken over) to the Big End Of Town.

It was a move that irritated thousands of once rusted-on readers who warmly embraced The Chook (our logo) when we burst on the scene in 1989.

So shocked were the moneyed interests with our giant leaps forward during 'The Keating Recession We Had To Have' that 7 years later the soon-to-be jointly-owned Murdoch and West Australian newspaper media giant mounted a second paper against us each week to try and drive us out of business.

They failed: our readers and advertisers held their course and The Chook kept its head.

#### ***5. Would you recommend any additions or changes to the proposed framework and/or its underlying key indicators?***

I have outlined the changes I would make to the framework in earlier questions.

However, I believe ACMA must advocate for a free and independent media in Australia. This begins with public sector reform and legislative reform.

Firstly, ACMA must advocate to the Australian government, and through the National Cabinet process all State and Territory governments, to repeal and/or amend nefarious

sections of legislation which criminalise government employees talking to the media, even on matters in the public interest. Many were passed in the 2000s and 2010s some under the guise of protecting Australian's against terrorism.

WA's *Public Interest Disclosure Act 2003* may be one of the better pieces of legislation, although we would like to see the timeframe imposed on individuals talking to media revoked.

Secondly, we urge a change in the Code of Conduct for public sector employees and a return to form for the way public sector employees can engage with the media. I was Assistant Director of non-custodial Prison Services in the WA Public Sector in the 1970s. At that time the role of the media department was to provide media training to all employees - from front line staff to Departmental Directors. This ensured journalists were able to speak to the subject matter experts and matters could be escalated depending on area of expertise.

This proposed return to form would not disenfranchise marketing teams - they would play an important and central role in educating and supporting staff to talk to the media, rather than their current role of shielding staff in taxpayer funded positions from the public accountability they are paid to deliver on.

Just think how quickly Robodebt might have been uncovered and stopped in its tracks if the then minister's sound-bite politics about having a "welfare cop on the beat" never happened.

In the absence of legislation and codes of conduct gagging public sector employees, we might well have heard from responsible public sector staff, many front line, sick to their stomach's about the 'giant con' against vulnerable citizens. Rhys Cauzzo's death may have been prevented.

It might also have exposed the fundamental flaws much earlier and stopped the drum-beating minister and several of his fellow ministers in their collective tracks, thus ending his prime ministerial ambitions and the other ministers' glittering careers on the grounds of incompetence and malfeasance.

And as for the head of the Social Security department who, in testimony to the Royal Commission got angry if any 'bad news' was put her way, what if her bad management and bad manners were gazumped by forthright underlings: would she currently be in a \$900,000 job helping steer our controversial AUKUS nuclear submarine programme away from the inevitable jagged rocks?

And finally, we believe comprehensive independent readership surveys, not those funded by wealthy media companies, traditional or digital, to be a founding principle for urging independent and other media companies to strive for the best, especially in working harder and getting the accountability 'scoop'.

Small independent media companies often love this aspect of their 'mission' more than the big bloated 'giants' of the industry

***6. Do you have views on whether the framework adequately considers the impact of social media and other digital platforms on media diversity, or if new or alternative measurement approaches are required?***

ACMA's work must assess, quantify, and address the negative financial impact social media and large media conglomerates have had on the economic viability of local, independent news.

This includes analysing the social media advertising spend across all levels of government, including internal and external staff engaged to navigate government agencies' social media presence.

Additionally ACMA must advocate to all government ministers and agencies to ensure local and independent media receive a fair share of advertising spend.

Ensuring the economic stability of the industry is foundational to ensuring diverse views are maintained and potentially expanded.

***7. Is there any additional third-party research or data that could be relevant to help inform the final design and/or implementation of the ACMA's news measurement framework?***

ACMA could measure the lived experience of independent news companies through recording interviews with owners and staff. This would give voice to small media organisation and compliment the audience experience.

See our references to readership surveys in previous sections. Readership surveys are traditionally sourced by political parties and media companies anxious to measure their own performance. The required surveys within the framework of this inquiry are the performance of all media as judged by the best people to judge: the consumers.

And even more importantly, the performance of our democracy.

Can you imagine the race for excellence if federal advertising dollars were to be allocated based on high scores from a huge pool of consumers gleaned from large and small 'markets' throughout the land. Who were specifically asked how effectively the democratic institutions, including the public and private media companies, were performing in pursuit of democratic and media excellence.

It just might force the huge reforms necessary in the largely unregulated Wild West digital landscape.

***8. Should the ACMA seek to incorporate and build on existing third-party data when implementing its news measurement framework?***

Data is important. We think there should be plenty of new data collected annually but having looked through the Annual Reports for State and Federal government agencies we are concerned the majority of any budget will be spent on big end of town consulting firms,

who will confirm what local independent media companies and consumers can and will tell you for free:

The industry is doing it tough. Costs are high. We have cut our expenses as much as possible. We are being undercut by global social media giants and billion-dollar news conglomerates. All levels of government across Australia are complicit in cutting off our revenue streams displaying a conscious or subconscious bias against 'old' media. Instead they are lured by the bright, sparkling, untested and widely untrusted digital media as well as delivering pay-back to local media for us simply doing our jobs; reporting the truth and speaking truth to power.

**Recommendation:** We know governments and bureaucrats can waste years and millions of dollars commissioning reports with no action on recommendations. So let's start with some groundbreaking surveys on the effectiveness of our democratic and news gathering institutions by going right back to basics and asking the consumers who, after all, as taxpayers, are paying the bills.

***9. Are there any restrictions or barriers to the acquisition, sharing or use of proposed third-party research or data that we should be aware of?***

Privacy and commercial in-confidence are the main concerns of any research or data set. As are the limited extent of most consumer surveys on the most important things in life.

***10. What are the most significant outstanding data gaps, and how should these be prioritised?***

The most significant gaps are what Australian consumers think of the performance of their democratic and news gathering institutions.

A further huge gap is how the small, independent news gathering businesses feel about being on the rough end of the pineapple when dealing with Big Government, Big Media and the Big End Of Town.

For example, recently we saw the principles on which the federal Department of Finance waxed forth about wanting to partner with 'ethical companies' in dispensing its precious messages to the citizens of the land.

How does this measure up against our estimate that the lion's share of federal advertising is now spent on social media and other digital outlets whose addictive algorithms and failure to police its anti-democratic, antisocial and at times downright destruction of what we in Australia regard as social norms.

Need we go on. The warm, fuzzy desire for 'ethical partners' in the digital world is a 'train wreck' happening before our eyes, and another example of the marketing dystopia in which we live.

As with Robodebt how many more fiendish, evil outcomes are to be tolerated before we as a fair and ethical society scream out to our leaders and decision makers "Stop!" to passive partnership by our own democratic institutions with the less than satisfactory, unethical and cowardly New World?

**11. Do you have views on potential pilot projects that the ACMA could undertake in 2023? What should be the ACMA's ongoing role in relation to these news measurement activities?**

The priority pilot program is for ACMA to advocate on behalf of all small, independent news media through the National Cabinet process. ACMA must ensure government agencies, authorities and commissions, across all levels of government, support local and independent news organisations with a fair proportion of taxpayer-funded advertising spend.

That this spend cannot be suspended or withdrawn due to small and local media organisations doing their jobs and reporting on the issues which impact audiences. This message must be driven home to all the public and private marketers in charge of advertising budgets, all advertising agencies, all politicians and bureaucrats in the decision-making line.

This might well be done in a couple of successful prosecutions of so-called responsible people who have broken the rules of fair play over the years and ventured into corrupt or quasi-corrupt behaviours while in receipt of taxpayers money. There are plenty of them. Every independent news media company could assist here.

Without stabilising the industry, there is no point in developing a news measurement framework as there will be no news left to measure.

A secondary project would be supporting local independent news media organisations to digitise their archives - including newspapers, photographs, tapes etc. This could be done in partnership with National Library of Australia's Trove website and local libraries. Pre-COVID, we were approached by Head Librarians at the Cities of Vincent and Fremantle keen to get a project like this off the ground. It stalled due to the funding requirements. This would ensure local, independent media companies remained visible and continued their important role as keepers of the public record.

**Recommendation:** The priority pilot program is for ACMA to advocate on behalf of all small, independent news media through the National Cabinet process. ACMA must ensure government agencies, authorities and commissions, across all levels of government, support local and independent news organisations with a fair proportion of taxpayer-funded advertising spend. This spend cannot be suspended or withdrawn due to small and local media organisations doing their jobs and reporting on the issues which impact audiences.

**Recommendation:** Secondary project to support media organisations to digitise their archives of published and unpublished materials. This would ensure visibility of local and independent news media and continue to publicise their important role as keepers of public record.

**12. Are there opportunities for the ACMA to collaborate with research organisations to help implement the news measurement framework?**

We believe universities across Australia through their Schools of Journalism could play a central role in this work. Universities who have absorbed or axed Schools of Journalism in favour of Communications or Media Studies should be deemed ineligible. This exclusion is to ensure news journalism is at the heart of any assessment protocol.

Or worse those who try to incorporate both inside the same ethical teaching framework.

***13. Are there any current or emerging technologies that could be considered by the ACMA to assist in content analysis or to help implement other aspects of the news measurement framework?***

We are not going to advocate for new emerging technologies when so many existing ones are such a 'hot mess' that need urgent sorting out. No, we are going to stress the need for ACMA to Go Back To Basics. We stand here ready too emphasise the power of surveying (ie. talking to) a huge wide breadth of the Australian population. The latest election, New South Wales, has seen another government chucked out on its ear as has every other government in Australia.

All major states, the vast majority of Australia's population, have changed government in recent times. This yearning for change is a clear sign the average Australian is sick of the way its governments and its democratic institutions are conducting themselves. Now is the time to tap in to that feeling by undertaking the most comprehensive old-fashioned face to face social survey of all time, amongst other strategies and set out to nail one question: why the widespread dissatisfaction? We all think we know why. Do we really?

By pursuing this approach ACMA and or other institutions of the federal government could set out to find why and what average people living real lives on the ground think needs to be done. This is so simple it could be groundbreaking. It could present an opportunity of a lifetime with the upcoming referendum on an Indigenous Voice to Parliament for Australia's most disenfranchised sector of the population.

This could provide the opportunity for the Australian government to set itself apart as a genuine leader in quality, ethical communication with its constituents via quality, ethical media, including the honourable social survey, that has stood the test of time.

A balancing out of the power of the new international digital media and mitigation of so much of its toxic destruction, through a re-engagement with the power of mass circulation strategies where the government was seen to be actively participating with established, ethical media would provide a strong point of difference for those in government who see themselves as champions of democracy.

This would be welcomed by those in the wider community disturbed by the toxic and destructive direction much of the 'new' social media has followed.

## Appendix 1

*A series of articles from the Herald 1996 indicating on the record how governments, local governments in particular, have gagged local, independent media by reducing advertising spend to punish over stories they would prefer to keep quiet. This is just one example we could locate off the tops of our heads, without a digital archive to consult.*

*Fremantle Herald, Saturday 03/08/1996, p. 1*

# Councillors in the dark

by SUE PEACOCK

MOST of Fremantle's 18 councillors have been kept in the dark for eight months over plans for a new courthouse complex in the city.

The first some heard about the proposal was when they opened their *Herald* last weekend ("Major new court complex planned," 27/7/96). Others say they were first told by fax just days before.

Most councillors the *Herald* spoke to this week were unhappy at being kept uninformed. Comments such as "shocked", "surprised" and "not impressed" were commonplace.

Mayor Jenny Archibald and senior staff Imants Kins and Jill Gaynor have worked closely with government consultants since November, sifting through possible CBD locations for the complex.

On the cards are five magistrates courts, offices, and facilities capable of handling local Supreme Court sittings. Identified

as a front-runner site is the Princess May precinct, which includes the Fremantle Education Centre, FTI buildings, and Clancy's.

There was disquiet about a statement from Attorney General Peter Foss which said the precinct site was the "City of Fremantle's preferred site" out of the 13 examined.

Planning committee chair Henty Farrar knew nothing about the proposal: "I'm not really in a position to make any comment at all, really, till I know what's proposed to go where," he told the *Herald*.

"It's not supported by the council and it worries me it appears like a fait accompli.

"I would certainly have preferred to have had some knowledge in light of the planning decisions we were making at the time in relation to the (Elders) Woolstores building."

Councillors said the government could not say it was the city's preferred site because the council had not even discussed the matter. At best it was the mayor's preferred site.

*Continued page 3...*

# Councillors in the dark

...from page 1.

Mrs Archibald defended the process. When she discovered the justice ministry was looking to replace its cramped Henderson Street courthouse, she suggested "one or two people from the city" should be involved in looking for an alternative.

Police, justice ministry and contract management services (formerly the BMA) people were also part of the working party, but no city councillors.

Mrs Archibald stressed it was early days: "We wanted some of the strategic planning issues addressed and were able to give feedback to the architects," she added.

The site came up very late in the discus-

sion but overall we felt it was a good one as there was good access, it was close to public transport and perhaps that area could do with something more active there."

Of the councillors the *Herald* spoke to only Crs Andrew Sullivan, Bryn Jones and Doug Thompson knew something about it.

"The Mayor had to keep it confidential otherwise she wouldn't have known anything," said Cr Sullivan.

"I understand the city was invited to be part of the working party on a confidential basis," said Cr Jones. "I knew they were looking for a new site for law courts but I really don't know what's going on."

But being on the Education Centre Com-

mittee, which oversees the Princess May building, didn't give Cr Frank Acocella any special insight. The first he heard was just days before the *Herald* story.

"I think it's been poorly handled and I'm a bit disappointed. I'm not impressed by the procedure or quite frankly at the courts going on that site," he said.

Long-serving councillor June Boddy said the *Herald's* story "shocked me to the foundations". Cr Ian Thomson, "Didn't you guys run a story about it," and John Dowson also said they knew nothing before the *Herald* article.

Crs Morris Caputi, Forma and Franchina were told by fax the day before the story.

# The Empire strikes back

by ANDREW SMITH

FREMANTLE'S powerful city chief Ray Glickman has slammed local news coverage of his council.

"Appalling, bad, unhelpful" was how he described recent news stories especially the Herald's front page lead last week ("Councillors in the dark, 3/8/96). This story referred to councillors being unaware of state government moves to look at the historic Princess May site for the new courts complex.

Mr Glickman told the Herald the complaining councillors had failed to read their July 26 fax from Mayor Jenny Archibald confirming her eight month secret discussions with the WA justice department.

But his main attack came in last week's strategic planning committee. During debate on the controversial Princess May site for the new law courts, he urged coun-

cillors to remember the strategic importance of the courts. He attacked "unhelpful reporting" saying the courts should not "become another Dockers dispute".

Later in the meeting he threw his weight behind moves to start up a council newsletter to carry the council's message direct to residents (see story page 30).

This was necessary Mr Glickman told the committee "because of recent events where people have been able to manipulate the press..".

The newsletter titled "Freco", if approved by council next week will replace the council's weekly Port City advertising column in the Herald at much higher cost to ratepayers.

Later Mr Glickman denied the newsletter was "an economic shot across the bow to tame the Herald". Describing withdrawal of advertising as "a legitimate measure", he said there would still be plenty of advertising for the local papers.

# “Extra! Extra!” “Read all about it!”

by ANDREW SMITH

FREMANTLE Council will decide next week whether to fund its own newsletter.

The council's strategic planning committee last week recommended a once-every-eight-weeks newsletter titled "Freo" replace the weekly Port City advertising column in the *Herald*. It will cost the same amount.

However, the council is looking at increasing the newsletter's frequency to monthly after the trial, which would double the cost to more than \$40,000 a year.

Branded boring and irrelevant by some councillors, Port City has run for two years. It has been prepared in-house by staff reporting to Chief Executive Officer Ray Glickman.

The column, which used to be a full-page before being pulled back by the council, was initially designed by consultants. Some councillors are not happy with the move.

Cr Doug Thompson queried whether the newsletter would be any different to the dull, dated, dry-as-chips newsletter of two years ago. He said it would be up against "two commercial newspapers with their racy style" and would have to

be different "otherwise don't do it".

Cr June Boddy said the current council advertising was ordinary, ineffective and not interesting.

"Can we be assured the new publication will overcome this?" she asked.

But Mr Glickman, aided by Mayor Jenny Archibald, ploughed on. He stressed the newsletter was important to get across council's views on issues like South Beach.

He said there would be "substantial representations" from interested people in the newsletter because "if we only put our own point of view we would be as bad as the other reporting", referring to the local press coverage of which he is highly critical.

But, he added it would not carry the "political stuff" which would remain the province of the councillors' ward newsletters.

Mr Glickman said the newsletter would be written by a "professional" journalist. It would also be delivered by Australia Post to be seen to be independent of the local papers.

But the final word came from Cr Henty Farrer in the gallery. He was happy to go with the existing arrangement as he liked reading the *Herald* each week.



• Ray Glickman - he wants to employ a "professional journalist" to put the council's view

He said he always read Port City and liked the easy-to-read style and content of the paper.

Later Mr Glickman told the *Herald* "Freo" would be balanced and "cover the complexity of the issues". The local papers were failing in this he said, adding the demand for the newsletter had come from the councillors.

In an interesting twist, the push for "Freo" has come from the new Community Information Committee chaired by South Ward councillor Helen Ayers, a former editor of the Community Newspaper Group's Gazette.

In the early 1990s she found herself on the receiving end of heated complaints from senior council officers over a series of City in Crisis articles.

Soon after she transferred to the Community News head office in Perth.

## Appendix 2

*Summary information including excerpts adapted from a January 2022 submission to the Australian House of Representatives Standing Committee on Communication and the Arts on ‘The Future of Regional Newspapers in a Digital World’.*

### Overview

This submission has been authored by Andrew Smith, founder and owner of The Herald Publishing Company P/L (the Herald).

I have the unique perspective of more than thirty year’s experience in the newspaper game in Western Australia. The Herald is a family-owned media organisation in direct competition with the media empires of 7West Media, and previously, News Corp.

Printing four mastheads a week - Fremantle Herald, Melville City Herald, Cockburn City Herald, and Perth Voice, the Herald delivers independent news to homes and businesses in the Cities of Fremantle, Melville, Cockburn, Vincent, and parts of Perth, Stirling, and Bayswater every week.

In our heyday up to 2016, fuelled by the Western Australian mining boom, we printed and distributed up to 130,000 copies every week.

In 2020, in response to the COVID-19 pandemic and a struggling small business advertising base, we slashed our advertising prices by 50 per cent and continued to print close to 50,000 newspapers every week.

We letterbox close to 30,000 discrete homes in our distribution area every week plus bulk drop a further 5,000 papers twice weekly via our Street Press network of pickup points in a raft of business and shopping centres across our distribution areas.

The Herald has built its reputation and readership on fiercely independent journalism focused on local stories.

First, we have defined regional newspapers and addressed key attributes of independent print media. What follows then are our answers to the terms of reference.

The tone of this submission may, at times, seem too familiar, ‘fun’ and devoid of the formality you may expect. The reason is simple - that same tone which some call irreverence has earned us a loyal readership over 34 years.

### Objective

The objective of this submission is to address the terms of reference of the Parliamentary inquiry into Australia’s regional newspapers whilst:

- contextualising the integral position local newspapers occupy in their community;
- humanising local newspapers - some are independently-owned, and operated as small organisations servicing small local advertisers;

- educating the committee on the lived experience of independent newspaper publishers;
- examining the role independent media plays in a thriving democracy.

### **The Inquiry's website does not define 'regional Australia'**

Now, we all know the common Australian political definition of 'regional' is typically used to distinguish rural areas from metropolitan ones.

Instead, we prefer to turn to the Macquarie Australian Dictionary which defines regional as "of or relating to a particular region, district, area, or part; sectional; local".

Based on this definition all local newspapers fulfil the definition of 'regional' by virtue of their news content and distribution, whether these newspapers are in the city or the country, run by a large media conglomerate, or are family-owned and independently operated.

However, if the committee is meaning the common Australian political definition of 'regional' (as in rural) we would urge you to reconsider. For just a moment, abandon partisan and geographic divides and think instead, of newspapers in these terms:

- Publisher - who owns it?
- Medium - are tangible newspapers which are costly to print and deliver, important?
- Editorial - what is the quality of the journalism?
- Readership - who are the readers and how many are there?
- Revenue - where does the newspaper's revenue come from?
- Democracy - how would our lives, your constituents lives, and the country differ without them?

Looking at newspapers with these questions in mind will allow you to more freely and fairly inquire into the plight of print media in regional Australia including Fremantle and other metropolitan areas.

Any inquiry into the newspaper landscape in Australia must examine the disparity between large media conglomerates such as News Corp, Australian Community Media, and 7West Media, and small, independently-owned media companies across Australia, irrespective of whether they are in rural, remote or metropolitan areas.

Additionally, there must be a comparative examination of the moral fortitude of independent newspapers versus tech behemoths such as Meta (Facebook, Instagram etc), Amazon, and Google; in particular do they attempt to do more than simply gather largely private data on users and deliver that data as customers to advertisers wanting to sell 'stuff'.

At its heart this inquiry, and each individual Committee member, is responsible for taking the pulse of democracy in Australia. Whilst there is a certain irony in writing to elected officials in defence of democracy we view this as our privilege. The reason for this is we believe we do so much more for our readership than simply act as a vehicle for consumerism. We are a source of information.

## Introduction

On the Australia Day public holiday we were drawn to an ABC News online article that piqued our interest '[Federal parliamentary committee probes decline in regional newspapers](#)'. We initially thought writing a submission would once again waste our time and resources. On two previous occasions Herald staff spent many hours drafting unsuccessful submissions for the 2018 and 2020 grant rounds of the Regional and Small Publishers Innovation Fund. These funds originally came from Prime Minister Malcolm Turnbull's \$60 million negotiations to win the support of then Senator Nick Xenophon for changes to the media ownership laws several years ago. They were intended to support small local media and especially local newsrooms. Years on, most of these funds remain unspent.

The analysis of the successful applicants provides some interesting data points and further grounds for our disappointment.

Analysis of the 25 successful 2018 grant applicants showed:

- 64 per cent of applicants were in Coalition held seats, 24 per cent from the ALP, 8 per cent Greens, 4 per cent Independent,
- 56 per cent of applicants were from Victoria (then communications minister Mitch Fifield's constituency), 20 per cent from New South Wales, 12 per cent from Queensland, 8 per cent from South Australia, 4 per cent from Tasmania and precisely none from Western Australia. The vast majority of funds went to the eastern states based Country Newspapers Association as a form of subsidy for drought-affected publications. Even so, why the 'bum rap' for WA?

Analysis of the 43 successful 2020 grant applicants showed:

- 37 per cent of applicants were from New South Wales, 32 per cent from Victoria, 14 per cent from Queensland, 5 per cent from South Australia, 5 per cent from the Australian Capital Territory, 5 per cent from Tasmania and 2 per cent (ie) one applicant, from Western Australia, the Chung Wah Association's Chinese language newspaper.

It was these outcomes that made us hesitant to prepare another Australian Government application especially in such a tight time frame at a really difficult time in our annual economy. We changed our minds due to our strong belief in our enduring need to advocate for our role in defence of the highest principles of democracy, the peoples' right to know, giving voice to the disenfranchised, and educating widely on the power of the public discourse and the importance of the public record.

## The Chook

The Fremantle Herald is a local, fiercely independent, and family-owned publication. After the original, much-loved and independent Fremantle Gazette sold to moneyed interests in Perth in the mid-1980s it became an 'advertiser'. Fremantle was crying out for a different kind of newspaper. Unable to convince any of the rapidly-diminishing Perth-based

independent newspapers to extend their distribution into Fremantle, the publisher decided to quit his safe, public sector job and start his own independent newspaper.

The first edition of the Herald hit the streets on 30 November 1989, with nigh on 30,000 copies to the residents of Fremantle, the riverside suburbs of Melville City and the northern coastal suburbs of Cockburn City. The Herald's beginnings coincided with the Keating recession, the one 'we had to have'.

Within the first few years of economic struggle we amassed a loyal and invested readership. They would affectionately write letters to the editor addressed to 'The Chook' in reference to our rooster logo and sign, one of the most photographed symbols in Fremantle.

In 2002 when the Perth Voice founder wanted to sell, we purchased it to save it from being shuttered, and expanded our operations north of the Swan River.

The Herald supports the fundamental fabric of Australian society by providing independent, quality local news free of charge to a wide readership, by employing many local people and by paying taxes.

## **Independent Publisher**

The Herald is fiercely independent.

Those on the committee who have had the privilege to live in an area with a strong, independent local newspaper know how important independent news is for a community. The Hon Patrick Gorman, in his role as the federal Member for Perth, and Hon Damien Drum federal Member for Nicholls, during his time as senior coach of the Dockers from 1999 - 2001 have first hand experience with the Herald and the Voice. As does the Hon Brian Mitchell federal MP for Lyons, our first cadet journalist and later, the editor.

Early on the publisher made the decision not to have investors, shareholders, or board members to sway the agenda. He chose to shape a newspaper dedicated to reporting the issues which confront the community.

This included the Herald rigorously and objectively reporting - sometimes with sheer delight - on the Town of East Fremantle council during the publisher's two terms as mayor. The editorial rules were strict: the publisher who was also editor in the first term was not involved in any East Fremantle stories. That role was undertaken by the fiercely independent senior journalist Sue Peacock and later by the equally fierce and independent Brian Mitchell, now federal member for Lyons. All stories ran with an editor's note alerting readers that the publisher was both the subject of the story in his public political role and the publisher of the story. Not one story was ever over-ridden by the publisher, no matter how controversial.

We run publications which look at stories based on relevance and merit, not political dogma. We insist journalists look at all sides of the issue and produce balanced stories in the finest tradition of ethical journalism. We consider ourselves the local paper of record. We have needed to remind staff on occasion to leave their political ideology at the door. Independent newspapers are more than just a news source or papers of record. We are a

way for politicians, governments, and businesses to engage with our intimately-shared constituencies. Our news gathering ethics sets us apart from other promotional news media, advertising journals and social media.

## **The Newspaper Medium**

The newspaper medium is an important element to examine and understand when looking at the media landscape in Australia.

Newspapers as a mass circulation medium are a convenient way to distribute balanced news stories to readers. The high costs of printing and distribution results in finite space for stories, which are tightly curated for relevance and information. Distracting and titillating choices, the fodder of social media, are very limited.

Although the internet is a repository for important information and diverse views, it is a medium predominately about entertainment. The entertainment model entices people into addictive environments like social media. The internet prioritises the digital machine harvesting data, and financially profiting from the ‘addicted soul’.

Algorithms ruthlessly drive people to the most massive and universal advertising behemoth the world has ever seen. A machine which is under the control of a handful of people, mostly men, from the US and Western Europe.

The newspaper medium does the reverse. Newspapers are a vehicle for the news gathering process. The news gathering process is sacrosanct to the enhancement of the human condition. For those participating in the news gathering process, this enhancement is so important that it is considered the holy grail in search of a truth.

Secondary to the news gathering process, newspapers open up their pages and channels to the advertising industry. This is so businesses may access the powerful readership that the process of news gathering and distribution networks gives access to. This advertising revenue allows for newspapers to be distributed.

The two models are completely different. At the heart of the news gathering process and independent newspapers like the Herald, is the human condition. It is about social, political, and community engagement. For the individual, newspapers build connections with other people and issues within the local, state, national, or international community they identify with.

Newspapers are structured in a bottom-up process. The news gathering process, the attraction of readers, the invitation to advertisers are all aligned with the newspaper culturally and geographically in ways that express diversity, curiosity and the search for truth.

This is in stark contrast with the global, internet phenomenon which is about identifying individuals needs and wants for ‘stuff’ and matching them with providers out to make a buck. It is so transactional for the most part, and so toxic in others, it’s enough to make us all weep.

Although there are instances on the internet where the news gathering process is present this is the exception, not the rule. The internet imposes cultural change upon the world for better or for worse. Whereas the news gathering process at the heart of independent newspapers is about the cultural connection, growth, and enhancement of local communities. These connections expand outward to state and national levels. The news gathering process is the reason why the medium known as newspapers has long had a rusted-on, ingrained connection with their readership, in some places, for centuries. This medium is not transient.

Consciously or subconsciously, this is why the Nationals and other ‘rural’ politicians have been relentless in seeking assistance to newspapers in their electorates.

Who can forget the abject indignation with which (if our memories serve us well) the Hon David Littleproud, the federal MP for Maranoa in Queensland, and influential federal minister, demanded to know why Australian Community Media (ACM) had closed down one or more of his local newspapers in his thriving electorate (one of the few with regions lesser affected by the drought) and many others across rural Australia blaming, and not without cause, the unanticipated shock of the pandemic, a shattering shock we all felt even in the non-rural regions of Australia.

We still don’t know the terms of the long-rumoured settlement ACM wrung out of the federal government. And this was from an organisation - formerly Rural Press - whose roots were long tangled in Fairfax newspaper history. Fairfax’s business model was to purchase over 300 hundred rural newspapers over Australia and convert virtually every one into a promotional advertiser with its own micro-monopoly, as a result, reducing the amount of news-gathering diversity in the Australian bush. There is a huge measure of irony here.

Notwithstanding this, at the heart of all genuinely independent newspapers and all quality news gathering processes, is quality journalism. And that comes with a price.

## **Quality Journalism**

The way the Herald, and many other independent newspapers, engage with the news gathering process is different to big end of town publications. The Herald’s newsroom is a breeding ground for the next generation of print journalists through work experience partnerships with universities across Western Australia. In a past life, one of your own, federal MP Brian Mitchell, current MP for the seat of Lyons in Tasmania, cut his teeth at the Herald as a cadet journalist and later editor.

We always give voice to the little people. The very essence of local papers means we are searching for stories relevant to our readers - many just like your constituents - that directly impact them, their families, their neighbours and their wider localities. These stories are often hard to find in other news outlets - even the internet. Generally, we run the stories that aren’t of great interest to state or national audiences. This means most of our column centimetres are dedicated to local council decisions or local MPs, or local people with the occasional column centimetre dedicated to state and federal political stories that are hot local issues, too good to pass up.

The Herald's focus on locally relevant news has seen us break stories largely ignored by the daily press. Or occasionally break stories that do get taken up by major outlets in WA and over east.

We let our readers know what is happening in their communities and what elected and appointed officials on both sides believe in and what they are up to.

It feels like quality journalism was easier to produce when we first started out. It was a time where we were able to pick up the phone and talk to people at the heart of the story. These days it seems every politician, government department and business is defended by a Praetorian Guard of highly paid media mercenaries - paid much more than the journalists asking the questions - whose sole job it seems, is to massage the message and obfuscate language and its meaning. This often results in a 'distorted truth'.

The Australian Journalists Code of Ethics requires journalists identify themselves, only for organisations and governments to send them to the 'side door' marked 'Journalists: Wait Here'. This is a major problem. The control over the flow of information by political, government, and corporate leaders has become so extreme, it is now a hidden tax on news gathering and truth-seeking. It is a penalty amplified for smaller media organisations unable to dedicate staff hours to unpicking the webs that are weaved. This practice of categorising citizens and the strict control of messaging are hallmarks of repressive regimes and pose a real threat to our democratic institutions.

The Herald has a very high ethical wall between the editorial department and advertising department but owning a newspaper and honestly reporting on community issues is risky business. There is frequent overlap between the subjects of our stories and our client base, including government and politicians. Also some in our business client base have strong reactions to our stories due to their own political allegiances.

The very institutions the news medium is responsible for watching and reporting on are the very same ones we rely on for advertising dollars to pay the bills.

It is often a fact that advertising gets pulled in response to stories thought unfair or unfavourable to the powers that be. This is a real penalty for speaking truth to power. Many of the local governments in our distribution areas, once prolific advertisers with us, have taken refuge in the manipulative and untested arenas of social media, spending huge amounts with overseas-based internet media giants in the hope of improving their messages and standing, while the general standing of the political, government and corporate classes in Australia have been trending downwards with ever-increasing constituent dissatisfaction. There is even more irony here.

## **Readership**

Readers are a newspapers most important asset, without them newspapers lose all relevance. Genuine news media delivers that audience to any who wish to advertise with them.

Our readers rely on us to produce local, trusted, independent news, and this is the Herald's priority. Our hard work earned us a rusted-on weekly readership of all ages from the elderly to the young.

A bit like the voting public, our readers are the first to tell us what they think - if we got it right, or wrong. They can be brutal, but they are an exceptional barometer of public opinion. We regard letters to the editor and unsolicited opinion pieces as the beating heart of our success.

Now, ask any local newspaper editor, and they'll tell you local papers and their readers have a curious relationship - one which is incredibly difficult to articulate, or assign a value.

Most local newspapers occupy an intangible place in readers lives and are the fabric of communities. Local, independent newspapers are a measure of the health and engagement of the community they serve.

This connection often slips by, unnoticed by those outside of the newspaper. It is the lovingly handwritten letters to the editor. Or the really cranky ones. It is a child's beaming smile when they receive their first pay for delivering a paper round. It is being the touchstone of community outrage, grief or happiness depending on which stories made the cut that week. It is the frantic calls when the production manager accidentally runs last week's horoscopes requiring the receptionist to read callers' fortunes over the phone. It is the requests for photographs for anniversaries and funerals.

Local, independent newspapers connect with communities in ways social media can only ever dream of.

## **Advertising Revenue**

All Herald revenue is derived solely from advertising. We do not charge a cover price believing instead in the right to free access to news. Costs in the print media are very high. Advertising revenue covers all our costs - wages, superannuation, taxes, rent, bills, equipment, printing, and distribution.

It is not easy operating at the small end of town. We have a large number of small clients - predominantly other small businesses and sitting MPs.

We also have a small amount of WA and national advertisers (including federal and WA government advertising) - around 10 per cent of all advertising in all.

The percentage of government advertising is in the low single digits. This percentage is consistent but has fallen in dollar terms with COVID-19. By contrast, according to word on 'the vine' the rush to the international digital media by federal state and local governments and some individual politicians over the past 20 years has been extraordinary and appears in direct contrast to the fall from grace experienced in constituent satisfaction by all aspects of government.

We estimate one local council we are very familiar with over the past 10 years, now spends over \$2 million dollars a year on all aspects of its social media strategy as its popularity with residents and ratepayers plummets to the point it now restricts much of the negative detail of its compulsory regular community satisfaction survey.

Worse, it has completely thrown out swathes of its expensive social media strategy only to replace it with new approaches, one of which is to produce a hardcopy publication which directly pits them against us for the local advertiser's dollar. We have yet to see any gains this council has made with this expensive run-around.

So many 'social media mad' personnel have fallen under the expensive spell of the big digital providers who gouge their clients while maintaining opaque statistical data on reach, that they no longer see the wood for the trees. By contrast this councils 'spend' with us annually has fallen to less than \$35k. Apparently our advertising is 'too expensive'

In our role as publisher we advocate for an independent news media. We have had to call many an elected official and gently explain to them the importance of advertising to our very existence, and the role of an independent press in a free and fair democracy. We have explained that whilst our journos endeavour to cover stories in a balanced way, we are bound by print deadlines, and that also, above all else, we are not a public relations office: that is what paid advertisements are for.

Over the last 34 years the Herald has faced threats to our survival, all of them economic - the Keating recession, the collapse of the Tiger economies, the Dot Com bubble burst, the emergence of largely unregulated social media giants, the painfully slow end of the WA mining construction boom from 2012 to 2016, and now, worst of all, the COVID-19 pandemic. These events put pressure on small businesses across Australia. Small business is the majority of our client base. Through it all we have remained focused on our core responsibility: sniffing out local news that is important to local people.

We know our advertising works. Small local businesses can't afford to throw good money after bad. They simply would not advertise if it did not bring results. And this is what we recommend any review of the future of local news media takes into effect first and foremost.

Given the inherent wisdom of small business why shouldn't the federal government set the lead and follow suit. Why shouldn't the Australian government follow the lead of small business by guaranteeing a much higher proportion of its media spend with the traditional small and independent news organisations across Australia? This may well arrest the decline of quality journalism and the loss of local newsrooms and stimulate the vitality of local media and local businesses in all sorts of 'regional pockets across the nation.

Think of the beneficial effect if state governments and local governments also followed suit.

This would not be a radical step by any means, successive federal governments have intervened in all sorts of Australian markets over the decades. They still do. What could be a more honest and fruitful intervention than a renewed 'investment' in an advertising programme to spread the good word on the raft of federal government services available to the good citizens of every region.

This would be a return to the tried and true method that has stood the test of time. It would remove the risk of flirting dangerously and wasting billions on all the new media, the preferred communication of repressive overseas regimes for all its capacity for surveillance and data capture and social toxicity.

It could provide the opportunity for the federal government to set itself apart as genuine leader in quality, ethical communication with its constituents via quality, ethical media that has stood the test of time.

A balancing out of the power of the new international digital media and mitigation of so much of its toxic destruction, through a re-engagement with the power of mass circulation strategies where the government was seen to be actively participating with established, ethical media would provide a strong point of difference for those in government who see themselves as champions of democracy. And this would be welcomed by those in the wider community disturbed by the toxic and destructive direction much of the 'new' social media has followed.

### **What's Democracy Got To Do With It?**

What do oppressive regimes and all levels of government in Australia have in common? A love affair with surveillance culture. Make no mistake successive Australian governments at federal, state and local levels by their involvement with social media effectively support a surveillance culture previously only favoured by oppressive regimes.

In addition, Australia has some of the most concentrated newspaper ownership in the world at the big end of town. This lack of diversity is an inherent risk to our democracy. The morally bankrupt way large media companies can choose to use surveillance methods to gather news is public record. The most famous example is News Corp UK & Ireland's News of the World's phone hacking scandal which resulted in the masthead's ultimate demise.

Big business, governments, and political parties pouring huge sums of money into digital campaigns is disturbing. The purchase of online advertising actively supports the covert monitoring of citizens. This is surreptitious and dangerous. By financially supporting digital giants through the massive purchase of online ads these sectors are complicit in the construction of a potentially 'Orwellian', '1984' society.

As well, it is short-changing the Australian people by funnelling taxpayer money overseas to increase profit margins of poorly regulated, international companies. This is at the expense of Australian-owned and operated organisations who pay taxes that in turn pay salaries and superannuation for MPs and government bureaucrats.

The tax avoidance strategies of overseas companies covering many industries is well established. And ultimately, as usual, the Australian taxpayers pick up the tab.

Independent media companies underpin the framework of democracy. They are integral to a healthy, functioning democratic society. In any ecosystem diversity is a sign of health.

Governments and their agencies with more than a political message to convey have an obligation to get the message out via a diverse range of media. Instead they have supported the rapid erosion of a diverse and democratic media landscape by financially supporting large media conglomerates and tech superpowers.

Government intervention in or regulation of independent media is complicated. Governments that control newspapers' editorial narratives are undoubtedly oppressive and

anti-democratic. However, there is very little discussion around governments that do not actively support a diverse media landscape, instead believing economic market forces will take care of newspapers. They don't. These forces destroy them because newspapers are a public service first and a business second.

Local independent newspapers implementing cover prices and pay-walls erodes relationships with readers. Conversely, in this painful economic climate many small businesses, our advertising client base, view advertising as a luxury. The adage "you've got to spend money to make money" does not apply to small business. This sounds counter-intuitive but it's true. If money is not coming in to their tills, there is no advertising for us.

Big business and governments more actively support large media companies than small, independent publications. The reasons for this are unclear - it could be perceptions around readership, relevance or lobbying power. Or the fact that big powerful media entities do like to apply a flick of the whip to keep their business interests in focus for governments. Is this what ACM did by dramatically shutting federal MP David Littleproud's electorate newspapers, and many more? The shutdown sure got his attention.

Small, independent, regional newspapers allow our democracy to flourish, without them democracy is at stake. If the recent events in America have signalled anything, it is that democracy is fragile and requires diverse, trusted, independent news to question all decision-making that affects ordinary people.

## **Recommendation**

We only have one broad recommendation to put forward. We outlined it in the section titled Advertising Revenue and repeat it here for emphasis.

We know our advertising works as small private local businesses can't afford to throw good money after bad. They simply would not advertise if it did not bring a result. And this is what we recommend any review of the future of local news media takes into account, first and foremost.

We recommend the Australian government sets the pace by following the lead of small business and guaranteeing a much higher and fairer proportion of its media spend with the traditional small and independent news organisations across Australia?

This may well arrest the decline of quality journalism and stimulate the vitality of local businesses in all sorts of 'regional pockets' across the land.

This would not be a radical step by any means, successive federal governments have intervened in all sorts of Australian markets over the decades.

What could be a more honest and fruitful intervention than a renewed 'investment' in a comprehensive advertising programme to spread the good word on the raft of federal government services available to the good citizens of every region?

This would be a tried and true method for economic intervention in a largely trusted local media that has a high level of engagement and readership and whose ethical framework has largely stood the test of time.

It would remove the risk for the federal government of flirting dangerously and wasting billions of dollars on all the 'new' social media, the preferred communication of repressive overseas regimes for its potential surveillance of, and data capture from its citizens. It would also moderate the increasing links with unregulated digital media, increasingly decried for its toxicity and the destruction of many established social mores.

It would provide the opportunity for the federal government to set itself apart as genuine leader in quality, ethical communication with its constituents via quality, ethical media that has stood the test of time.

This would result in the balancing out of the power of the new international digital media and mitigation of so much of its toxic destruction, through a re-engagement with the power of traditional mass circulation strategies where the government was seen to be actively participating with established, ethical media and would provide a strong point of difference for those in government who see themselves as champions of democracy. And it would be welcomed by many Australian citizens especially in broadly defined regional areas.