Submission from the Journalism Education & Research Association of Australia (JERAA) to the Senate Select Committee on the Future of Public Interest Journalism

The Journalism Education and Research Association of Australia Incorporated (JERAA Inc.) is the peak body of Australian journalism educators and researchers from tertiary education and industry organisations. JERAA’s primary aim is to raise the standard of teaching and training in journalism in order to foster excellence and integrity in the future generation of journalism practitioners. JERAA also supports research, with the understanding that research can help communities to identify trends and issues, resolve problems, and promote or celebrate excellence in journalism and journalism education. JERAA runs annual awards and grants for journalism students and journalism researchers to recognise and encourage quality in journalism practice, study and research. This submission from the JERAA Executive addresses three terms of reference that are particularly germane to the Association’s work.

1. Ensuring a Viable, Independent and Diverse Service

On 31 May 2017, chief executives from Australia’s major commercial media companies and their peak bodies released a joint media statement supporting the federal coalition government’s media reform package. If passed by parliament, the amendments to the Broadcasting Services Act 1992 would help commercial media to compete against ‘multinational internet giants that are taking hundreds of millions of advertising dollars out of Australia’. The 29 chief executives welcomed the government’s proposed abolition of the rules preventing commercial broadcasters from reaching more than 75 per cent of the national audience and from owning more than two of the three traditional media – newspapers, radio and television in a metropolitan region. ‘All Australians benefit from having a competitive and independent media sector that is able to deliver checks and balances in a healthy democracy,’ the statement said.

JERAA strongly agrees with this statement but believes that a ‘competitive and independent media sector’ extends beyond the commercial print, radio, and television media plus their online outlets. It extends to publicly funded broadcasters, the Australian Broadcasting Corporation (ABC) and the Special Broadcasting Service (SBS), to community broadcasters, to a range of online media outlets, such as Crikey.com.au, to overseas-originated outlets such as BuzzFeed, to new and emerging digital media start-ups and to journalism produced by students supervised by their lecturers and published on campuses or through JERAA. The most notable example of the last named is UniPollWatch, which brought together journalism students and staff from 28 universities in a national collaborative project to cover the 2016 federal election (www.unipollwatch.org.au).

1.1 What is Public Interest Journalism and What is Necessary for it to Thrive in Australia?

All these media outlets, as well as citizen bloggers and the like, are engaged in journalism but journalism in the public interest, which is the focus of this inquiry, is not simply what the public is interested in. JERAA endorses the definition of public interest as expressed by the Ethical Journalism Network: ‘The public interest is about what matters to everyone in society. It is about the common good, the general welfare and the security and well-being of everyone in the community’. It is this notion that underpins the ‘moral authority of journalism to ask hard questions of people in power’ (Ethical Journalism Network ND).

This kind of journalism is under threat due to the collapse of the advertising revenues that have long sustained legacy media companies. Research shows that the vast bulk of the advertising that used to be placed in legacy media outlets has gravitated to Facebook and Google (Eltham 2017). The two
companies’ dominance can be accurately described as a global oligopoly; this has significant implications for media both in Australian and elsewhere. Much of Facebook and Google’s advertising appeal is built on the sharing of public interest journalism that the two companies have not funded. It is vital, therefore, that Google and Facebook are part of the future funding model for journalism.

Australian media companies understand the threat but have so far been unable to find a successful new business model. They have been forced to lay off an estimated 3000 journalists in the past five years, according to the New Beats research team (New Beats 2017). Some of these have found work elsewhere in the news media but the loss of journalistic capacity and experience is undeniable. To put it another way, a decade ago there were 400 journalists working at The Age and The Sunday Age. Today, after the latest rounds of cuts at Fairfax Media, there will be fewer than that number of journalists spread across The Age and two other Fairfax Media newspapers, The Sydney Morning Herald and The Australian Financial Review.

The interim results of another research team, examining the civic impact of journalism, show that what is most likely to disappear from the public sphere is what used to be called the news media’s ‘journal of record’ functions: ‘The continuous and non-glamorous work of covering parliaments, courts and local government’ has been hollowed out (Simons 2017).

1.2 Direct and Indirect Support for Public Interest Journalism

To date, the market has failed to build a sustainable business model for what is a public good. This raises two questions: should government intervene to support public interest journalism, and if the answer is yes, how should it do this while ensuring that any support does not jeopardise recipients’ editorial independence? These are important public policy issues that should be debated by the parliament and the community as a whole.

To assist this debate, JERAA offers the following: first, it should be understood that there is a long history of democratically elected governments of differing political persuasions providing direct and indirect support to media industries in many countries around the world, including Australia. This was outlined in Annexure K of the Independent Inquiry into the Media and Media Regulation which reported to government in 2012. JERAA has updated this information, which is provided in an appendix to this submission. A 2014 report by the London School of Economics and Political Science examined subsidies in 14 European media systems, plus the United States, Canada, New Zealand and also Australia. Among its key messages was that because of the current loss of advertising and the need to ‘safeguard pluralism and editorial competition, alternative funding sources should be considered’ (Schweizer et al. 2014, p. 3). It outlined a variety of approaches:

- **Indirect subsidies**: The report found that ‘indirect subsidies’ for the press in the form of tax breaks were the most common form of aid. All 14 European media systems analysed had a reduced form of VAT (similar to GST) on sales of newspapers and magazines, while in four countries, including the UK, all sales were entirely exempt from VAT. Further indirect subsidies were found via ‘reduced tariffs for telecommunications, electricity, paper or transport’ and through subsidies for ‘news agencies, journalism schools, journalism research, reading promotion or professional associations’.

- **Direct subsidies**: Several countries had a form of ‘production aid for selected press organisations’. Mainly, these were to support second newspapers (in particular defined areas), and were sometimes to support newspapers in minority languages. Some forms of aid helped with distribution, internal training and to ‘support the formation or reorganisation of newspapers’.
• **Support for private broadcasting:** Twelve of the countries analysed used direct financial production subsidies to support private broadcasters to fulfil their organisations’ remit. These stations were mostly local or regional and in some cases community broadcasters.

• **Support for online media:** In Denmark, Sweden and Italy press subsidy schemes are now open to fully online media as well. Several countries include subsidies for the costly convergence of media operations.

**1.3 Maintaining Editorial Independence for Publicly Funded Journalism**

In their 31 May statement, the media companies’ chief executives tacitly acknowledged the role played by government support when they endorsed the current Communications Minister’s plan to provide $30 million over four years for the broadcasting of women’s and niche sports (Fifield 2017). They also supported the proposed abolition of license fees on commercial television which in the past netted government hundreds of millions of dollars annually. In public hearings for this Senate Select Committee on 17 May, the chief executive officer of Fairfax Media, Greg Hywood, said senators should consider the option of government introducing a tax on companies such as Google and Facebook that use journalistic content created by media companies to derive substantial advertising revenue. The tax raised would be funnelled back to the companies that created the journalistic content (Senate Select Committee Public Hearings, 2017, p. 22).

Additionally, on the question of whether government support would impair the editorial independence of any recipients, there are historically informed and deeply held views within both industry and the academy about the potential perils of government support. In authoritarian and dictatorial regimes government funding for the news media clearly equates to government control of the news media.

American academics Rodney Benson and Matthew Powers showed, however, in their 2011 study of democratic European countries that government funding of public broadcasters did not hinder the broadcasters’ editorial independence. A London School of Economics and Political Science report similarly argued that: ‘Such support need not compromise media independence if safeguards such as statutory eligibility criteria are in place’ (Schweizer et al. 2014, p. 3).

In Australia, as Ken Inglis documented in his history of the ABC, the broadcaster’s governing act, along with its editorial culture, have enabled it to stave off or at the very least minimise potential government interference (Inglis 2006). The proof of the national broadcaster’s editorial robustness is that, to paraphrase George Orwell’s *Animal Farm*, all governments loathe the ABC but some governments loathe the ABC more equally than others. This was apparent in cuts to the ABC’s funding between 2014 and 2016. The threats posed to commercial media companies’ survival, though, underline the continued, and growing, importance of the two publicly funded broadcasters to the flourishing of public interest journalism.

A recent academic article by Rodney Benson, Matthew Powers and Timothy Neff (2017) outlines a matrix of provisions that are necessary to protect the editorial independence of government-funded broadcasters. These include:

• Multi-year rather than single year funding agreements; the latter work against long range planning and are susceptible to being used by governments as leverage in editorial matters;

• A preference for licence fees levied on all households owning a television rather than provision of direct government funding. In the digital age, the fee can be levied on devices which are used to stream content on television screens;
• Whatever the nature of the funding stream, it needs to be adequate to enable broadcasters to produce public interest journalism;
• Legal charters guaranteeing editorial independence and setting out its terms are essential;
• Governance of broadcasters should be distanced from direct government involvement. Boards of directors should not have a direct say in the day-to-day running of the broadcaster and the appointments process for boards should be kept at arm’s length from ministers;
• There should be some form of external regulation or oversight of publicly funded broadcasters to ensure accountability for spending public money but this body needs to be independent from the government of the day (Benson, Powers & Neff 2017, pp. 1-22).

In JERAA’s view, there is a demonstrable need for government to support public interest journalism. There is a range of ways this can be done, some of which already occur overseas and some which have been put forward in submissions to this inquiry, as follows:

• Tax breaks for digital and print publishers engaged in producing public interest journalism. This would include reducing or exempting publishers for GST. Not-for-profit publishers could be given deductible gift-recipient status;
• Setting up an Australia Council-like body operating at arm’s length from government to fund public interest journalism projects and provide seed funding for digital start-ups, as per the submission from the Public Interest Journalism Foundation;
• A general base subsidy for all publishers to support that part of their content production that engages in public interest journalism;
• An endowment fund with contributions from both governments and philanthropic bodies to support public interest journalism projects housed and administered by Journalism and Media schools in Australian universities.
• The nation’s existing public broadcasters are important in providing public interest journalism. Australia has both a national and global responsibility to properly fund the ABC and SBS. There are only about ten public broadcasters in the world that are funded to a level that enables them to practise meaningful public interest journalism (for details, see Appendix 1). The recent funding cuts to the public broadcasters run counter to supporting public interest journalism. The ABC and SBS should be funded to at least the level before the last round of cuts that began in 2014.

On occasion, federal governments have outlaid additional funds specifically aimed at bolstering public interest journalism. In the 2013 budget, government provided $60 million to the ABC which set up a National Reporting Team, new regional bureaux, state-based digital teams and the Fact Check unit.

1.4 Role of Journalism Education

Journalism education plays an important role in supporting media organisations through this time of economic and organisational upheaval. ‘Journalism is a distinct type of content’, different from other forms of communication and media due to the way that it serves the needs of democracies (Lipschultz, 2015, p. 47). Journalism education is similarly distinct from education in other communications and media fields. High-quality journalism education specifically develops knowledge and competencies to identify issues of social importance, to measure the pulse of public opinion in different community sectors, to research and check facts, and to create balanced, credible, engaging content that analyses and explains matters that are both of public interest and of interest to the public. Such education aims to instil understandings of ethics, legal responsibilities, public accountability, and journalism’s role in democracies. Journalism education has increasing significance in preparing the up-and-coming generation of journalists for workplaces where financial pressures
have led to massive changes in news media organisations. Mass layoffs in the media industry mean there are fewer senior staff with the time or capacity to oversee the work of newcomers, or provide guidance or mentorship. Novice journalists are commonly employed with expectations that they will commence work autonomously on a wide range of high-level tasks in traditional, new and emerging areas of journalism. Robust journalism education helps to ensure that entry-level journalists are equipped to serve the public interest in an era of diminishing resources and increasing consumer expectations.

2. The Future of Public Broadcasters in Delivering Public Interest Journalism

Research studies that compare public service broadcasting and private media show that public service broadcasters help to increase political knowledge and political participation and have a positive impact on trust, knowledge, diversity and social cohesion (Nielsen et al. 2016). Summarising the findings of 43 research studies, Nielsen and his colleagues noted:

In most of the countries covered, there was a positive relationship between strong public service media and strong private sector media, not the negative relationship that the crowding-out hypothesis would lead one to expect. The positive relationship is most pronounced in Australia, the Nordic countries, and the United Kingdom (but considerably less so in Germany). (Nielsen et al. 2016, p. 58)

Repeated surveys on news and current affairs show that most Australians trust the ABC and SBS. For example, the 2017 Essential Vision ‘Trust in Media’ survey found that the top three most-trusted Australian media sources were ABC TV news and current affairs (trusted by 59 per cent of respondents), SBS TV news and current affairs (59 per cent), ABC radio news and current affairs (56 per cent) – scoring well above newspapers, commercial TV and radio news and current affairs, talkback radio, websites and internet blogs (trusted by 19-45 per cent of respondents). Similarly, the 2016 ABC Appreciation Survey found that 86% of Australians aged 14 and older believe the ABC performs a valuable role, and 77% of people believe the ABC is balanced and even-handed when reporting news and current affairs (ABC 2016).

Former ABC Managing Director Mark Scott raised questions last year about whether a merger of the ABC and SBS would be desirable. Research indicates that given the very substantive differences of the charters of each organisation, a merger would put the quality and distinctiveness of services at risk, and could easily erode SBS’s multicultural assets (Pitt 2016, p. 22).

2.1 Underserviced Markets, such as Rural and Regional Australia

Rural and regional Australia is served by a range of commercial and non-commercial television, commercial and non-commercial (including community) radio, newspapers and online media. Commercial media is the largest provider of local content and news in regional Australia, but the ABC plays a significant role in many regional and rural communities due to the local content provided by other services being either limited or in many cases decreasing.

Newspapers are facing a range of challenges both as part of broader market pressures and increasing concentration of ownership in regional areas. This has contributed to masthead closures, consolidation, decreased publishing frequency, and greater sharing of news stories across publications (ACMA 2017; ABC News 2015; Finkelstein 2012, p. 328).
Pressures are also clear in broadcasting. Television news services have been cut in a number of key regional centres, with some news services being terminated, reduced in length, or increasingly focused on updates and broader regional news rather than local news (ACMA 2017). News content on local commercial and community radio is limited and, in the case of commercial radio, is increasingly networked and centralised. Community radio news, where it exists, is often produced by volunteers rather than journalists.

Internet access and mobile phone coverage remain problematic in some areas. While availability of local online news and content is increasing (ACMA 2017), much of this information is provided through local government, emergency services, community organisations, citizen-generated sites and Facebook rather than being mediated by journalists and through journalistic conventions such as fact checking, objectivity and balance. Such services do not always cater for the needs of the generally older demographic in regional areas.

The limited and generally decreasing local news and information services provided by commercial and community media in rural and regional Australia position the ABC as a crucial, trusted provider of local news and a valuable alternative voice. The ABC additionally offers particularly valued functions to rural and regional Australians through information services such as bushfire warnings, coverage of emergencies, and specialist programming such as Landline.

2.2 Culturally and Linguistically Diverse Communities

With more than four million Australians speaking a language other than English at home, SBS offers an important social service. In 2015-16 it experienced audience growth across its network of channels and platforms. In that time period, it saw 13.1 million Australians tuning into SBS television programs monthly (SBS 2017). SBS Radio reflects growing diversity, operating in 74 languages and with potential for more growth. The importance of using languages from different communities is underscored by feedback from the Federation of African Communities Councils in Australia vice president, Edward D. Solo, who says that introducing African languages has helped 'ensure inclusion, participation and social cohesion' (SBS 2016). SBS also offers unique media services to support integration of emerging communities. One example is its weekly ‘Settlement Guide’, which builds understanding of Australian life through stories on culture, history, government services, and rights and responsibilities such as how to vote or lodge a tax return.


The expression ‘fake news’ is defined in different ways by many different people. JERAA defines fake news as widely circulated information that is incorrect, misleading, out of context, manipulated or fabricated. Fake news can be distributed by journalists, political or social actors who:

- lack rigour in checking or evaluating information,
- impose personal bias on the way that they frame information,
- embellish or fabricate content intentionally to attract audiences and revenues, or
- engage in blatant deception or propaganda.

Misinformation occurs when the person who circulates inaccurate information does not realise that it is untrue, while disinformation occurs when the communicator knowingly sends such information. Disinformation is increasingly being circulated via new and social media for political or financial gain.
The table below indicates the nature and motivations for different types of fake news, varying from the benign to the malignant.

<table>
<thead>
<tr>
<th>Types of Mis- and Disinformation</th>
<th>Nature of Content</th>
<th>Reason for Content Creation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Satire or parody</td>
<td>No intention to cause harm but has potential to fool</td>
<td>Humour/parody</td>
</tr>
<tr>
<td>False Connection</td>
<td>When headlines, visuals or captions don’t support the content</td>
<td>Profit (e.g., online clickbait) Poor journalism</td>
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<tr>
<td>Misleading Content</td>
<td>Misleading use of information to frame discussion of an issue or individual</td>
<td>Partisanship Political influence Propaganda Poor journalism</td>
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<tr>
<td>False Content</td>
<td>When genuine content is shared with false contextual information</td>
<td>Passion Partisanship Political influence Propaganda Poor journalism</td>
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<tr>
<td>Imposter Content</td>
<td>When genuine sources are impersonated</td>
<td>Humour/parody To provoke/troll Profit Propaganda</td>
</tr>
<tr>
<td>Manipulated Content</td>
<td>When genuine information or imagery is manipulated to deceive</td>
<td>To provoke/troll Political influence Propaganda</td>
</tr>
<tr>
<td>Fabricated Content</td>
<td>New content is 100 per cent false, with the aim of deceiving or doing harm</td>
<td>Humour/parody To provoke/troll Profit Political influence Propaganda</td>
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Table 1. Types of Mis- and Disinformation (Adapted from Wardle, 2017)

### 3.1 Responsibilities of Facebook, Google and Other New Media Platforms

Following considerable public pressure, major new media companies have introduced measures to try to reduce the volume and impact of fake news. Since late 2016, Google and Facebook have introduced strategies to limit or halt the financial gain that creators of fake news achieve from circulating it. Google and Facebook have also increased fact checking and new products aimed at curtailing the spread of fake news, created educational tools that flag to users when news might be fake and help them to make critical choices about such news, and introduced tools/training to help journalists identify and check contentious information and images rapidly and efficiently. These early initiatives must be sustained and developed to increase their reach and effectiveness.

Facebook and Google have previously claimed that they are not publishers or media companies, thus they should not be required to take on the legal and social responsibilities that come with publication. Historically Facebook and Google have predominantly identified themselves as communications or technology companies, without any greater responsibility for content than a telephone company might have for harassing phone calls that are made on a telephone line. This changed in 2016 when extensive publicity around fake news on Facebook and other social media led to a limited acknowledgement by such companies that they provide what Facebook’s Mark Zuckerberg called a ‘new kind of platform’ (Bell & Owen 2017, p. 14). In practice, Facebook and Google engage in all the functions of a media company, such as commissioning content, distributing and presenting information, curating and influencing the content that is accessed by billions of users, and selling advertising. JERAA recommends that governments and communities continue to work with and
monitor Google and Facebook to ensure they take appropriate responsibility for managing issues such as fake news and the impact of such giant companies on models of journalism in the 21st century.

3.2 Supporting News Verification Hubs and Sustained Quality Reporting

Initiatives such as RMIT ABC Fact Check should be supported, and further collaborations and news verification hubs should be encouraged, to enable rapid checking and robust responses to fake news. Strong successes have been seen in similar initiatives overseas, such as First Draft News (United States), BBC Reality Check (United Kingdom), Live Verified/Cyber News Verification Lab (Hong Kong) Network of Anti-Hoax Journalists (Indonesia), and StopFake.org (Ukraine).

Prompt circulation of corrections can be important in preventing the further spread of fake news, although it should be noted that journalists who report on contentious claims often inadvertently increase publicity for those original claims without offering substantial alternatives for understanding of the actual issues or events that are happening (Romano 2017; Silverman 2015). Research on reporting of misinformation and disinformation indicates that journalists need to fine-tune their practices in fact checking and ways of structuring stories for greater social benefit (Romano 2017; Silverman 2015). JERAA recommends that university educators and researchers collaborate with media organisations to develop and promote models of best practice.

3.3 Educating to Increase Digital Media Literacy

Circulating corrections to fake news can only ever be a partial solution, because fake news has often proliferated faster and reached wider audiences than corrections or real news (Silverman 2016). Additionally, once a person reaches an opinion, they are commonly inclined to disregard corrections or further information that contests their initial presumptions (Lord, Ross & Lepper 1979). Thus opinions and beliefs that arise as a result of reading fake news can be hard to dispel. It thus becomes important to increase the digital media literacy of different Australian communities, so that people have the capacity to immediately recognise and critique any fake news they may encounter. Academics in journalism, education and related fields can play a key role in working closely with community groups to create materials that help citizens to develop awareness of manipulation and fakery, to use basic analytical and fact-checking skills when separating fact from fiction, and to develop a demand for credible information and analysis from journalism and other sources.

Particularly important in this framework is media and digital media literacy education for children to help them to develop the social skills to discriminate among information sources and become ‘digitally resilient’ as they develop to adulthood (Gray and Phippen 2017). Australian children growing up in the 21st century are media saturated. They heavily use a wide variety of new and social media for study, work and pleasure. This leads to a greater need for new media literacy. JERAA proposes that new media literacy could be very effectively integrated into standard school curricula. Rather than being a stand-alone element of the curriculum, learning about media literacy could be embedded into the teaching of English, science, history and other classes. Carefully designed exercises that require students to use new media resources to search for, select, evaluate and use quality information for classroom or assessment activities would help those students to develop capacities for recognising fake news while simultaneously learning about English, science, history and other subjects.

3.4 The Role of Legislation

Several countries have attempted to address the issue of fake news through legislation. A recent example is Germany, which has called for EU-level laws against hate speech and fake news. Germany has also drafted a new national law, the Network Enforcement Act. If passed, the Act will impose fines
on social media companies that do not swiftly remove ‘obviously illegal’ content such as hate speech, incitement, threats, and fake news. The draft Network Enforcement Act has been widely criticised on the basis that it creates an unreasonable and possibly unconstitutional requirement for social network staff members to make rapid-fire judgements about freedom of expression and the legality of public opinion (Reporters without Borders 2017). The example highlights the difficulties of attempting to draft legislation that goes beyond forms of speech that are already regulated—such as defamation and hate speech—to try to control fake news. Examination of Australia’s legal provisions is desirable to see whether there may be benefit in strengthening any provisions, however, JERAA recommends that greater emphasis be placed on encouraging self-regulation by social media companies, robust fact-checking services, and increased media literacy in Australian communities.

This Submission has been Presented by the 2017 Executive of the Journalism Education & Research Association of Australia (JERAA)

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