

# News media chronicle, July 1995 to June 1996

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**A**T 30 June, 1996, it appeared that the most significant media event of the preceding 12 months was likely to be the election on 2 March of a Liberal-National coalition federal government, the first for 13 years. Coalition policy promised a review of cross-media and foreign-ownership rules for the media, which most commentators expected would lead to a loosening of these restrictions. The new Communications Minister, Richard Alston, promised an inquiry to report by the end of calendar 1996 and possibly headed by an "eminent citizen". Coalition policy also promised to retain existing levels of funding for the Australian Broadcasting Corporation, but this promise looked less likely to be kept. While most of the detail was unlikely to emerge before the August 20 Budget, it was already clear that the Australian news media would be significantly different under the new government. In other significant developments during the year the Media, Entertainment and Arts Alliance released its long-awaited draft new code of ethics; the coverage of a Tasmanian massacre in which 35 people were killed raised several important questions about journalistic practice; Kerry Packer started devolving power to son James at Publishing and Broadcasting Ltd; there was turmoil at the top at Fairfax, which had three chief executive officers within 12 months; the major pay TV operators, Foxtel and Optus Vision, started their services; Australian Information Media, a joint pay TV venture of the ABC, Fairfax and a United States company, collapsed ignominiously; and the sudden death of Andrew Olle

stunned the journalistic community and brought extraordinary outpourings of public grief for the death of a journalist.

### **Code of Ethics review**

In August, the Media, Entertainment and Arts Alliance released its draft new code of ethics after more than two years of deliberations by the committee set up to review the code and the Alliance's disciplinary procedures. The main criticisms from media commentators of the proposed 20-point code were mainly on the grounds of its length (twice that of the existing code) and that it was too vague.

The most contentious clause in the new code for journalists and the wider community was clause 19, which allows that journalists need keep only those confidences "given in good faith". This was seen by some as a sensible compromise in the journalists' fight for shield laws, which would allow them to decline to divulge their sources' names at other times. It was also true that journalists had been given a clear indication from politicians that shield laws would not come without compromises. But other journalists were troubled by the "good faith" component of the clause, believing that a confidence once given remained inviolate. This was the attitude taken by Sydney journalist Deborah Cornwall in her dispute with the New South Wales Independent Commission Against Corruption — a stand which brought her a suspended two-month jail sentence in 1993. It would have taken a great deal of persuasion to convince Cornwall, an original member of the review committee, of this new proposal. She resigned from the committee before the draft code was released for comment.

In other areas, the proposed new code seemed to contain considerable improvements on the code that has guided journalists since 1984, when the original 1944 code was revised for the first time. The clear statements that "plagiarism is stealing" (Clause 6) and "only quote directly what is actually said or written" (Clause 7) would formalise elements of good practice that have

been taught in the better journalism schools and enforced in the better newsrooms for some time. But there were also some odd wordings, such as "accept the right to privacy of every person" (Clause 13) and "never knowingly endanger the life or safety of a person without informed consent" (Clause 16). And the exhortation to "respect every person's right to a fair trial" (Clause 18) seemed unnecessary when this was already enshrined in law.

Proposed new clauses would cover specific incidents that were seen not to have been covered by the existing code, such as the Cangai farmhouse siege, in which children were interviewed while they were being held hostage. But this highlighted one of the basic problems of a "red-light" approach to media ethics. For each new incident of this nature, a new clause is needed, making a code that is probably already too long even longer. The draft code did take some steps towards "green-light" ethics, in which positive values are emphasised, with a series of opening definitional statements such as "journalists ... seek truth". But just how easily some of these statements would sit with Media Alliance members employed in public relations and political positions is open to question. In fact, the proposed new code might provide a welcome boost to the continuing push within parts of the union to have these journalists adopt a separate code of practice.

The Alliance's Federal Council meeting in November 1996 was expected to decide the fate of the draft new code. It was also expected to look at other aspects of the committee's work, including the question of enforcement of any new code. In a speech that some commentators saw as having more to do with underlining concerns about regulation of lawyers than with genuine proposals to regulate journalists, Law Institute of Victoria president Mark Woods told the Melbourne Press Club that journalists, like lawyers, should be fined, remanded or suspended by a statutory authority for breaching a code of conduct. Publishers who forced staff to violate the code should be subject to the criminal code, he said. Woods also called for a tribunal, headed by a retired judge and including a journalist and a community representative, to ensure accountability in the media. He said such a tribunal had become vital because in the past 40 years people

had lost faith in the media; because attempts to make the media more accountable had failed miserably; and because complaints procedures were too complex and difficult to enforce.

### Source confidentiality

The Media Alliance's draft new Code of Ethics was released at a time that the issue of source confidentiality was back on the agenda because of raids on journalists including the *Courier-Mail's* Paul Whittaker, the ABC's Quentin Dempster and the *Sydney Morning Herald's* Colleen Ryan. There were threats to jail Whittaker over his refusal to answer more than 400 questions about his sources at a Queensland Criminal Justice Commission inquiry into leaking of details of Operation Wallah, which linked former Federal Cabinet Minister Graham Richardson with allegations of corruption and vice. The CJC decided not to prosecute Whittaker for contempt of the inquiry against the advice of its commissioner, Russell Hanson QC. In Western Australia, journalists Geof Parry and Martin Saxon and State MP David Smith were charged in the Supreme Court in June with contempt of the Easton Royal Commission the previous year. No trial date was set. At the Easton commission, Parry and Saxon had declined to identify sources and Smith had declined to answer questions about federal Labor frontbencher and former WA Premier Carmen Lawrence.

Internationally, the right of journalists to protect their sources received a boost when the International Court of Human Rights ruled that the British 1981 Contempt of Court Act, under which journalists are forced to reveal sources if it is seen as necessary in the interests of justice, was a breach of the European Convention on Human Rights. British journalist Bill Goodwin had been fined \$10,000 and threatened with jail in 1990 for not disclosing the source of financial information about a computer company. The Media Alliance said it would test the principle of source confidentiality for Australian journalists in the international court. On the domestic front, NSW Attorney-General Jeff Shaw led the charge on defamation law reform, proposing an amendment to

the Evidence Act which would strengthen judges' and magistrates' discretion to allow journalists, among others, to decline to reveal a source. The Australian Press Council chair, David Flint, hailed the proposals, based on a NSW Law Reform Commission report released in October, as "something of an improvement", if not a final solution to the problem of source confidentiality. The new law would also change the focus of defamation actions from large damages payments to speedy and comprehensive correction of errors and restoration of reputation. Flint was less enthusiastic about this feature of the proposals.

## Legal

The coverage of a massacre at the historic Port Arthur site in Tasmania on April 28, in which 35 people were killed, raised several important questions about journalistic practice. Of particular concern was the use by the Murdoch media and others of pictures of the accused, Martin Bryant. In one newspaper, the *Australian*, manipulation of the picture to lighten the eye area left Bryant looking quite deranged, which the paper said was not intentional. However, given that the picture took up a sizeable part of the paper's front page under the heading "Face of a killer", with the drop-head "Violent loner spooked locals", this was unfortunate at the very least, and the newspaper apologised to its readers on the front page next day. How the picture was obtained in the first place — whether a journalist broke into Bryant's home, or was let in by police — also remained in doubt. After warning the media that sensational reporting, speculation about Bryant's mental health and the use of pictures could compromise a fair trial, the Tasmanian Director of Public Prosecutions, Damian Bugg, issued writs against the Hobart *Mercury* (which used Bryant's picture under the headline "This is the man"), the *Australian*, the *Age* and the ABC over their coverage, and warned that action against other news organisations could follow. However, several commentators pointed to the fact that in previous circumstances such actions were rarely pursued, and the Australian Press Council chair, David Flint, argued that be-

cause Australian newspapers regularly ignored contempt-of-court provisions, this showed that the law, not the newspapers, needed to change. He said this would not necessarily lead to trial by media. Other matters of concern raised by the Port Arthur coverage included one woman's allegations that, after being hounded by photographers as she and her daughter left Port Arthur after surviving the massacre, she had been woken at 2am by reporters. A survey of 40 calls to talkback radio about coverage of the massacre found only two were positive.

In Queensland, a defamation case started which was in some ways reminiscent of the suit by Andrew Ettingshausen, an Australian rugby league player who was awarded \$350,000 (later reduced on appeal to \$100,000) after *HQ* magazine published a picture of him in the showers with his penis visible. In the north Queensland case, a player with the Hinchinbrook Crushers, Simon James McDonald, of Ingham, complained about a full-sized, page 12 picture in the *Herbert River Express* in March 1995 in which part of his penis was visible outside the right leg of his shorts. Part of the offending picture was also used as a small "teaser" in the front-page plug box, with part of the penis again on display. In May 1996 the Queensland Court of Appeal ruled against the newspaper's publisher, the North Queensland Newspaper Company, which had sought leave to have the defamation action ended on the grounds that the pictures were not defamatory. The case was continuing.

A young *Courier-Mail* journalist, Ella Riggert, was remanded to appear again in court in August after pleading not guilty in June to three counts of fraudulently obtaining authority to enter a Brisbane jail and one count of interviewing a prisoner without authority. Riggert entered Brisbane Women's Prison to interview Tracey Wiggington, dubbed the "lesbian vampire killer". A lawyer who accompanied Riggert into the jail was fined \$5000 for having claimed Riggert was with him "for legal purposes". A journalist more acquainted with courts, Derryn Hinch, was fined \$2000 in April for allowing identification of an eight-year-old sex abuse victim on his Channel 10 television program in 1992. Hinch, who was jailed for 28 days in 1987 for a similar offence,

was originally acquitted in 1994 but the verdict was overturned on appeal by the Victorian Director of Public Prosecutions. Channel 10 was fined \$1500. In October, former Sydney radio host John Mangos had been fined \$8000 for repeatedly broadcasting the name of a schoolboy convicted of murdering a stranger. Radio station 2KY was also fined \$8000 over the incident, which occurred in October 1994.

Journalists and media organisations continued to affect judicial proceedings, with the trial of businessman Laurie Connell being delayed for two months in Western Australia because of newspaper articles and a NSW murder trial being aborted after comments by radio commentator John Laws. In the West Australian case, coverage of a turf club announcement that Connell might be banned from racing led to contempt-of-court prosecutions against the *West Australian* and *Australian*, and particular journalists, alleging that the coverage would affect Connell's trial, due to start about seven weeks later. The Supreme Court reserved its decision in December. In NSW in February, the trial of a man charged over the death of a toddler was aborted five days into the hearing when Laws suggested — incorrectly — on 2UE that the Crown had been involved in plea-bargaining over the death. The defendant pleaded not guilty to murder but guilty to manslaughter, a plea the Crown obviously did not accept, since the murder trial was continuing.

The "prior restraint" writ surfaced again in April, when prominent Sydney lawyer and former NSW Police Board member John Marsden won a temporary injunction preventing Channel 7's *Witness* program from broadcasting allegations that Marsden had had sex with a 15-year-old boy. Marsden, a former NSW Law Society president, was named in Parliament as a pederaast in 1994. He succeeded in winning temporary orders which prevented the fresh allegations going to air as planned, but failed to win a permanent stay.

The largely defunct D-Notices system was set for review at a top-level government-media meeting in December but despite suggestions that acceptable compromises had already been ne-

gotiated, the meeting broke up without agreement. Representatives of major media outlets, with the exception of the *Sydney Morning Herald*, which declined to attend, told the government team led by Defence Minister Robert Ray and the heads of the Foreign Affairs and Prime Minister's departments that the suggested revamped voluntary D-Notice system, under which media groups agree not to publish certain state secrets, was not acceptable, especially since the government planned to back it up with changes to the Crimes Act that would introduce fines of up to \$12,000 for individual journalists and \$1 million for media companies. The government said it would go ahead with its plans to revamp the D-Notices and meet the media representatives again in July to discuss the other proposals, but the planned meeting was another casualty of the change of government at the March federal election.

In March, the High Court ordered a new trial in a defamation action against the ABC by Cairns businessman Vince Bellino. The action, which stemmed from the *Four Corners* "Moonlight State" program which led to Queensland's Fitzgerald corruption inquiry, had been unsuccessful because the ABC's defence of qualified privilege. This had led to a Court of Criminal Appeal ruling which the High Court overturned.

## Elections

The dominant political development in 1995-96 was the federal election on March 2, and several media-related aspects of the campaign were themselves newsworthy. One was the proposal by the Liberal Party to use electioneering video news releases, produced by the party on themes such as health, transport, unemployment and housing. The Labor Party attacked the plan as being imitative of the worst right-wing US electioneering techniques. The Liberal Party said the complaints had surfaced only because Labor had not thought of the idea first. In the end the plan faltered because the regional television news directors at whom the packages were directed declined to use them as pack-

ages, although a few said they might use elements of the packages.

Another prominent aspect of the campaign was the leaders' debates, which were a matter of controversy from the start because of the Liberals' flat refusal to take part if Kerry O'Brien was the moderator, and the ABC's equally flat refusal to nominate another moderator. In the end *A Current Affair's* Ray Martin hosted the debates, which were broadcast from the Channel Nine studios in Sydney. As well as a different moderator, the 1996 debates differed from the 1993 debates in another important respect — the absence of the marketer's "worm" (although Imre Salusinszky offered the opinion in the *Australian Financial Review* that there was one "horrible worm present ... 'Aussie' smarm-meister Ray Martin"). Journalists' assessments of who won the debates varied widely and wildly, although there was general consensus that win or lose, Keating had failed to score the convincing win that he had over John Hewson before the 1993 election. On the basis of the 1996 result, Reuters found that Sol Lebovic's Newspoll had been significantly more accurate than other published pollsters McNair-Anderson and Morgan.

In Victoria, Premier Jeff Kennett went to the polls four weeks later, scoring a similar crushing victory. Before announcing the election date he had a bit of fun at the media's expense, leading them on wild goose chases to Government House, calling hastily convened media conferences to announce things that would normally be announced by press release, and so on. Eventually he all but destroyed the Labor Party at the March 30 election, and then declared that he now had the media in his sights, with particular emphasis on the "A team" — the *Age* and ABC. In a radio interview Kennett described the *Age* as "crap", and in a letter to the *AFR* said: "In terms of the *Age* newspaper, my main objection is to its existence." Kennett said the *Age* was irrelevant, elitist, pandered to sectional interest groups and was "an organisation which has totally lost the plot". Earlier, he had described the ABC as "a leech on society" after a *Four Corners* program questioned aspects of the tendering process for the Crown Casino, awarded to a consortium headed by Liberal Party treasurer and

personal friend Ron Walker. Kennett's dislike of the media, described by some commentators as bordering on the obsessive, was not universal, however: in June, Channel 10 announced Kennett's wife, Felicity, would be joining the infotainment program *Healthy, Wealthy and Wise* as a reporter.

## Journalists in the news

Queensland hosted the 1995 Walkley Awards dinner and fittingly, Queenslanders dominated the proceedings. David Bentley of the *Courier-Mail* took the Gold Walkley and the award for coverage of a current story for breaking the Demidenko-Darville literary "hoax" story. Queensland nominee John Stubbs took the award for most outstanding contribution to journalism. Bentley's colleague Paul Whittaker took the investigative writing award for his Operation Wallah series centred on then-senator Graham Richardson's links with Gold Coast businessmen. Frank Robson (feature writing) also entered the awards as a Queenslanders, although his prize-winning profile of Sydney solicitor John Marsden was published in the *Sydney Morning Herald*. The *SMH* took Walkleys for illustration (John Shakespeare, "Howard and Queen Elizabeth II") and international report (Paul McGeough, "PNG in crisis: our troubled neighbour"). The *Age* scored for business report (Virginia Trioli, "The bet Bardas lost"), while its Sunday counterpart's Ken Haley took the sub-editor's headings award. Wayne Miller and the *Herald-Sun* team took the award for the best application of the medium to journalism. Other print winners were Russell Shakespeare (*Telegraph/Australian*) for news photograph, Martin Jacka (*Advertiser*) for newspaper feature photograph, Tony Ashby (*Bulletin/West Australian*) for magazine feature photograph, Bill Leak (*Australian*) for cartoon and Andrew Perrin (*Northern Herald*) for suburban, country or rural report.

The broadcast section was dominated by the ABC, which took all three radio awards and two of the four television awards. Two of the radio awards went to James Schofield, for current story ("Sudan") and best application ("Islamic Justice").

Kirsten Garrett took the investigative award for a *Background Briefing* report on BHP in Papua New Guinea. The ABC's television awards were for best application (Mick Bunworth) and news cinematography (Andrew Taylor). The ABC was also involved in the television investigative award, although not in a way it would have preferred. The award went to the Nine Network's Graham Davis for his *Sunday* report on backdoor advertising on the ABC. Davis was also highly commended by the Gold Walkley judges. The current story award went to Alan Sunderland, of SBS.

In February Rowan Callick was named Australian Journalist of the Year, winning the Graham Perkin Award from Terry McCrann, Luke Slattey and David Lague. Fairfax photographers dominated the 1995 Nikon-Kodak press photography awards. Jack Atley (*Age*) was named Press Photographer of the Year. Other Fairfax winners included Andrew Meares (*SMH*, news photograph); Dean Sewell (*SMH*, series); Craig Golding (*SMH*, portrait); Tim Clayton (*SMH*, human interest); Palani Mohan (*SMH*, photo essay); Karl Hilzinger (*AFR*, photo illustration) and Kirk Gilmour (*Illawarra Mercury*, regional-suburban). The other major award-winner was Stuart Milligan (Sporting Pix Australia, sports).

Several journalists were named in the Australia Day Honors list, including: Walter Annabel (OAM, for service to the newspaper industry, particularly as editor of the *Bega District News*, and the community); Nina Barden-Hoffman (OAM, for service to the support and promotion of charitable organisations, particularly as a journalist); Ken Blanch (OAM, for services to journalism); and Hilton Redding (OAM, for service to radio broadcasting). In the Queen's Birthday Honors list, recognition was given to: politician-columnist Peter Walsh (AO, for services to the Parliament of Australia, especially as finance minister, and to journalism); Mike Raymond (OAM, for service to the media and to motor sports as motor sport director, host and chief commentator for the Seven Network for 36 years); and Johnny Tapp (OAM, for service horse sports as a national and international race-caller,

and to charitable organisations as an organiser and compere of fundraising events).

The year was also notable for the deaths of several prominent Australian media figures and the passing of an era at several media institutions. In December, the death of ABC broadcaster Andrew Olle, known nationally for his *Four Corners* anchoring role and in Sydney for his 2BL radio program, brought outpourings of grief so intense and widespread that they surprised many, and led to reflective columns about the changing place of journalists in society. Certainly the details of Olle's death were particularly tragic — suddenly from a brain tumor, at 47 with a young family, and within weeks of being told he was to be moved out of his strategic morning radio slot — and Olle was a particularly professional and respected journalist. But even so, a memorial service attracting more than 6000 people was a remarkable response to the death of a journalist. One of Olle's former ABC colleagues, Mike Carlton, acted as family spokesperson after the death and helped organise the memorial service. Within a few months, Carlton also stepped into Olle's radio shift, after an absence of almost 20 years from the ABC and after resigning from the O'Reilly family's radio stable.

Another well-known journalist to die during the year was columnist Jim Macdougall, who after retiring from the Sydney *Mirror* in 1975 continued to write a weekly "commercial" column for an international airline in the *Australian* for 14 years. Macdougall started a column in the Sydney *Sun* in 1946, which became so popular it ran on the front page. Sir James Darling, who chaired the ABC between 1961 and 1967, died leaving a reputation as a teacher of tycoons: as headmaster of Geelong Grammar between 1930 and 1961, he taught several Australian Prime Ministers as well as media figures including Rupert Murdoch, Kerry Packer, James and John Fairfax, Ranald Macdonald and Keith Dunstan. Others to die during the year included Lyle Tucker, who took over the Royal Melbourne Institute of Technology journalism course in 1974 after 30 years in the industry; and Richard Horniblow, founder of the *Geelong News* and later inaugural editor of the *Geelong Independent*.

At the *Chronicle* at Toowoomba, on Queensland's Darling Downs, the year started with the retirement of Bruce Manning as chief executive after more than 20 years, and ended with the announcement that editor Bruce Hinchliffe would retire after almost 27 years at the helm.

Two journalists had at least qualified success in suing over what they saw as reverse discrimination in employment. ABC Perth newsreader Ken Boase alleged the corporation had discriminated against him on the basis of his gender by shortlisting two less-qualified women but not him for a promotion. The Equal Opportunities Commission found that Boase had indeed been the victim of sexual discrimination, but did not agree he would have got the job had he been interviewed. The commission ordered the ABC to pay Boase \$1000 and apologise to him in writing, but dismissed his \$55,000 compensation claim. The commission found that Boase's gender was "a factor, though not necessarily the dominant factor, leading to the omission of his name from the shortlist". But it also commended the ABC for its affirmative action and equal employment opportunity performance. In New South Wales, the Lismore-based national indigenous newspaper the *Koori Mail* was ordered to pay \$2000 to Janine Wilson, who had been sacked as editor. Wilson argued successfully to the NSW Equal Opportunities Tribunal that she would have been treated differently had she been of Aboriginal heritage. The tribunal did not accept Wilson's claim that she had not been provided with the same facilities as Aboriginal staff, however.

Reports of allegations of sexual harassment of a rather unusual nature surfaced at "The Good Weekend", the magazine insert of *The Age* and *The Sydney Morning Herald*, in July. The issue led to a falling out between Anne Summers, the magazine's editor, and her deputy, Deborah Tarrant. After Summers sacked Tarrant on July 7, citing lack of support and failure to keep Summers informed of rumors circulating about her, most of the magazine staff signed a letter seeking Tarrant's reinstatement and a series of staff meetings insisted she be reinstated or offered a comparable job within the Fairfax organisation. On July 27 Sum-

mers went public in the *SMH*, using her own newspaper's editorial columns in a rather questionable way to put her case against the rumors, that she was to be the subject of a sexual harassment case by a male photographer attached to the magazine over an incident at a party. Tarrant eventually left the company in August after reaching a financial settlement, reported to be more than \$100,000, that included a confidentiality clause.

In May, the Seven Network achieved a degree of exposure for its *Today Tonight* current affairs program which tested the adage that in television, any publicity is good publicity. *Today Tonight's* Melbourne host, Jill Singer, collapsed on air after announcing that senior management had ordered at the last moment that a story on the shareholdings of Victorian Premier Kennett be dropped. The story had been heavily promoted all that day. Seven management later said the segment had been killed on legal advice. The program's deputy producer in Melbourne, Bronwen Kiely, finished that night — 23 days into the job. Executive producer Warren Wilton immediately went on leave and, after meeting senior management, resigned "to pursue other interests" without returning.

Someone who managed to get even more coverage than Singer — and without the health fears — was Jana Wendt, the queen of Australian current affairs journalism. Channel Seven announced in December that Wendt had been lured away from Nine to front its new *Witness* program, scheduled for prime-time on Tuesday nights. The Wendt announcement followed others from Seven, including the job of Sydney *Today Tonight* presenter going to former ABC *Investigators* host Helen Wellings — two weeks after incumbent Neil Mercer was told publicly that he would stay in the job. *Witness* also attracted former ABC head of TV news and current affairs Peter Manning.

Others to change employers included the ABC's 7.30 *Report* political correspondent Paul Lyneham, who signed with Nine in November; and novelist and former SBS reporter Tony Maniaty, who took over as 7.30 *Report* executive producer in May. At Ten, Carmel Travers quit as director of news and current affairs in Oc-

tober. Travers' resignation was just one of many from Ten in a "week of the long knives" — others to jump (mainly to Seven) or be pushed included Anne Fulwood, Juanita Phillips, David Johnston and the network's Victorian news director, Neil Miller.

## Media wars

A quite bitter spat between *A Current Affair* host Ray Martin, on the one hand, and commentators Stuart Littlemore and Phillip Adams on the other became very public in April when Martin used the acceptance speech for his fifth Gold Logie to attack Adams and Littlemore — a largely self-defeating move since it only drew attention to the criticisms they had been making of him and his program. In fact, so much attention was drawn to the dispute that the row became a cover story in the *Bulletin* magazine (owned by Packer, who also owns the *A Current Affair* network, Nine). The basic thrust of the argument was that Adams and Littlemore said Martin and ACA were corrupting television current affairs by removing the real journalism from it; and that Martin said Adams and Littlemore were just jealous of his and his program's success. Along the way there was a degree of personal invective ("Ray Martin knows better than to do what he is doing", "This week I want to look at what that pack of nasty bastards at *A Current Affair* have done to three defenceless kids from the western suburbs of Melbourne ...", "If I'd been bald at 30, maybe I would have become bitter and twisted, too"), and John Laws, never one to miss an opportunity for self-promotion, jumped into the fray, accusing Adams of being "a microscopic polyp on the colon of Australian broadcasting".

Littlemore and his ABC *Media Watch* program, Australia's only regular television media commentary, also found themselves in hot water with the corporation's Independent Complaints Review Panel. The panel criticised the program for its "unfair treatment" of *Sydney Morning Herald* journalist Leonie Lamont, who had been accused on the program of plagiarism because material from the British *Independent* had appeared in a

story under her byline. It transpired that Lamont had put a joint byline on the story, but that this had been changed in the sub-editing process. On another matter, Perth's *Sunday Times* and its managing editor, Don Smith, were reported to be suing the ABC and Littlemore for defamation over comments made in an April 1995 episode. The comments related to the paper's publication of a story purported to have been written by an anonymous police officer after an horrific road accident. The article, written by a journalist, had appeared in a Melbourne newspaper 17 years earlier.

Littlemore and Adams weren't the only ones to find *A Current Affair's* journalistic standards wanting. In December, the chief justice of the Australian Industrial Relations Court, Justice Murray Wilcox, said ACA had engaged in "sloppy and dishonest" journalism in a story on building unions. In a written judgement, Justice Wilcox attacked senior Channel Nine management and ACA reporter Mike Munro for their "lack of integrity and professionalism", saying the program had "debauched" the principle of freedom of speech. Another ACA journalist, Chris Smyth, had pleaded guilty in July to two charges of having forged the signature of Nine's lawyer, Jane Marquard, on a bail form for a woman who subsequently appeared on the program. The Burwood Local Court found the charges proved but no convictions were recorded.

Criticism of the ACA programs on the "three defenceless kids from the western suburbs of Melbourne", the Paxtons, also had ramifications for 3AW drive-time host Paul Barber, who was sacked within three days of starting a campaign urging listeners to boycott ACA because of its treatment of the Paxtons. The Nine Network withdrew advertising worth \$300,000 from the station — which led the station to axe Barber. He did concede that having called Victorian Premier Jeff Kennett "a lunatic" and some indifferent ratings might also have contributed to the decision.

## ABC

The prospect of budget cuts overshadowed what was otherwise a comparatively peaceful year for the ABC. The style of the corporation's new managing director, Brian Johns, was a stark contrast to that of his predecessor, the abrasive David Hill, although there were inevitably hard decisions to be made. The two hardest decisions were announced in one week in September — the collapse of the Sydney-based pay TV joint venture Australian Information Media and the axing of the state-based editions of the *7.30 Report*. The decision to abandon AIM, in which the ABC was the majority shareholder with Fairfax and Cox Communications of the United States, was forced on the ABC after it failed to find a pay TV carrier for its state-of-the-art 24-hour news service, The News Channel, for which 110 staff had been recruited. Instead, both Foxtel and Optus decided to favor a bare-bones service to be provided by Murdoch's BSKyB and Packer's Nine Network services. AIM's deal with US children's programmer Nickelodeon also fell through, leaving AIM as a content provider with little to provide and no one to whom it could provide it.

The decision of both Foxtel and Optus to favor a cheaper Murdoch-Packer service, which promised an estimated Australian content of less than 20 per cent, was, in hindsight at least, fairly predictable, and pointed to a fairly fundamental deficiency in the AIM planning. But while The News Channel's collapse was embarrassing to the ABC and painful to the 110 dedicated staff, many of whom had given up good jobs interstate or overseas, it did head off some potential problems with the proposed new service. There were difficulties, for instance, because free-to-air material, including programming lists and production planning, would automatically be available to the pay service, even though the core ABC staff were employed under a non-commercial charter. Some ABC staff were also uneasy about the Fairfax organisation's access to ABC material through AIM, fearing stories could be on pay TV or in Fairfax newspapers before they appeared on ABC-TV. The waters were further muddied when the AIM board was shown to include two ABC

directors and two ABC staff among the eight directors. Having half the seats on the board might not be unusual for a corporation with a half-interest in AIM, but it appeared to some to run counter to assurances that the pay TV project would be run independently and would be a completely separate entity. Questions of conflict of interest were also raised.

The move to a national 7.30 *Report*, announced at the same time as the axing of the original Australian television consumer watch *The Investigators* and the finance program *The Bottom Line*, brought a strong negative response, particularly in Western Australia and other outlying, one-newspaper states wary of further media centralisation and concentration. West Australian ABC board member Wendy Silver was out of the country when the decision was made. The closures were sweetened by the announcement of two new programs, *Stateline*, a weekly state-based current affairs program (originally set down for 10.30pm Fridays but later scheduled for 5.30pm), and *Australian Story*, a Brisbane-made national program which evolved as a human-interest, magazine-style program in some ways reminiscent of the old *Weekend Magazine* which used to follow ABC-TV's Sunday night news (for those old enough to remember). Helen Wellings, who for many people was synonymous with *The Investigators*, left the ABC to front Seven's *Today Tonight* in Sydney, and Maxine McKew took over as host of *Lateline*, replacing Kerry O'Brien, who moved in to front the national 7.30 *Report*. Most of the former 7.30 *Report* anchors became senior state reporters for the national program. The new national line-up included Barrie Cassidy in Canberra, hired after former political commentator Paul Lyneham opted to move to the Nine Network rather than play second fiddle to O'Brien, who was to do most of the political interviews. Former *Age* editor Alan Kohler was signed as the program's business analyst.

The demise of *The Investigators* also highlighted the fate of one of the program's former journalists, John Millard, who took a high profile as a "whistleblower" during the 1994 row over commercial influence in "infotainment" programming on the ABC. Millard, who had been working on a range of other ABC-TV pro-

grams, was told that he had been earmarked to return to *The Investigators* and that therefore he no longer had a position; he was offered a 12-month position in ABC Rural Radio, where he had started 13 years earlier. Millard denied there had been any agreement that he would return to *The Investigators*. In November, Johns was forced to intervene after Millard's colleagues threatened industrial action over what they saw as his victimisation. A report into the incident, after an inquiry by industrial law QC Phillip Coleman, went to Johns but remained confidential.

Against the television trend, Radio National announced in October that it was localising its news bulletins to provide the same composite service as broadcast on its metropolitan network instead of the predominantly national bulletin broadcast from Sydney. Throughout 1995-96 there was continuing talk of a merger of the radio and television news services, and although this had not happened by June there was certainly greater cooperation between these once fiercely independent arms of the national broadcaster. In an interview in June, Johns suggested that he was looking seriously at merging all aspects of news and current affairs as part of a program to prune \$50 million from the ABC budget. He said the cuts were necessary because the ABC funding formula had not kept pace with inflation. This was a recognition that, while the coalition government offered the greatest threat to ABC funding, it had not been all plain sailing under Labor. In July 1995, ABC supporters expressed outrage when the government's cultural policy statement Creative Nation included a \$60 million television production fund limited to commercial networks. However, the Labor government was more forthcoming in October with an \$18 million allocation to Australia Television International, which the ABC board had threatened to close unless the government guaranteed funding. But the government told the ABC it expected increased sponsorship and a reallocation of part of the Radio Australia budget to also contribute to the continuation of the service, which showcases Australia and provides the only independent regional television news service in Asia.

In December ABC board member and former Labor Party pollster Rod Cameron resigned six months before the end of his term. Cameron, whose company had just won a major contract with the Seven network, said it was this, not his place near the top of the Coalition's hit list of people in public office with close ties to the ALP, which had prompted his decision. Cameron was replaced in January by multi-media businessman Russell Bate, the managing director of Sun Microsystems, who was seen as the first politically neutral and media-wise appointment to the board for some time. A few days later, Opposition communications spokesperson Richard Alston highlighted this perception of ABC board bias when he released the coalition's national and community broadcasting policy. Alston said the coalition would not reappoint board members who were "Labor Party hacks", although he declined to say who, if anyone, he considered in this category. Alston also pledged that under a coalition government, the ABC would stay free of advertising or sponsorship and would be urged to screen at least one prime-time state-based current affairs program each week. Alston promised a coalition government would maintain real levels of Commonwealth funding to the ABC and SBS, provide direct funding for transmission costs, and extend SBS and community broadcasting coverage. However, soon after the election of the Howard Government in March, the assurances about ABC funding became less certain. Alston said that despite his commitments just two months earlier, ABC funding was now under review and "obviously when the time comes we will have to make some tough decisions".

Another change at ABC board level was the election in June of Walkley Award winner Kirsten Garrett as the staff representative on the board, replacing Quentin Dempster. In August, the ABC had appointed Penny Chapman as director of television, making her arguably the second most influential person at the broadcaster and the first woman to take the role. Her background is in drama production.

## Murdoch

Rupert Murdoch kept up his campaign against Australia's cross-media and media foreign ownership laws, which he described in August as out-of-date. He also took the opportunity at the News Corp annual meeting in October to comment on the Australian economy, declaring it "terrible" and "a disgrace" and singling out youth unemployment as an area of particular concern. This drew a sharp response from Prime Minister Paul Keating, who said the Australian economy was the envy of many other countries and that Murdoch should help the government tackle youth employment by employing more young people. He also called on Murdoch to tackle the problem of on-screen violence. But overall Keating's response to Murdoch was measured and restrained, a direct contrast to the angry, personal and inflammatory reply to comments made in February 1995 by Kerry Packer that Opposition Leader John Howard would make a good prime minister.

In December, Murdoch denied he was interested in buying Fairfax or Channel Nine, and said News also had no intention of selling its Sydney or Melbourne newspapers, which would be a necessary precondition to moving into Fairfax or Nine. The speculation about Nine was based on the presumption that Packer would be prepared to sell out of Nine to allow the purchase of Fairfax, and also assumed no change in the media regulatory regime in Australia — an assumption even less secure when the coalition won the subsequent federal election in March.

News Corp's record profit of \$1.365 billion for the year to June 30, 1995, disappointed most analysts, who had tipped an even better result. The high points of the result were the expanding Fox television holdings in the United States and the resurgent British newspaper and satellite TV interests. The HarperCollins book publishing results were a disappointment and Star TV in Asia and the half share in the Ansett Australia airline were a drain on the company. However, Murdoch's Australian chief, Ken Cowley, assured the ABC television program *Bottom Line* that News Corp was committed to its Ansett holding

for at least another five years, although he would not rule out a reduction in the 50 per cent stake. Cowley also told *Bottom Line* that Australia could not afford three pay TV companies, and that in fact one player (presumably Foxtel) was likely to dominate. He predicted greater synergies between the Seven Network in Australia, in which the Murdoch company held a 15 per cent share, and the Fox companies, including Foxtel.

Cowley was revealed in the News Corp annual report as a million-dollar man — being paid \$1.1 million in 1995. In all, News Corp paid its directors \$26.4 million, up from \$16.7 million in 1994. The highest-paid executive was Australian Sam Chisholm, chief executive of British satellite broadcaster BSkyB, who was paid \$9.6 million including a \$5.8 million bonus. The next highest payments were \$5.5 million, presumably to Murdoch himself, one payment of \$4 million, and payments to Cowley and three others of between \$1.1 million and \$1.7 million. Murdoch spent \$1.65 million of his wages in October, buying Bloomfield, a 1136ha property adjoining Cavan, the headquarters of his pastoral interests near Yass in New South Wales.

Although News Corp has become a complex, diversified media company, Murdoch showed the importance he still attached to his journalistic roots when he told the company's annual meeting that the company's first priority in the US was to improve the Fox television news service. "Fox Television will not be the number one network until we are number one in news," he told the meeting. As part of this agenda, Murdoch announced a new Fox all-news channel would be headed by a former Republican Party presidential adviser, Roger Ailes. The United States' biggest cable operator, TeleCommunications Inc, agreed to carry the news service.

Outside the meeting, Murdoch, 64, told reporters he would hand over reins of the company "when I die", adding that his desire to retain control of the company until he was 75 or 80 was in the hands of the shareholders. The Murdoch family held 30.9 per cent of the company. Murdoch's Australian-based son Lachlan said in an interview in January that it was his ambition to take

control of the company one day, but that he would defer to any better candidate in the interests of the company. Lachlan has an older sister, Elisabeth, and younger brother, James. He said he was ambitious enough to want to run the company, but that he found media interest in the Murdoch succession "uncomfortable".

On the Australian publishing front, the 45 per cent-owned Pacific Magazines & Printing launched a successful \$175 million takeover bid for multimedia group Shomega Ltd. The deal fitted in with Murdoch's strategy of enhancing traditional media, in this case magazines including *New Idea*, with "new" media such as CD-ROM technology.

In July Murdoch announced a deal would soon be signed with the NSW Government to establish the biggest English-speaking movie studio outside Hollywood at the Sydney Showgrounds. He said the Fox Filmed Entertainment deal would deliver \$212 million a year and create 1600 jobs. Cynics suggested the deal was more about delivering the showgrounds to Murdoch at less than commercial rates and over the objections of local residents.

The ability of the Murdoch and Packer families to put rivalries aside where a duopoly is likely to be more profitable than competition was seen again in August when Kerry Packer's Publishing and Broadcasting Corporation announced Murdoch's News Ltd would buy a half interest in Sky Channel, which beams horse racing into hotels, clubs and betting offices around the country. The deal was financed by \$35 million in cash and \$40 million in future profits. Murdoch, through his half share in Foxtel, had been pressing racing clubs to back his plans for an alternative service to Sky. The deal made it more likely that the Sky service would be seen on general pay TV in Australia and overseas. But hopes that the Sky deal would lead to a rapprochement in the war between the Packer-backed Australian Rugby League and the Murdoch-backed Super League were quickly dashed.

The editor-in-chief of Murdoch's *Australian* newspaper, Paul Kelly, provided an insight into the commercial-editorial tension that exists in even the most prominent media when he detailed what he said was pressure placed on him over his newspaper's coverage of problems in Australia's biggest retailer, Coles Myer. Kelly said the Coles Myer chair, Solomon Lew, had by implication threatened to withdraw advertising if the *Australian* was not more positive in its coverage of the company. Kelly said the "improper pressure" had been resisted. Murdoch also referred to the incidents, saying Coles Myer had engaged in "thuggish behaviour" by threatening his Australian newspapers.

Kelly also provided some insights into the political activities of his boss when he released a book, *November 1975*, to mark the 20th anniversary of the dismissal of the Whitlam Labor Government by the then Governor-General, John Kerr. In the book, Kelly quoted Whitlam's principal adviser in 1975, John Menadue, as saying Murdoch told him four days before the November 11 dismissal that Kerr would sack the Prime Minister. Menadue also said that Murdoch and his newspapers had been directly and indirectly involved in the crisis and that Murdoch had been compulsively drawn to it in both a media and personal sense. Others quoted in the book were less convinced that Murdoch had a direct role in the crisis, and Murdoch said he could not recall having told Menadue that Whitlam would be dismissed. Whitlam told a National Press Club function that Murdoch had switched from supporting him at the 1972 election to opposing him in 1975 after Whitlam had rejected Murdoch's request that he be appointed Australia's High Commissioner to London.

Murdoch's business interests led to him being personally involved in two quite different controversies in different parts of the world. In July, an Indian court issued an arrest warrant for Murdoch after derogatory remarks about Indian independence hero Mahatma Gandhi were made on a talk show on the Star TV network. At the time Star was 63.6% owned by News, which moved to full 100% ownership later that month. The talk show's director, host, journalist and guest were also named in the com-

plaint, made by Gandhi's grandson. In August, Murdoch appeared before a United States House of Representatives ethics committee closed session investigating a \$6 million two-book deal between House Speaker Newt Gingrich and Murdoch's HarperCollins publishing company. The deal was made at a time when Murdoch was personally lobbying Gingrich about foreign ownership rules for broadcast companies, although any link between the two issues was repeatedly denied.

In June, Murdoch announced a major assault on Japan, with Star TV launching a 100-channel Japanese-language pay TV service, JSkyB, to tap into what Murdoch dubbed "the world's last remaining goldmine". A week later, Murdoch announced he had teamed with Japan's top computer software mogul, Masayoshi Son, to buy more than 20 per cent of the national television network Asahi Broadcasting, giving JSkyB access to a wealth of Japanese-language programming. Nippon TV also agreed to provide programming for JSkyB.

News announced it and Brazilian media group Globo would spend \$US500 million to establish a Latin American and Caribbean satellite TV service, NetSat, with a target of three million homes by 1999. Murdoch was less successful in Europe, where his \$2.7 billion bid for European rights to summer and winter Olympic Games between the years 2000 and 2008 was rejected by the International Olympic Committee in favor of a \$1.95 billion bid by the European Broadcasting Union, a consortium of 40 European public broadcasters which guaranteed free-to-air coverage of the Games. In Britain, however, Murdoch scored a major success when the Conservative Government relaxed planned changes to broadcasting rules which could have required Murdoch to divest either newspaper or pay TV holdings. Under revised proposals, pay TV was exempted from the cross-media rules, which were also relaxed in other aspects. In July, British Labour leader Tony Blair spoke at a News Corp conference at Hayman Island in north Queensland, leading to accusations that he was "supping with the devil". He defended the decision as "competent politics", given the Murdoch press's traditional support of the Conservative Party in Britain.

In Britain in November, Murdoch closed *Today*, Britain's first full-color national daily, after almost nine years, none of them profitable. The paper was a loss-maker first for Eddie Shah, then briefly Lonrho Ltd, and for Murdoch since 1987. While a financial disaster, the paper was a technological and industrial relations pacesetter, if not exactly a triumph, and was selling 570,000 copies a day. News said the paper had been closed when no buyer could be found — a statement disputed by Harrods chair Mohamed Al Fayed, whose 11th-hour offer for the left-leaning paper was rejected.

The closure of newspapers was not caused by the booming on-line services and Internet industry, according to News Corp's world-wide head of technology, Dr Greg Clark. During a visit to Australia in January, Clark predicted that on-line services would actually boost the traditional media by attracting customers, rather than superseding the traditional media. Clark used the example of the *Times* educational supplement job ads. After these were placed on-line, the sales of the print version, which appeared two days later, jumped 10 per cent. But Clark acknowledged there was still confusion about whether on-line services would be subscriber-driven or advertising-driven.

In February, former News Ltd high-flier David Smith, intimately involved with the first, unsuccessful attempts to start Super League, resigned his board seat and his position as News Group Regionals chief executive officer. As well as editing the News group papers in Brisbane and Adelaide, Smith had at one stage been general manager of the Sydney newspaper division of News Ltd. Other changes in Murdoch personnel included the appointment of Steve Howard as editor of the Adelaide *Advertiser* in February. Howard replaced Peter Blunden, who had moved to the Melbourne *Herald Sun*, replacing Alan Oakley.

## Super league

The row between the Australian Rugby League and Super League continued, bringing to light some interesting aspects of

the “synergies” between ownership of football competitions and clubs and the coverage of the matches in media owned by the same or related companies. In an article in *Communications Update*, *Sydney Morning Herald* rugby league editor Roy Masters gave instances of Fairfax reporters and photographers being excluded from player meetings and media launches. He also quoted a letter from the editorial staff of the News Corp papers in Townsville to News Ltd chief operating officer Bob Muscat complaining of managerial interference to prevent the appearance of a front-page article about the North Queensland Cowboys “because it might reflect badly on the North Queensland Cowboys or adversely affect ticket sales to Cowboy matches”. News effectively had a 50 per cent interest in the Cowboys.

## Packer

The Packer media group Publishing and Broadcasting Ltd, formed in October 1994 when the Nine Network and Australian Consolidated Press were combined, returned a strong \$149.9 million profit for the year to June 30, with expectations exceeded for both arms of the group. Packer’s local holding company, Consolidated Press Holdings, posted a \$101 million profit for 1994-95. Its highest-paid director received more than \$4.1 million. But in March, the half-year results for PBL proved to have the greatest impact, not because of the figures contained in them (net profit up 53.2 per cent to \$107.7 million) but because of the accompanying statement announcing that control of the company would pass to Packer’s son, Jamie. Kerry Packer, whose father started the media empire in 1933, resigned as executive chair but remained as director. The company’s managing director, Brian Powers, took over as chair and James Packer became managing director. The move left Kerry Packer free to pursue his other interests and made his control of PBL less direct, which some commentators thought might become important if the new government, elected less than a week before, decided to ease the way for Packer to make a tilt at Fairfax. Under the new arrangements, the heads of the three sections of PBL — Richard Walsh

(magazines), David Leckie (television) and Nick Falloon (enterprises) – would report directly to James Packer. Within two months, however, responsibility for most Australian operations of Australian Consolidated Press had passed to Walsh's deputy, Colin Morrison, with Walsh given greater responsibility for overseas expansion.

At the PBL annual meeting in October 1995, Packer attacked the performance of the Labor Government, saying he agreed with Murdoch that unemployment was too high for the economy to be in good shape and that the Government's handling of the introduction of pay television to Australia had been "appalling". The war of words between Packer and Prime Minister Paul Keating, which had started in earnest in February 1995 with an appearance by Packer on *A Current Affair* during which he said he thought John Howard would make a good prime minister, continued unabated. In December Keating told a business meeting that all Australians were indebted to Packer for his advice: "Someone unkindly remarked that Mr Packer had a PhD in greed. That was untrue. He had no qualifications whatsoever. But it does help if your dad leaves you two television stations. It's a helluva kick-along in life, a helluva boot-along."

In December, the Murdoch 20th Century Fox movie studio unexpectedly ended its exclusive programming deal with the Seven network, in which Murdoch was a 15 per cent shareholder, and instead said it would pass all its future movies and TV programs to Packer's Nine network. Seven chair Kerry Stokes said he believed Packer had agreed to withdraw from Optus Vision in return for the programming deal. Stokes threatened to take court action over the deal. Then Murdoch revealed that he and Packer had made a deal over the rights, in London in November, but that the payoff was to be in rugby league, not pay television. Murdoch said that he considered Packer had not kept his side of the deal, so the Fox rights would revert to Seven. Nine then announced, in May, that it would sue News Ltd, 20th Century Fox and the Seven network over the deal.

At the PBL flagship magazine, the *Bulletin*, former Nine Network current affairs boss Gerald Stone took over as editor-in-chief in September, with the position being created especially for him. Stone, also known for his work on television current affairs with the ABC and more lately Channel 7, started in print journalism but had been out of the medium for 25 years. *Bulletin* editor Lyndall Crisp said at the time that she was delighted to have Stone share the load, but within five months she had resigned, re-emerging on Seven's *Witness* program. Stone took the magazine's covers downmarket, but pledged the contents of the magazine would not follow.

A few days after the appointment of Stone, Packer was rushed to hospital after suffering from chest pains at a dinner function. Packer, 57, who "died" for six minutes after a major heart attack in 1990, apparently was suffering from indigestion, and left hospital a few hours later. Australia's richest man joked with reporters that they would have to wait a little longer to bury him.

In June the High Court reserved its decision on an application by Packer's Darling Casino Ltd seeking the right to appeal against the awarding of the New South Wales casino licence to a rival bidder, Sydney Harbour Casino, in 1992. The decision was expected by the end of July 1996.

## Fairfax

For John Fairfax Holdings, long a conservative, establishment figure on the Australian media scene, 1995-96 was a year of great change, not least of it at the top. When the annual results were announced in August, Stephen Mulholland was the chief executive telling the world of Fairfax's 28 per cent profit increase to \$216.5 million before tax and abnormals. By November, former Optus chief Bob Mansfield was at the helm, with Mulholland retaining his seat on the board until the transition to a new CEO was completed. But before the transition was complete, Mulholland saw Mansfield forced to resign in April, eventually

to be replaced by News Ltd chief operating officer Bob Muscat. Mansfield was reported to be viewed by some on the Fairfax board, particularly Dan Colson, representative of 25 per cent owner Conrad Black, as too close to Kerry Packer, long touted as a Fairfax suitor. Mansfield's few months at Fairfax was long enough to see off the company's deputy CEO and editorial director, Michael Hoy, who resigned in December, as did finance director Doug Halley, who was replaced by a colleague of Mansfield's from Optus, John Greaves. In January, Stuart Simson, the managing director of Fairfax's Melbourne subsidiary, David Syme, also resigned, to be replaced by Australian Provincial Newspapers CEO John Reynolds. *Age* editor Alan Kohler resigned within days of the announcement of Mansfield's appointment, to be replaced by *Sunday Age* editor Bruce Guthrie.

In one of his final public speeches as Fairfax CEO, to investors in New York, Mulholland set his sights on Rupert Murdoch and his newspapers. In a no-holds-barred attack, Mulholland said the Murdoch newspapers were "sunset organisations" and "downmarket tabloids" which Murdoch kept for political, not commercial, reasons. "But there's not much difference in the two in his life," he said. Mulholland speculated that Murdoch might sell publications to their managers but keep the equipment as a means of raising barriers of entry to potential competitors (a scenario which evolved with the Brisbane *Sun* and Adelaide *News* after Murdoch took over the Herald and Weekly Times group in 1987).

In April, Conrad Black gave his first indications that he might sell his stake in Fairfax. Black had previously indicated he might sell if not allowed to increase his share, or that he might sell if Australia's cross-ownership laws were changed. But observers noted that Black was now putting no conditions on a sale, and also noted the extent to which his Canadian holding company, Hollinger, was increasing its stake in the Telegraph in Britain and the Southam group in Canada.

Fairfax's short-lived experiment with Mansfield as CEO signalled a commitment to move beyond its traditional base into the

emerging fields of multimedia and pay TV. In keeping with this thrust, it continued its push into other media, buying 50 per cent of Steve Vizard's TV production company Artist Services for an estimated \$7 million in July, with a view particularly to the future pay TV potential of the company.

Sydney merchant banker Mark Burrows was appointed to the board of Fairfax in January, a matter of months after settling litigation relating to his company's role in the sale of the company to the Tourang consortium in 1991.

### **Other publishers**

West Australian Newspapers' profit performance for 1994-95 was severely affected by an adverse tax ruling, and this continued to affect the company's performance through the first three quarters of 1995-96. The 1994-95 result after allowing for the \$22.3 million tax expense was \$47.1 million, a drop of almost 18 per cent on the previous year. While not accepting that the tax matter (which related to claiming past losses against future income) was necessarily resolved, the company continued to make allowances for the increased tax provisions. This drove the profit for the first three quarters of 1995-96 down from \$58.1 million — a 8.9 per cent jump on the previous corresponding period — to \$37.3 million. Commentators suggested the company's performance, tax issues aside, was particularly creditable given the rise in newsprint costs. Other issues to dominate West Australian Newspapers' year were the announcement that the paper would relocate from its city-centre base to a \$26 million, purpose-built facility next to its printing plant at Herdsman. The building was expected to be operational by April 1998. West Australian Newspapers also figured in continuing speculation of a Murdoch-Packer carve-up of the Australian media, with the company forced to deny (after a visit from Lachlan Murdoch and News Ltd chief operating officer Bob Muscat) that it was contemplating buying News mastheads in Sydney and/or Melbourne to allow a Murdoch tilt at Fairfax titles.

Of the non-metropolitan publishers Rural Press was particularly prominent, following a 13.6 per cent jump in net profit to \$29.73 million in the year to June 30, 1994, with the \$68.9 million acquisition of John Armati's Macquarie Publications, in December. The takeover, which added daily newspapers in Dubbo, Bathurst, Orange and Goulburn and 60 community newspapers to the Rural Press network, which already spanned 99 Australian regional newspapers, 27 regional and country radio licences and 45 agricultural newspapers and magazines in Australia, New Zealand and the US. Armati, a well-known figure in industry circles through his involvement with Regional Dailies of Australia and the Pacific Area Newspapers Publishers Association, said he would retire after the sale. Rural Press, majority-owned by John B. Fairfax's Marinya Media Pty Ltd, had been on a strong acquisition drive for several years, and indicated further acquisitions would be considered if and when they were identified.

At Australian Provincial Newspapers, the acquisitions continued without faltering despite a change at the top. After APN chief executive John Reynolds was chosen to head Fairfax's Melbourne subsidiary, David Syme, he was replaced by his deputy, Cameron O'Reilly. O'Reilly, 32, became the third "media son", joining Jamie Packer, managing director of Publishing and Broadcasting Ltd, and Lachlan Murdoch, deputy chief executive of News Ltd, as key figures in the family businesses. Cameron disclosed that the three young heirs had dined together a couple of months earlier, at which time he had realised that while APN might be the junior of the three media empires, he was the senior member in terms of age and family responsibilities (he is married with two children).

APN's reputation for cost containment appeared well-founded when it managed to return a 24 per cent increase in profit for 1995 (APN reports on a calendar year), despite a 25 per cent increase in newsprint costs and an extended drought in much of the area covered by its core provincial papers. The company was also helped by its developing radio interests. APN was also diversifying its print interests at home and abroad. In Brisbane, the company's niche publications

were consolidated and strengthened; in Singapore and Kuala Lumpur, links established by recently acquired Peter Isaacson Publications group were developed; the development of another acquisition, New Hobsons Press, took APN further into the educational publishing market, a move started with the acquisition of *Campus Review*. The company's acquisitions for 1995-96 included Independent Communications Australia, the bus and billboard advertising arm of Dr O'Reilly's INP, in a deal which initially raised some concerns over related-party transactions, especially given the \$8.5 million "goodwill" component of the \$54.7 million price tag. It was also active in the New Zealand newspaper and radio markets, and flagged an interest in expanding into radio and television in several ASEAN countries.

### Foreign ownership

In September, the Federal Treasurer, Ralph Willis, finally responded to the report of the Senate inquiry into foreign ownership and the print media, which featured two high-profile antagonists, Canadian media mogul Conrad Black and former prime minister Bob Hawke, among the witnesses and centred on the appropriateness of Prime Minister Paul Keating's promise to Black that he would be allowed to increase his holding in Fairfax provided the Fairfax papers' election coverage was balanced. Willis rejected the committee's majority report, written by the coalition and Democrats senators, but did adopt some of the minor changes to foreign ownership screening processes contained in the minority (Labor) report, which cleared Keating of any wrongdoing. The Opposition policy, announced later, committed a coalition treasurer to publishing reasons for decisions relating to foreign investment in the media, particularly where the decisions are contrary to the Foreign Investment Review Board recommendations.

APN became more of an O'Reilly business than ever after changes to the foreign ownership restriction for suburban and provincial newspapers announced as part of the Labor Govern-

ment's response to the Senate inquiry. When the ownership limit was almost doubled to just under 50 per cent, Dr Tony O'Reilly, Cameron's father, immediately announced his Irish-based Independent Newspapers Plc would lift its direct stake in APN to more than 49 per cent, rather than the previous arrangement involving a family trust, Kelsal, which was deemed to be Australian because family members, including Cameron O'Reilly, are Australian citizens.

## Newspapers

An analysis of the circulation figures for metropolitan daily newspapers was hampered by the Audit Bureau of Circulation's changes in audit periods from the traditional March-September half-yearly reports, which had prevailed since the bureau was set up in the 1930s, to a June-December regime, supplemented in the case of metropolitan and regional newspapers by quarterly publishers' statements (later changed to half-yearly publishers' statements ending in March and September). Therefore the following comments, and the data contained in Table 1 (and Table 2, for magazines) need to be treated with caution. In particular, the comparisons in Table 1 are between half-yearly and quarterly returns, and the 1996 figures are publishers' estimates. However, some observations can still be safely made.

In general, the figures show a resurgence of metropolitan newspapers, or at the least a halt to the slide that had bedevilled many newspapers in the preceding years. Notable exceptions to this were: the weekday editions of Sydney's *Daily Telegraph* (down 1.6 per cent, balanced by a 6.7 per cent rise in its Saturday edition), weekday *Advertiser* (down 1.7 per cent) weekday *Courier-Mail* (down 2.2 per cent) and the Saturday edition of the *Herald Sun* (down 1.9 per cent). At the other end of the scale, the *Canberra Times* recorded a 12.2 per cent rise in weekday sales, and there were many rises of 2, 3 or even 4 per cent among other papers. The 3.3 per cent rise in *Sunday Herald-Sun* sales took it into the "500 Club" for the first time in a March result, joining the Sunday papers in Sydney (two) and Brisbane (one) and its sister

papers (Monday-Friday and Saturday) in sales of more than 500,000 an edition.

**Table 1: Metropolitan dailies and Sundays**

Paper	Circulation 6 months to 31/3/95	Circulation 3 months to 31/3/96	Change %*
Australian (M-F)	119,618	122,500 +	+2.4
Australian (Sat)	311,559	311,000	-0.2
AFR	80,640	82,602 +	+2.4
Daily Tele (M-F)	434,754	441,500 +	-1.6
Daily Tele (Sat)	335,652	358,000 +	+6.7
SMH (M-F)	232,822	237,757	+2.1
SMH (Sat)	392,252	400,444	+2.1
Sunday Tele	667,084	695,000 +	+4.2
Sun-Herald	564,183	559,085	-0.9
Herald Sun (M-F)	563,287	558,435	-0.9
Herald Sun (Sat)	530,156	520,087	-1.9
Age (M-F)	205,239	206,000 +	+0.4
Age (Sat)	349,045	356,000 +	+2.0
Sunday Herald Sun	495,451	511,611	+3.3
Sunday Age	188,640	190,000 +	+0.7
West Australian (M-F)	240,240	241,121	+0.4
West Australian (Sat)	379,702	384,924	+1.4
Sunday Times	350,062	350,917	+0.2
Courier-Mail (M-F)	218,924	214,000 +	-2.2
Courier-Mail (Sat)	328,925	333,000 +	+1.2
Sunday Mail (Qld)	581,384	590,000 +	+1.5
Advertiser (M-F)	203,217	199,689	-1.7
Advertiser (Sat)	264,862	264,876	+0.0
Sunday Mail (SA)	325,369	339,063	+4.2
Mercury (M-F)	51,188	50,884	-0.6
Mercury (Sat)	63,738	64,316	+0.9
Sunday Examiner	41,784	42,699	+2.2

Sunday Tasmanian	53,912	54,313	+0.7
Canberra Times (M-F)	42,289	47,450	+12.2
Canberra Times (Sat)	69,646	71,859	+3.2
Canberra Times (Sun)	38,287	39,722	+3.7
NT News (M-F)	21,604	21,883	+1.3
NT News (Sat)	27,795	28,695	+3.2
Sunday Territorian	24,115	24,112	-0.0

\*Where publishers' statements are "more than" (indicated by a +), the size of rises will be a minimum figure and the size of falls will be a maximum figure.

Other newspapers to make the headlines included the *Courier-Mail*, which won the 1996 Tony Whitlock Award for excellence in broadsheet design, a fitting acknowledgment for the efforts of editor-in-chief Chris Mitchell and deputy editor Alan Revell (there is no editor) to take the newspaper upmarket after taking over in April 1995. In Sydney, a 54-year tradition was quietly extinguished in December when the *Mirror* was dropped from the masthead of the *Daily Telegraph Mirror*. The *Mirror*, started in May 1941 by Ezra Norton, became Rupert Murdoch's foothold into Sydney and beyond in 1960 when "Rags" Henderson sold it to him without referring the deal to his boss, Warwick Fairfax. Murdoch's *Mirror* eventually won the Sydney afternoon newspaper battle against Fairfax's *Sun* in 1988. In October 1990 Murdoch folded the *Mirror* with the *Daily Telegraph* (and the *Herald* with the *Sun* in Melbourne) to produce "24-hour" newspapers. News Ltd said the decision to revert to the *Daily Telegraph* masthead was part of a marketing strategy, but that there were no plans to change the *Herald Sun* masthead in Melbourne.

Among the regional dailies it was the *Bendigo Advertiser's* year. The paper's success in the F.J. Meacham Award ended a three-year run by Albury's *Border Mail*. The suburban newspaper scene was shaken when the Murdoch groups (Cumberland in Sydney, Leader in Melbourne, Quest in Brisbane and Messenger in Adelaide) and Community Newspapers in Perth announced they would withdraw from the Australian Suburban Newspaper

Association from December 31, 1995, reducing its income by about 60 per cent. This left Fairfax Community Newspapers as the only major publisher in the association, and led to a major effort to entice into the group various smaller publishers who had shunned the association because of News Ltd's domination. The association, which traces its roots to 1941, when a group of Melbourne publishers banded together to lobby over newsprint allocations, looked more fragile than at any other time recently. One suburban publisher which did look healthy was Eric Beecher's Text Media, publisher of the *Melbourne Weekly*, *Sydney Weekly* and *Canberra Weekly*. Text reported in January that for the year to March 1995, it had recorded a profit of \$387,397 — its first in five years.

The convergence between daily newspapers and cyberspace accelerated during 1995-96, with the Murdoch newspapers — metropolitan, regional and suburban — taking their classified advertising on to the World Wide Web as "Newsclassifieds". Also available on the Web from the Murdoch and Fairfax papers and the *West Australian* were news summaries, including promised updates from the imminent Atlanta Olympic Games, and selected editorial features such as computers, higher education and entertainment sections. The expansion of the dailies' Web presence complemented earlier pioneers such as the *Weekend Independent* in Brisbane and *Campus Review* nationally. Also prominent was the *Canberra Times*, which announced it would join the University of Canberra, Telstra and about a dozen other companies in a five-year, \$30 million venture to supply a free internet connection to up to 5000 homes in Gunghalin, a new Canberra suburb. Homes wishing to take part in the trial would get a free electronic copy of the newspaper and material from various government sources, as well as the capacity to communicate with other residents of the suburb by a form of video phone.

## Magazines

*Better Homes and Gardens* was the standout magazine for 1995, improving circulation by 35.9 per cent, no doubt largely because of its spin-off television series. Its increased circulation made it the seventh most popular Australian magazine, up from tenth the previous year and overtaking *Cleo*, *Australian Family Circle* and *Cosmopolitan* (all of which suffered circulation drops of more than 10 per cent). Other improvers were *That's Life*, which swapped fifth and sixth positions with *TV Week*; *Picture*, which swapped 14th and 15th positions with *Time*; and the two new entrants in the Top 20, *Girlfriend* (17th) and *TV Hits* (18th). The new entrants overtook *New Woman* (down from 17th to 19th) and *Australian House and Garden* (down from 19th to 20th). The magazines to drop out of the list were *People* (18th last year) and *Australian Home Beautiful* (20th last year).

Among the three biggest-selling magazines, the picture was bleak, bleaker and bleakest. Both *Woman's Day* (down 3.7 per cent) and the *Australian Women's Weekly* (down 3.1 per cent) fell below the 1 million mark, with the monthly *Weekly* threatening to reclaim its title as Australia's highest-selling magazine from the weekly *Day* not because of its good performance but because the other magazine performed more poorly. However, it was the third-ranked *New Idea* (down 13.7 per cent) that was in real free-fall. It will be interesting to see if an aggressive promotional campaign through supermarkets and subscription offers through the Murdoch press will halt this slide in 1996. If not, it could fall behind the steadily performing *Readers Digest* — unthinkable just a couple of years ago, when *New Idea* outsold *Readers Digest* by two to one.

An interesting addition to the women's magazine market, although not an entrant into the Top 20, was Murdoch Magazines' Australian edition of the international *Marie Claire*, launched in a blaze of publicity in August. The accompanying advertising blitz was estimated to have cost \$1.2 million and the launch party \$300,000.

**Table 2: Top 20 Magazines**

Magazine	Circulation to 31/12/94	Circulation to 31/12/95	Change %
Woman's Day	1,026,357	988,293	-3.7
Aust Women's Weekly	1,016,781	985,607	-3.1
New Idea	731,521	631,507	-13.7
Readers Digest	483,491	500,769	+3.6
That's Life	405,500+	452,487	+11.7*
TV Week	471,491	447,226	-5.2
Better Homes & Gardens	234,927	319,191	+35.9
Cleo	328,329	290,471	-11.5
Aust Family Circle	304,987	261,387	-14.3
Cosmopolitan	279,115	251,169	-10.0
Who Weekly	230,815	229,134	-0.7
New Weekly	211,989	216,973	+2.4
Dolly	165,008	170,638	+3.4
Picture	148,767	168,960	+13.6
Time	150,301	149,679	-0.4
Aust Penthouse	130,533	130,506	-0.0
Girlfriend	108,622	121,148	+11.5
TV Hits	105,193	116,513	+10.8
New Woman	119,732	115,524	-3.5
Aust House & Garden	112,879	112,444	-0.4

\* Minimum figure

The comparative circulation data for magazines were more reliable than for newspapers, since in 1994 this became the first category to change to June and December half-year reporting. Newspaper data will be similarly comparable in future.

## Commercial television

In February, the Australian Broadcasting Authority's annual report revealed some interesting aspects of the commercial television industry in Australia in the year to June 30, 1995: that of the 15 capital city licensees, only one (in Adelaide) lost money; that all 15 licensees in multi-station regional markets were profitable; and that the industry as a whole made \$405.6 million, up 18.4 per cent over the previous year. In the main metropolitan network sector, Ten recorded a significant achievement, overtaking Seven to become the second-most profitable network (behind Nine). Ten's profit to June 1995 was \$72.8 million, up 30 per cent, compared with Seven's \$41.3 million. However, Seven's result was confused by changes to accounting procedures and a more reliable figure was the profit before abnormals of \$88.5 million, a rise of 5 per cent over 1994. A major problem for Seven was the advertising rates bungle, where Seven tried to impose a significant rise in rates unilaterally, which new Seven chair Kerry Stokes estimated had cost the network \$30 million — and cost the previous chair his job. Seven's half-year profits to December 1995 were back on track, up 17.7 per cent on the previous year.

In April, Telstra sold its 10.6 per cent holding in the Seven Network to a group of institutional investors, pocketing a \$51 million profit and tidying up a pay TV anomaly whereby Telstra, part owner of Foxtel, had a small holding in Optus Vision, Foxtel's main rival. As well as a 2 per cent holding in Optus Vision, Seven had programming arrangements with the pay TV operator. However, a similar anomaly continued to exist because the other Foxtel partner, Rupert Murdoch's News Corp, retained its Seven holding of about 15 per cent. Telstra had given up its board seat at Seven the previous July while the link between Telstra, News Corp and Stokes was under investigation by the Australian Broadcasting Authority. Optus Vision had complained that News Corp exerted a level of influence over the Seven network that breached the cross-media ownership and foreign-ownership provisions of the Broadcasting Act. But after

a 12-month investigation, the authority ruled that News was not, and had not been, in control of Seven.

After a year of turmoil in 1994-95, Seven entered 1995-96 with a new-look team, with former Nine and Ten managing director Gary Rice appointed in August to the equivalent post at Seven, with Stokes' support. While Seven's profitability was under a cloud, its ratings success went from strength to strength, with evidence that it might soon topple Nine for dominance of the market. But while Seven did win some ratings weeks in some markets, overall the lead stayed with Nine. One measure tried by Seven in a bid to boost its lead-in to the crucial prime-time period was an extra 30-minute news bulletin at 5pm, with the main bulletin remaining at 6pm. The early bulletin was aimed at winning viewers from the 60-minute Ten bulletin, also starting at 5pm. However, in the case of Seven the two bulletins were separated by a 30-minute game show. The experiment was short-lived.

In December, the Australian Broadcasting Authority attacked the regional monopolies in Griffith, Mildura and Darwin by calling for applications for second licences in each area. When the authority would not agree to issue the new licences to the existing licensees — Broadcast Media Group in Griffith, Bermuda-based Bruce Gordon in Mildura, and Kerry Packer's Territory TV in Darwin — the incumbents sought an Administrative Appeals Tribunal ruling preventing the authority's right to issue new licences. The issue was still undecided at year's end.

News was also active in the regional television market, taking its stake in Trevor Kennedy's Sunshine Broadcasting Network Ltd, a Seven affiliate, to 15 per cent in July, blocking a takeover bid by Reg Grundy's RG Broadcasting, which bought a 5 per cent stake in Seven instead. The News purchase of a stake in Sunshine proved to be just a preliminary to the main event, however. The second preliminary was a move by another Seven affiliate, Prime, which snapped up 19.9 per cent of Sunshine. Seven then weighed in with a full takeover offer, and in the end Prime was the only significant opponent to the Seven move. After some

frosty exchanges, Prime caved in and agreed to sell to Seven. Seven was also active in Western Australia, where it announced it would buy the Golden West Network from its chair, Kerry Stokes, for \$73 million. About 14 per cent of the Seven shareholders voted against the takeover, which observers said reflected institutional concern over the price and related-party nature of the transaction. The meeting to approve the purchase was delayed after the Australian Competition and Consumer Commission's announcement that it was studying exclusive programming arrangements signed one day apart between GWN and the Nine Network and between Darwin's Territory Television and Seven. The commission said the deals could be seen as a disincentive to potential new entrants to the respective markets by denying them access to programming from the leading networks. In the end the GWN deal fell through when the ACCC ruled out both agreements under Section 47 of the Trade Practices Act. Stokes foreshadowed a court challenge to the ruling.

One of the corporate TV world's oddest court cases was concluded in August, when Charles Curran and a group of associates dropped a suit against the Ten Network and others, agreeing to pay the defendants' costs of about \$1 million and to drop all allegations. Curran and his associates had alleged that the defendants, the Ten Group, CanWest, Kerry Stokes, Jack Cowin, Northern Rivers TV and Telecasters North Queensland had "combined" to deny Curran's Capital Television group a chance to buy NRTV. The claim was later extended to allege that CanWest was illegally in control of Ten. One of the stranger aspects of the case was that the Ten Group owned 50 per cent of Curran's Capital Television. The wider allegations impacted on CanWest's bid for a share of the new British free-to-air licence, Channel 5, and prompted an Australian Broadcasting Authority investigation in Australia. The authority ruled in November that CanWest was not in a position to control Ten through its 15 per cent share of voting stock and 57.5 per cent economic interest in the network.

## **Pay TV**

Along with the collapse of the ABC-Fairfax-Cox Communications joint venture Australian Information Media (see ABC section), the most significant pay TV development in 1995-96 was the continuing momentum in the move from three to two pay TV operators. In October, an effective merger between Foxtel and Australis was foreshadowed, prompting threatened intervention by the Australian Consumer and Competition Commission (formerly the Trade Practices Commission) after complaints by Optus Vision. The commission scrutiny led the companies to pursue a tighter programming alliance rather than full merger. The alliance involved Foxtel paying Australis \$25 a month for every subscriber in a 25-year, \$4.5 billion deal for rights to its Galaxy service. However, the deal looked in doubt when Australis sank further into debt, and a rescue package offered by the Murdoch camp would have involved tearing up the Foxtel agreement. But in April Australis announced it had settled a refinancing package to solve its cash-flow problems. The rescue bid was led by Kerry Packer's PBL and US giant Lenfest Communications. The Packer intervention meant he now had a foot in both camps — in Optus Vision through his small but influential direct investment, and in Foxtel through his indirect influence via Australis. And even more importantly, perhaps, he had prevented Murdoch from stealing a march on him by foreclosing on Australis.

Despite this rivalry, Optus Vision (which launched its service in September) and Foxtel (which launched its service in October), seemed at times to be developing almost in parallel. As well as in many cases stringing their cables from the same power poles past the same houses — accompanied by the same residents' complaints — several programming decisions were remarkably similar. Both rebuffed AIM, sending it to the wall. Both announced they had secured non-exclusive rights to the Cable News Network's 24-hour global news service, its Cartoon Network and the MGM movie library. One area where there was a clear differentiation, however, was in sports programming.

News announced in August that it had secured exclusive television rights to the Australian cricket tour of South Africa, planning to show the matches on Foxtel and an “appropriate” free-to-air network — not necessarily the traditional home of cricket, Nine. Meanwhile, the Australian Broadcasting Authority delivered a blow to SBS by announcing that several big international soccer matches, including the European Champions Cup final and the European Cup Winners Cup final, were not sufficiently important to be placed on the anti-siphoning list. This meant that pay TV could buy exclusive rights to these big matches, denying coverage to SBS, the traditional soccer channel.

In some ways, most of the competitive heat was generated not among the pay operators but between the pay and free-to-air operators when Foxtel and Optus Vision announced they would retransmit all free programming over their cable networks. In September, Federal Cabinet over-rode the objections of the free-to-air channels to authorise the pay operators’ use of their signals, with the proviso that they offer subscribers all free-to-air signals or none. The three commercial networks had argued their case on the grounds of infringement of copyright, but their main fear was that the retransmission would boost the marketability of pay TV and increase the rate of erosion of their own audience share. In October, the three commercial networks and Amalgamated Television Services Ltd failed in the Federal Court to obtain an injunction against the pay operators, but vowed to fight on.

## **Radio**

Reg Grundy was more successful in his radio moves than his television efforts. His RG Capital Pty Ltd won its battle against Austereo for Sea FM, based on the Gold Coast. Sea’s assets included three regional Queensland stations bought from Australian Radio Network, which was forced to divest itself of six properties after its takeover of Wesgo. Another of the stations sold by ARN, Gold 1269 in Sydney, was bought by former INXS rock group manager Chris Murphy. A change to

the Broadcasting Services Act meant that from January 1996, up to 54 new radio licences in regional Australia would become available.

## Industrial

Copyright and contracts continued to be the main industrial battlegrounds for the Media, Entertainment and Arts Alliance and employers, with strike action at Fairfax early in the year, particularly over CD-ROM reproduction of journalists' work, leading to an agreement under which journalists share an annual payment in return for ceding secondary electronic copyright to the company. Journalists retain secondary photocopy and book rights. An agreement was also reached with West Australian Newspapers. At News Ltd, however, discussions were continuing after eight years and despite several court wins by the Alliance when the company suddenly launched the *Australian Online* on April 30, relying on columnists and other non-union contributions.

## Miscellaneous

Terry Plane, who resigned as Channel 7 news and current affairs director in March in the face of declining ratings, made the (apparently purely anecdotal) observation in the *Australian* in June that women had quickly achieved dominance in news and current affairs presentation in Australia. Perhaps Plane doesn't watch Channel Nine very often. His argument, however, went on to look at the reasons for this perceived "gynaecocracy" (his word), which he suggested were threefold: ABC equal opportunity policies; state-based *Today Tonight* programs with female presenters in five states; and the preponderance of women graduating from university courses, which have increasingly replaced on-the-job training.

The Australian Press Council chair, Professor David Flint, continued to push a formula for determining media dominance to replace existing cross-media ownership rules. Flint presented figures showing that, for instance, the Murdoch organisation's 67.20 per cent of metropolitan and national newspaper, 7.82 per cent of regional dailies and 4.23 per cent of national television ratings amounted to only 19.81 per cent of national media share. He did not say what limits should be imposed, but seemed to be suggesting that up to one-third share should be considered acceptable. This would presumably allow Murdoch to buy Channel 7, or Packer (who was calculated to have 9.17 per cent national media share — magazines not being included in the computations) to buy Fairfax. Perhaps Flint was acting merely as a devils' advocate (not "devil's advocate", since there could be said to be more than one media ownership "devil" in Australia).

## Conclusion

Australian journalism was in a state of flux at 30 June, 1996. On the one hand, there was a certain familiarity about the relentless push by Rupert Murdoch and Kerry Packer to treat the Australian media like a familiar board game, buying all the properties they could and trying to bankrupt any upstart pretenders. On the other hand, there was concern from some practitioners and commentators that the constant drive to find the lowest common denominator in the bid for cost-effective ratings or circulation success was in the long-term interests of neither the media nor the community in general. The MEAA draft code of ethics release put ethics back on the agenda — albeit briefly — and the reaction to Andrew Olle's death prompted a reappraisal among some of the traditional journalist-as-outcast view of the craft. Mainstream pay TV became a reality for many, but the true significance of the medium was still some way from being fully explored. Overall, it was a good year for media companies, if not for journalism itself. But

all eyes were on Canberra, to see what effect the election of the Howard Coalition government would have on media policy and performance in the year ahead.

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