



# Same faces in control of media

**F**ederal Cabinet's decision to tinker with the cross media rules is a holding operation at best.

If the amendments pass the Senate before the election, the cross media 'creep' of the past five years will have been entrenched and nothing will have been done to address the core question - how best can Parliament prevent unhealthy concentration of media power in the face of convergence?

It is worth recounting briefly the history of the cross media rules in order to show how little the recent changes mean in the broader scheme of things.

Paul Keating was the pivotal player in the legislative changes in 1986-87 which caused a massive upheaval in media ownership. The net result was worsened concentration of ownership *within* print (Mr Murdoch's takeover of the Herald and Weekly Times) and *within* television (repeal of the two-station rule and equalisation in regional markets, which permitted the development of three national networks).

The cross-media limits were presented as the trade-off for this worsened concentration. The limits were supposed to force the owners to choose which medium they wanted to dominate. At first it worked. New faces appeared in TV, like Skase (Seven Network), Bond (Nine) and Lowy (Ten). But one by one they disappeared and have been replaced by the familiar faces of Mr Packer and Mr Murdoch.

Convergence has attracted Telstra and Optus (through Optus Vision) to TV. At the Ten Network, CanWest has simultaneously shown that there's money in no-frills TV and the foreign ownership rules

At first, a newspaper owner was restricted to 5 per cent of a TV station

in the same market and a TV owner could have no more than 15 per cent of a newspaper in the same market. In the early 1990s the Keating Government made both limits 15 per cent and Mr Murdoch, who owns the bulk of the nation's newspapers, swiftly moved to a strategic 14.9 per cent of Seven.

The Government also changed the rules in 1992 to say that you could go over 15 per cent so long as you did not exercise control. In response, Mr Packer moved to 17.2 per cent of Fairfax and the Australian Broadcasting Authority ruled that he was within the law because Mr Conrad Black controls Fairfax.

Cabinet's decision has simply returned us to the pre-1992 rule, but in the interim Mr Packer and Mr Murdoch have acquired bigger holdings. The cross media 'limits' have in reality acted as magnets; familiar players move to the limit and wait for a change in policy, or government, that permits further growth.

Meanwhile, the US Senate is in deregulatory mode and in the UK the review undertaken for the Secretary of State for National Heritage has struggled with the the central issue, although there is controversy over how successful it has been. In Australia, Cabinet fiddles.

Even the Australian Press Council realises this will not do. The recent foray into cross media policy by its chairman, Professor David Flint, is a welcome sign that the council is, as its constitution requires, interested in ownership issues. But what an interest.

The thrust of Professor Flint's contribution is that cross media rules should be loosened because they stifle media diversity and permitted the Government, in effect, to license newspapers. He proposes instead the model offered to the UK review

by the media industry in support of their unsurprising desire for deregulation.

Professor Flint suggests that, if you calculate each owner's 'national share of voice' in all media you find that, lo, Messrs Murdoch, Packer and Black do not dominate at all.

Apart from the contentious assumptions which underpin his calculations, Professor Flint appears to have overlooked the heap of scholarship on issues such as the agenda setting power of the press.

But why invoke scholarship? Common sense tells the citizen of Adelaide that in a state in which News Limited owns every paper (except the Adelaide Review...at time of writing) News has a very loud voice.

Better still, the Prime Minister can tell the Press Council whose voices share his ear most when media policy is on the boil.

The Communications Law Centre appreciates Professor Flint's vote of confidence in relying in part on our data to generate his calculations. Irony is a flavorsome thing, if not always to our taste. We generate those unique, useful and much-in-demand media ownership tables to help everyone chart the extent of concentration of media ownership and control. It is a task the mainstream media seems reluctant to undertake.

How can it be that at a time when much of the world's media policymakers acknowledge the centrality of cross media rules, in Australia the debate degenerates into Cabinet paralysis and a risible exchange about the merits of figures which purport to show us that, really truly, Rupert and Kerry are so small that the rules can be safely relaxed to let them grow? □

Paul Chadwick