Managing Media Organisations

William Walder considers the political and technical context that motivated last year's media law reforms.

In 2006 Federal Communications Minister, Helen Coonan, launched a discussion paper on the reform of media regulation in Australia. The paper reignited debate over the two issues that underpin the future of the mass media in this country – ownership and technology. The issue of media ownership in Australia has been problematic for successive Federal Governments. Mooted legislative changes often seem to be subject to the approval of the country's powerful media moguls, rather than being tailored to the expansionary demands of an evolving media industry that is dancing to the iTune of rapid technological change.

The Howard Government tried to reform media laws twice before, in 1997 and 2004, only to fall at the last hurdle. This time, with a senate majority, the chances of eliciting change were more likely. Though key differences in opinion remain amongst politicians, commentators and media professionals over the proper content of the reforms, there was a common acceptance that change was long overdue.

Until the introduction of media reform legislation in 2007, the regulations governing media ownership had remained practically unchanged for twenty years. In the late 80s, the then Labor Treasurer Paul Keating banned cross-media ownership, announcing with characteristic élan that you could be a queen of the screen or a prince of print, but not both.[1] This stipulation that a media proprietor could not own a newspaper and a TV channel in the same market enshrined the traditional distinction between print and broadcast media in law, simultaneously seeming to thwart the ambitions of Australia's two most powerful media magnates, Rupert Murdoch and Kerry Packer, preventing them from completely dominating the media scene and preserving at least some pretence of maintaining media diversity.

Whatever the aims of the policy, far from encouraging media diversity, the aftermath of this legislation led to Packer and Murdoch becoming more dominant not less. Murdoch bought Herald & Weekly Times to end up with over 60 per cent of the Australian newspaper industry and Packer sold then bought back Channel 9 for an enormous profit, which resulted in him bestriding Australian television like a colossus.[2] The two other major players in the Australian media market both lost out through the policy; Fairfax had to divest itself of its television holdings and was left with little room to expand. The Herald & Weekly Times was swallowed up by Murdoch. Rumours persist that the policy was designed to punish Fairfax and the Herald & Weekly Times, while pandering to the wishes of Murdoch and Packer.[3]

The ensuing twenty years may have seen the power of Packer and Murdoch become further entrenched. The media landscape of 2006, immediately before the introduction of the most recent media reform legislation, looked very different to when Paul Keating initiated the last major change in industry legislation.[4] By 2006, the traditional distinction between print and broadcast media looked increasingly archaic and increasingly insufficient to describe modern media as the boundaries between forms become increasingly blurred and as new forms developed.

Then Press Council Chairman, Professor David Flint, noted as far back as 1995 that the old compartmentalisation of the media 'is now melting before our eyes' and it is technological advances that are the driving force behind this trend.[5] The buzzword for this trend is 'convergence', with technological and industrial effects providing pressing policy imperatives that Government could ill-ignore, as Helen Coonan was very aware. 'We simply cannot afford to just stand still and put our head under the doona on this one', she said. 'We must move it on or we are going to look like some outpost from the rest of the world.'[6]

The technologies of digitisation, broadband internet and video streaming, amongst others, have all allowed media companies to diversify the ways in which they present information to their consumers with a view to getting maximum use value out of that information. Ideas cross national and generic boundaries in a multitude of formats and examples abound from our everyday media consumption. For instance, magazine publishers have launched digital TV channels based on successful titles. French media conglomerate Lagardère based 'Match TV' on their successful magazine title, 'Paris Match', and UK publishing giant EMAP set up music channels, 'Kerrang!' and 'Smash Hits', after their magazine namesakes.[7] Just as Coonan's proposals sought to move Australia towards a digital future, the signs are that the Australian media is already experiencing convergence.

Even Australia's own 'Aunty', the ABC, is getting in on the act, diversifying into print among other things and publishing its arts magazine, 'Limelight', its radio program guide and numerous TV show spin-offs, as well as book titles.[8] Channel 7 has similar magazine links with News Ltd and witness the multi-format commercial feeding frenzy around popular reality TV shows, such as 'Australian Idol' – TV, mobile phone, online, magazine, music publishing, etc – and the format itself has gone global, finding success in media climates from Europe, to the US, to Africa. 'Idol' is clearly more than just a TV show and highlights the redundancy of persisting with media definitions that differentiate between magazines, newspapers, television and radio; all of which is now available via one digitalised medium – the internet. As Chris Berg asserts, the reality facing government is that, "regardless of whether the service traditionally delivers only sound, or only television, they now compete with a technology uniquely suited to delivering entertainment" and partial regulation is insufficient to meet the demands of the new media landscape.[9]

Content is only part of the convergence issue, however, as the *technological* convergence that allows multi-format media production has also facilitated new opportunities for separate sectors of the communications industry to merge

or form alliances – a process of *industrial* convergence.[10] A perusal of the different media interests encompassed within Murdoch's News Corp umbrella graphically illustrates the nature of industrial convergence. Murdoch is well established as a 'prince of print', cornering over 60 per cent of Australia's newspapers, but he also has extensive interests in broadcasting (primarily pay TV, cable and satellite – even sharing ownership of Foxtel with his great rivals from PBL, the Packer dynasty!), magazines, book publishing, online and other interests including the internet (most notably with MySpace), music, advertising, market research and even the National Rugby League![11]

While not as extensive, other major players such as Packer's PBL, Kerry Stokes' Seven Network, Fairfax and Telstra have similarly diversified into fields not traditionally associated with their official 'raison d'etre'. A telecommunications firm such as Telstra, benefits from the economies of scale deriving from its role as a 'carrier', so when you call up for pay TV, the subscription, internet access, landline and mobile phone service can all be tied up in one transaction.[12] So with interests in broadcasting, online services and publishing it could be misleading to think purely of phone lines when thinking of Telstra. Rather than describing companies as broadcasters, publishers, etc, new patterns of media ownership transcend such easy compartmentalisation – perhaps 'media businesses' is a more apt description.

While the technological and industrial forces driving media convergence present challenges for policy makers, new technologies and changing ownership patterns have had profound effects on those who work in media environments, such as newspapers, magazines, television and radio. For those working in the industry for some time, convergence issues have radically altered the ways that they work and the work that they do. But it is on the news media in particular that the impact of technology could have the widest implications due to the Fourth Estate role as democracy's gatekeeper and watchdog.

The possibilities and potential of new technologies would appear to be of endless benefit to media professionals in their news gathering activities. Word processing, email, mobile phones, laptop flexibility, handheld cameras, the internet, etc – all these digital, telecommunications technologies allow instant communication with people all over the world from your desk, but are also flexible enough to be taken anywhere.

Rob Curtain has been News Director at 3AW for 10 years, a radio journalist for 25 years, and extols the virtues of the new technologies and the flexibility it allows for news reporting and his managerial role. 'It's all gone digital, smaller and better quality', he says. 'Mobile broadband is faster, better quality, and whatever I can do in the office I can now do in the field, plus editing's faster and cleaner.' Rob also finds that much of the 'office drudgery' can be handled by computers, removing many onerous managerial tasks, but finds this time gained is far outweighed by the mass of information that arrives through the 'wonders' of email – media releases, advisories, etc. This he sees as the biggest impediment to managers carrying out their jobs.[13]

It is the increasingly desk-bound nature of jobs in print that many journalists fear is preventing them doing their jobs properly, according to two separate surveys. Collette Snowden from the University of South Australia interviewed journalists as part of a study into how they used technology. She found that far from liberating journalists to go out and do the kind of background investigative research that they need to do, many felt that technology acted more to 'restrain them, to keep them confined to their offices'. Collette says this threatens journalists' Fourth Estate role as 'their function is to bear witness, and I don't think you can bear witness when you're stuck in your office'.[14]

The 'Definition: Journalist' survey of Australian journalists in print and broadcasting, conducted by Tapsall and Varley, found that journalists felt similarly shackled by new technology and were quite forthright in condemning new technology. 'New technology has not made us free, it has imprisoned us', said Margo Kingston, a prominent Sydney journalist. 'It has its demands and we must obey.'[15]

Peter Weiniger, a journalism lecturer at RMIT and former *Age* journalist of 18 years standing, echoes the view that journalists are now 'chained to their desks' by new technology, and sees technology as a threat to journalistic credibility, especially in the modern tendency to what he calls 'Google journalism'. With newsrooms facing more restricted budgets, meaning fewer journalists and less money or time to send them out to cover a story. Instead, they rely on the internet, and Google research by journalists has increasingly taken the place of going out and finding things out for themselves. 'If you're researching the ten best beaches in Thailand, there's no chance of you being sent to find out!' he says. 'Editors will tell you to look it up on the net, with little chance to fact check or be thorough'. Peter feels an over-reliance on this form of research devalues much of what journalists do.[16]

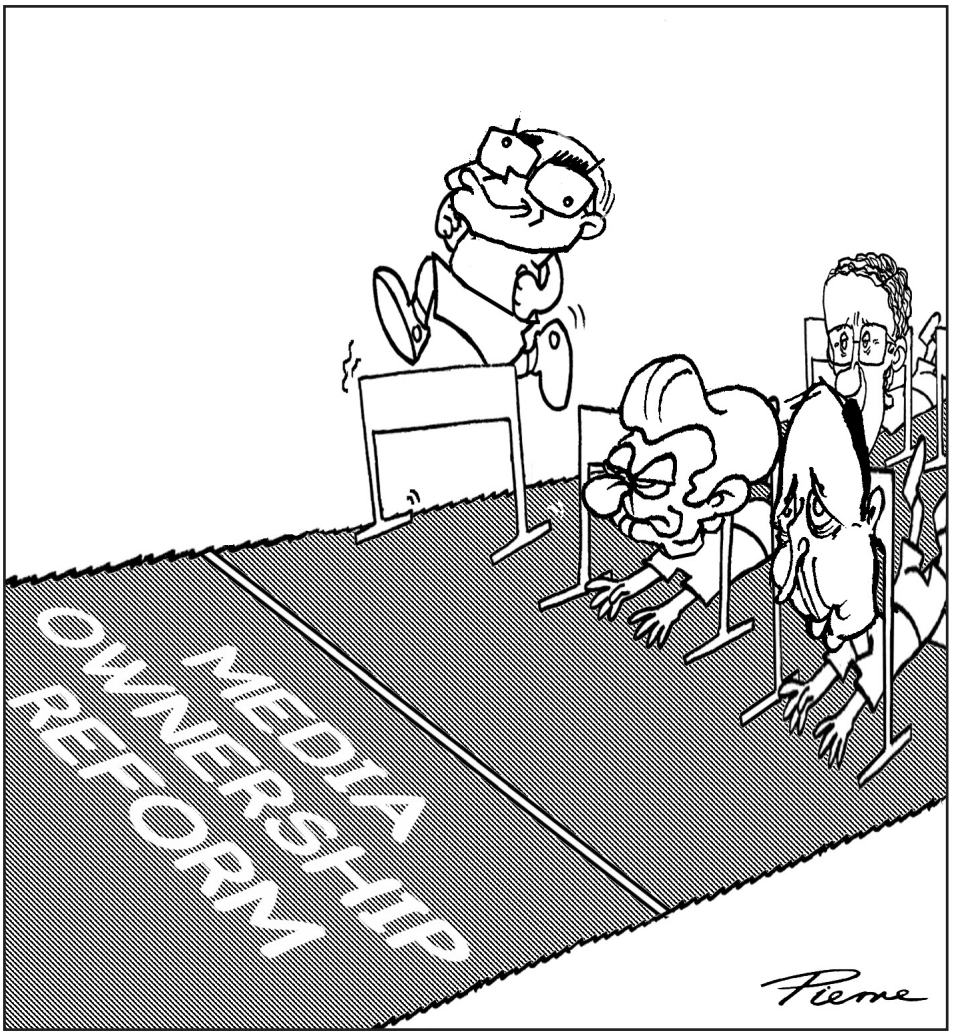
However, the internet perhaps represents the future of journalism in many ways, and is certainly the site where TV, radio, mobile technology, music and print all unite in the ultimate expression of media convergence in terms of news. Bruce Dover, formerly of News Ltd, set up the first Australian CNN bureau, staffing it with former print journalists, expecting them to talk to TV cameras, write for web sites and edit for mobile phones. CNN developed a 'content management system' where reporters 'write' the story once, commonly as a TV script, then edit it for other media, including mobile phone text messages. This is the ultimate in convergence, according to Dover. 'I don't know if there's a one-model-fits-all, but at CNN where we see everything converging, it makes more sense for journalists to work across platforms rather than be platform-specific,' Dover says.[17]

Tapsall and Varley found that the new layer of tools and techniques introduced by technology merely added to the work of journalists, rather than making their lives less complicated, and Collette Snowden found that 89 per cent of journalists she surveyed had received no training for this new technology.[18] Journalists are expected to be familiar with technology, 'especially with convergence, as more and more of the work they do becomes multi-functional', which increases the pressure on them according to Snowden; 'they're struggling to learn how to use the new technology in different formats, for different purposes', she says.

The challenges of convergence are asking more of media professionals, according to Rob Curtain, but he's more sanguine about the immediate effects, not viewing them with the same terror as his print colleagues. 'People need to be more technically literate; they have to be flexible and open to new ideas, especially to take advantage of the new opportunities', he says. These skills are also needed by managers in the new environment, but Rob feels that 'although newsrooms are better resourced in terms of technology than they were, they used to be better resourced in terms of staff'. Budgetary pressures and more concentrated ownership patterns resulting from industrial convergence have meant that there are fewer newsrooms and fewer journalists. This means managers need to be "more resourceful, using more initiative to use [their] staff efficiently while getting the most from the new technology", he says.[19]

On the concentration of ownership, Rob Curtain sees further implications for journalists in terms of reduced employment options. 'In Melbourne Radio, there are only three different companies that own the stations, whereas there used to be six, and 3MP and SEN now buy news from 3AW – they don't have separate newsrooms anymore', he says. 'There's fewer places to move around to; fewer jobs'. This is a worry too for Peter Weiniger, who cites the print options for Melbourne journalists, 'you've got Fairfax or Murdoch, that's it!' he says. If you have a disagreement with your bosses at Fairfax, then News Ltd is the only other employer, and Peter points out that many journalists may not wish to work for Murdoch anyway.[20]

While Rob Curtain, from his perspective in radio, seems to have embraced technology more fully and more enthusiastically than his colleagues in print, he does recognise drawbacks that derive from convergence, such as polarised ownership patterns leading to fewer employment options. But for print journalists, the shrinking job market is only one aspect of how they seem to feel trapped by technology and the effects of convergence, fearing for their future freedom to fully carry out the watchdog role so crucial to our democracy if current trends continue. Rob Curtain is less pessimistic,



but still describes the future as 'the great unknown'. What is clear is that changes in technology and ownership patterns are altering the shape and nature of the media industry; technological and industrial convergence challenging the very fundamentals of news gathering, with worrying implications for the Fourth Estate and democratic accountability.

The means of ensuring a diversity of media 'voices' has been one of the key issues that has always underpinned debate over media regulation. The dominant interests of Murdoch and Packer have loomed over policy makers, who are wary of the power wielded by both of them through their vast array of media outlets. It was true for Keating back in 1986 and was still a concern for Coonan in 2006. However, it could be argued that as existing regulations become increasingly obsolete given the drives of technological and industrial convergence, only radical policy reform can meet these challenges and offer some chance of preserving diversity.

The Productivity Commission's 'Broadcasting: Final Report' slammed the then current regulations for having produced:

> a history of political, technical, economic and social compromises … (whose) legacy of quid pro quos has created a policy framework that is inward looking, anti-competitive and restrictive[21]

The Commission found that far from preserving diversity, media regulation had only caused further polarisation of media interests; a view long held by Professor David Flint at the Press Council, who went further, stating that 'media regulation has held us back'.[22] Along the same lines as Flint, the Productivity Commission recommended that foreign ownership restrictions should be relaxed immediately, subject to foreign investment rules already existing, and cross-media ownership should also be relaxed, conditional to various criteria being met beforehand and contingent on the public interest preservation of media diversity.[23]

Helen Coonan's media reforms were long overdue, given the pressures of convergence and the need to address the issue of digitalisation. In framing those reforms, however, she nonetheless recognised the need to relax regulations balanced with the need to maintain diversity. Turner and Cunningham note the trend internationally 'away from interventionist cultural and communications policy in favour of a deregulationist, or strategic, "government-at-a-distance" approach' and that 'as we move towards a more fragmented and fiercely commercial environment, governments have felt entitled or constrained to step back a little'. It was the degree to which Coonan decided to step back that was up for debate over the months following the release of her discussion paper. But it was also the degree to which the government was (or was not) prepared to step forward and confront the media bullyboys, Packer and Murdoch, in the name of a wider Australian public interest that shall determine Coonan's and the Howard Government's legacy.

William Walder's essay was Highly Commended in the 2006 CAMLA essay competition.

(Endnotes)

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