

Starter's gun goes off on new phase of media concentration as Nine-Fairfax lead the way

Written by Tim Dwyer, Associate Professor, Chair, Department of Media and Communications, University of Sydney

The [Nine-Fairfax Media deal](#), billed as the biggest shakeup in the Australian media landscape for decades, was widely anticipated once the Turnbull government [repealed the main anti-concentration laws](#) in 2017. It may well result in the [loss of a highly respected independent quality media voice](#). It has certainly fired the starting gun on a new phase of media concentration.

It's the latest and arguably the most dramatic episode in the media concentration saga in Australia. This is already among the [most concentrated media markets in the world](#), behind countries like China and Egypt. These developments signal that media diversity policies need a major overhaul to take account of the impact of the media-tech platform giants on traditional news media businesses.

Read more: [***FactCheck: is Australia's level of media ownership concentration one of the highest in the world?***](#)

In many ways this by now [widely telegraphed process of media convergence](#) has been the strategy of two of Australia's largest legacy media companies to [survive a bit longer](#) against the onslaught of the Silicon Valley FAANG (Facebook, Amazon, Apple, Netflix and Google) behemoths. If approved it will create Australia's largest media company – and presumably the loudest private media voice with the most political clout in the country.

Former prime minister [Paul Keating notes](#) that this could have been predicted from the first implementation of cross-media rules back in the late 1980s. Communications Minister Mitch Fifield [says he's "agnostic" about ownership](#) – if we can just park the fact that it was the government's horse-trading efforts directed towards crossbench senators that led to precisely this outcome. And the Coalition and its supporters would welcome regulatory [approval of the deal by the Australian Competition and Consumer Commission](#) (ACCC).

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Many believe that subsuming Fairfax Media will assist in muzzling the edgier, more critical journalism in the group's mastheads and generally advance an editorial position that is favourable to the government. After all, former Coalition treasurer Peter Costello chairs the Nine board. In the lead-up to a federal election in 2019, the timing could not be better for the conservatives.

Read more: [*A modern tragedy: Nine-Fairfax merger a disaster for quality media*](#)

Clock's ticking for local news

The deal, if it goes forward, has also fired the starting gun on a process of further dismantling media in the bush. As print media audiences are reaching their expiry dates, we can expect to see the loss of important local newspapers such as the Newcastle Herald and the Launceston Examiner.

Newspapers like these play a key civic journalism role in those communities. They have, for example, pressured governments to set up royal commissions such as the [inquiry into institutional responses to sexual abuse](#).

So local, regional and suburban journalism will be among the losers in this convergence of media platforms. Even major metro titles like The Sydney Morning Herald and The Age are under a cloud as Fairfax's more profitable digital media assets, such as the Domain real estate site and streaming service Stan, have [become the focus of the business](#).

While some sector-specific [ownership and control rules remain in place](#), these are limited in number and scope. They apply only to legacy media of commercial television, commercial radio and associated (print) newspapers. The rules would not affect the combined reach of [Nine News](#) and Fairfax's [well-recognised online news brand](#).

Read more: [*Media reform deals will reduce diversity and amount to little more than window dressing*](#)

Who's left to defend diversity?

So will the ACCC's inquiry come up with any public interest regulatory antidotes? Its [digital platforms inquiry](#)

does

[extend to investigating certain aspects of pluralism or media diversity](#)

. This was one of several outcomes of the legislative and policy changes of 2017, which included the repeal of cross-media ownership laws.

However, such a decision by the ACCC would be surprising. That's because effective media pluralism policy that is capable of addressing these kind of integrated cross-platform deals requires bipartisan support at the highest political levels. That's not something that tends to happen much in Australian media policy.

Yet the ACCC review and the possibility of regulatory intervention using competition law is the only alternative policy lever available to regulate the adverse consequences of cross-media concentration.

The ACCC inquiry is focusing mainly on market power in relation to advertising on digital platforms. But it is also examining the role of search engines, aggregators and social media platforms and their implications for the production, delivery and consumption of sustainable quality news online.

An [issues paper](#) noted that the inquiry would consider "the impact of algorithmic selection on the plurality of news and journalistic content presented to Australian consumers".

Recommendations about the implications of automated news delivery will be critical.

But this new baked-in logic of an automated public sphere is very different to the voice concentration that has arisen out of the calculated deregulation of cross-media laws. As US

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legal scholar [Frank Pasquale argues](#) :

New methods of monitoring and regulation should be as technologically sophisticated and comprehensive as the automated public sphere they target.

Although it is still early days, the regulator is unlikely to stand in the way of media businesses whose rhetoric is all about “scale” and “survival”. In other words, media voice concentration is recast as a second-order issue compared to the survival of these traditional Australian media corporations.

Perhaps that survival duration should be measured in election cycles? Even better, why not look at laws and policies to ensure that the instruments of media policymaking maintain media ownership, pluralism and diversity objectives?

Tim Dwyer receives funding from the Australian Research Council for a project studying media pluralism and online news.

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