

News media chronicle, July 1999 to June 2000

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The Australian Broadcasting Authority's cash-for-comment inquiry into endorsement deals done between major institutions and talkback radio comperes grabbed centre stage during the year under review. The deals negotiated with Sydney radio talkback comperes John Laws and Alan Jones were central to the inquiry. The cross-media ownership laws continued to engage media proprietors and politicians in debate, especially when a forum such as the Productivity Commission inquiry into broadcasting was available. There was a changing of the guard at the Australian Broadcasting Corporation, with the departure of one managing director, Brian Johns, and the arrival of another, Jonathan Shier. The federal government stuck to the straight and narrow with its digital broadcasting legislation, passed at year's end. The established commercial networks were given the go-ahead to move into high-definition digital TV from 1 January, 2001. Would-be competitors had the door slammed in their faces. On the newspaper scene, it seems to be only a matter of time until Sydney and Melbourne have free commuter newspapers inspired by the success of *Metro*, a similar paper in London. The John Fairfax group was as close as a touch to launching one in May and held back only when News Ltd threatened to launch another in opposition.

Cross-media laws

Communications Minister Richard Alston declared in October that the government had gone through too much "pain and grief" the last time it had tried to change the laws relating to cross-media ownership to make another attempt without the support of Labor. The Hawke-Keating Labor government had introduced the rules in 1987. They forbid any one proprietor from owning more than 15

percent of both a newspaper and television station within any one metropolitan market. As Paul Keating put it, “You can either be a prince of print or a queen of the screen.” The laws kept bobbing up in debate during the year, because of the Productivity Commission’s inquiry into broadcasting – examining whether the current laws restricted competition – and because of an impending government decision on digital television. In November Rupert Murdoch warned that News Corporation had “more important and bigger priorities elsewhere in the world” if the Howard government continued to lock it out of the digital television revolution.

The Productivity Commission presented a draft report in October and its final report in April. The commission said the cross-media laws were becoming increasingly irrelevant and should be abolished but any merger between radio, television or newspaper groups must be weighed up in the public interest. The Australian Competition and Consumer Commission, not the Australian Broadcasting Authority as at present, should be the body to make such decisions. The Productivity Commission also recommended:

- Removing country residents’ period of grace in switching over to digital television.
- Relaxing the government’s planned restrictions on datacasting.
- Lifting restrictions on foreign investment and ending the ban on new commercial television stations before allowing open slather on ownership.

A Senate select committee recommended in April that a statutory authority be established to oversee the handling of public complaints against the print, radio, television and electronic media. Coalition members of the committee called on the government to support their recommendation, with committee chair Jeannie Ferris, a former country newspaper editor, saying the commission could act as a “one-stop shop” to help people complain about intrusive or unethical practices by newspaper, television or radio journalists. Labor committee members did not support the proposal, which the Australian Press Council described as “very silly”.

ABC

Brian Johns's five-year tenure as managing director of the ABC ceased on 16 March, and Jonathan Shier's appointment began the next day. Johns, a former *Sydney Morning Herald* political correspondent who later became a book publisher and chief executive of SBS, accused both Coalition and Labor governments of failing to support the ABC. He nominated his proudest achievement at the ABC as having defeated the Keating government's attempt to demand a \$12 million annual efficiency payment. Another highlight had been the \$67.5 million deal he had negotiated with Telstra for it to buy ABC content for Telstra's online and broadband services. [This deal collapsed in June when new chief Jonathan Shier tried to renegotiate key terms.] In the final weeks of his administration, Johns was confronted with a request from the government for the ABC to enter an unprecedented programming and performance-related "agreement" as part of the independent national broadcaster's new triennial funding arrangements. Within days Johns released a public opinion survey that he said demonstrated overwhelmingly the ABC's quality and impartiality, and justified its argument for increased funding. "The most important arbiters – the Australian public – are satisfied with the ABC's performance," Johns said.

Shier, "an unknown Australian expatriate with little public broadcasting experience", was chosen to replace Johns in what the *Australian* called "a bold effort to propel the broadcaster into the digital media age". His experience in England and Scandinavia in the new frontier of digital technology is understood to have been the key to his winning the position. Before his appointment, he was head of Europe's TV3. ABC chair Donald McDonald said Shier, aged 52, would bring "new ideas, different energies, different perspectives" to what had always been considered one of the toughest jobs in the country. ABC TV journalist-producer and whistleblower John Millard noted that the three-page announcement about Shier's appointment, issued by McDonald, made no mention of "public broadcasting", "independence" or "editorial integrity".

In May Shier told a Senate Budget estimates committee that the

ABC would aggressively seek new commercial opportunities similar to the [doomed] \$67.5 million Telstra deal and could not rely solely on government funding. He criticised a range of government decisions on the ABC, including the Budget's rejection of new digital TV funding and its digital TV legislation. He categorically ruled out advertising on the ABC's "core services" of radio and TV and said he did not believe the ABC should sell advertising on its Internet site. The sale of content for TV, the Internet and other media, as well as e-commerce and other retailing activities, would be increasingly important during his term as managing director, Shier said.

In June Shier, after refusing media interviews for three months, presented his so-called grand plan for the ABC. Addressing staff, he described the ABC as "the most undermarketed organisation" that he knew and set it on a course to improve dramatically its ratings. He foreshadowed an overhaul of the news line-up, which was expected to mean the demise of *The 7.30 Report*. The ABC needed to increase its audience and attract more "light" viewers before it could expect to win more funding from Canberra. He floated the possibility of a return to licence fees as one solution to the ABC's financial problems.

Within six weeks of Shier's arrival, an exodus of senior executives had begun. Hugh McGowan, who had been the fourth-ranking ABC executive for five years, resigned on 29 April, offended at being subjected to a five-hour psychological test if he were to be promoted from programmer to head of television. McGowan had worked in senior positions at Nine, Ten and Seven and was regarded as a creative genius. At the end of May, it was announced that Andrew Lloyd James, a former acting managing director of the ABC and one of the most respected public-broadcasting executives in Australia, would be made redundant in five weeks. In June Shier removed director of news and current affairs Paul Williams, director of corporate strategy Julianne Schultz, transmission head Ian McGarrity, TV head Ron Saunders, marketing head Pat Heaslip and audience research head Sandra Hart. Current affairs head Lindy Magoffin found her position abolished. Shier announced the following appointments: Gail Jarvis, 46, the series producer of a commercial infotainment

program, *The Great Outdoors*, became head of television; Sue Howard, head of regional radio, became director of radio; Lynley Marshall, a New Zealand-based e-commerce and new media executive, became director of the ABC online unit; and Max Uechtritz, the ABC News's European correspondent, became director of news and current affairs.

In August three new members were appointed to the ABC's board: Professor Judith Sloan, an economist and the chair of labour studies at Flinders University, Adelaide; Ross McLean, former Liberal MP, an economist and the West Australian Chamber of Commerce and Industry deputy chief executive; and John Gallagher, a Brisbane barrister and former director of Mackay Television. In May Ian Henschke, a rural TV reporter, replaced Kirsten Garrett as the elected staff representative on the board.

The ABC was told in June by Australia Television, the satellite service it once owned, that it no longer wanted the ABC's news and current affairs line-up. As a result, the ABC nightly news, *Four Corners*, *Australian Story* and *Foreign Correspondent* will disappear from the Asia-Pacific region. The decision came weeks after the federal government announced the sale to a Christian group of the ABC's former shortwave radio transmitter at Cox Peninsula, near Darwin. The sale, resulting from a 1997 decision by the government and the ABC to wind back Radio Australia on cost grounds, left the ABC struggling to ensure that its service could be heard in East Timor and Indonesia.

Lateline, the late-night ABC current affairs program with an extended interview format – described by former host, Maxine McKew, as the “caviar of television” – was axed by the ABC at the end of 1999. Well, the format was. Replacing it in March was a new mid-evening news service, carrying the *Lateline* name, but hosted by three former foreign correspondents, Sally Neighbour, Chris Clark and Tony Jones.

ABC broadcasters face tougher disclosure rules after an internal inquiry found radio presenter Paul Thompson breached editorial

policy by interviewing a mining executive whom he had trained in media skills.

The ABC has discontinued multi-casting news bulletins in RealAudio format because it cannot afford to buy a licence to serve the content.

Paul Barry, a former host of Seven's failed current affairs program, *Witness*, replaced Richard Ackland as host of ABC TV's *Media Watch* from February. Ackland had served as host for two years. After allegations of a conflict of interest, Barry disclosed that he is paid \$100,000 a year by Fairfax newspapers to write investigative articles for them. He denied he would treat Fairfax newspapers leniently in *Media Watch* because of his contract with the papers. Ackland himself had written a column for the *Sydney Morning Herald* throughout his *Media Watch* tenure.

Fairfax

In June John Fairfax Holdings redesigned the higher tiers of its Sydney editorial executive staff as it prepared for a redesign of its flagship newspaper, the *Sydney Morning Herald*. It appointed separate managing editors for the weekday and Saturday issues of the *Herald*: former national affairs editor Marian Wilkinson, who had been covering the coup in Fiji, became managing editor of the weekday paper; and Mark Scott, former deputy editor (news), was appointed to the Saturday managing editorship. Max Prisk, a former editor, became deputy editor (news). Philip McLean, deputy editor of the *Sun-Herald* since April 1999, became the editor. Alan Revell, former editor-in-chief of the *Sun-Herald*, shifted to Fairfax's rapidly expanding online division, F2. At *The Age*, John Allan, advertising director, and Michael Gawenda, editor, had associate publisher duties added to their roles from April. Malcolm Schmidtke, a former editor of the *Australian*, was appointed managing editor of *The Age*.

Since September Fairfax has significantly reduced the cost of distributing the interstate editions of its Sydney and Melbourne Sunday papers. Instead of air-freighting the papers from Sydney and Melbourne, Fairfax prints editions of the *Sunday Age* at its Chullora

plant in Sydney (for NSW, ACT and Queensland), and the *Sun-Herald* at the Spencer Street plant in Melbourne (for Victoria, Tasmania and South Australia). The *Sun-Herald* continues to print a Queensland edition at Rural Press Ltd's Ormiston plant in Brisbane.

In September Fairfax decided not to float off its Internet operations, grouped under F2. CEO Fred Hilmer said the company would maintain 100 percent ownership of F2, but would create a separate legal structure and had agreed to spend between \$100 million and \$150 million on developing it. Fairfax appointed its general manager of business development and online services, Nigel Dews, as chief executive officer of F2. At the time Fairfax was reporting 180,000 visits to its Websites daily. In January F2 forged an alliance with Amazon.com, the world's largest electronic retailer. Fairfax decided in May against proceeding with a \$40 million stake in eisa's \$325 million purchase of Ozemail's retail Internet business.

Fairfax CEO Fred Hilmer campaigned throughout the year for access to the digital broadcast spectrum. He wanted Australia's cross-media ownership rules changed so that Fairfax could consider buying a television network.

In March Fairfax announced it would spend \$70 million on expanding plant and printing operations at its already-stretched plant at Chullora in Sydney's south-west. It would take up to two years to add a new printing press, but it would add 15 percent to the plant's capacity. Commissioned in 1995, Chullora was forced consistently to operate beyond design capacity to produce Saturday editions of the *Sydney Morning Herald* and *Australian Financial Review*. The large production run had led Fairfax to print the main section of Saturday's edition of the *Illawarra Mercury* at Condell Park on the Fairfax Community Newspapers press and the Weekender section on the *Bankstown Torch* press.

For the full financial year, Fairfax reported a net profit of \$185.75 million, up 3 percent. Stripped of the abnormal items, net profit rose 25 percent to \$168.7 million, even though tax rose 65 percent to \$92 million as Fairfax started paying at the full corporate rate. The result included a \$40.7 million loss from Internet subsidiary f2.

Murdoch

News Corporation chair and chief executive Rupert Murdoch was diagnosed with prostate cancer in April, but his doctors expected him to make a full recovery after radiotherapy. Murdoch had no intention of changing his work schedule, but he did sell, around that time, 1.97 million ordinary shares in News Corp for \$49 million. By December booming sharemarkets had added \$5 billion to the Murdoch family's wealth, taking it to \$17.5 billion. In July, Murdoch anointed his successor, and his name was not Murdoch. His son, first Lachlan, is the frontrunner amongst his children, but is more likely to be chair in the short term, with News Corp president and Twentieth Century Fox CEO Peter Chernin running News Corp on a day to day basis in the event of Rupert Murdoch's death. All three children "have to prove themselves first", Murdoch said. He finished the year under review by launching the world's biggest media float, with the much-touted global satellite operation, Sky Global Networks, to go to the market by December 2000. News Corp reported a 77 percent jump in bottom-line profit to \$1.9 billion for the financial year, buoyed by an abnormal gain of \$662 million mainly from the sale of its shares in Echostar and Ansett Australia. The profit was struck on sales revenue of \$22.4 billion. The newspaper division generated record revenues, up 8 percent to \$1.45 billion.

In a speech at the National Press Club in Washington in September, Lachlan Murdoch criticised the handling of Australia's republic referendum, and, indirectly, the Prime Minister John Howard, and praised the leadership of the pro-republic Peter Costello, Howard's Treasurer. In November, Rupert Murdoch said Australia would lose international "self-respect" if it rejected the republic proposal.

Secret papers, released in Britain showed that Rupert Murdoch was "firmly in the saddle" at *The News* in Adelaide when the paper agreed to help keep the lid on a spy scandal involving a major security lapse at the Woomera rocket base. The scandal involved an RAF trainee selling secrets to the communists in 1958 about guided missile trials being jointly conducted at the South Australian base. The papers show that both the Australian and British Prime Ministers of the

time, Robert Menzies and Harold Macmillan, had been terrified that the Americans would learn of the breach, and wanted the matter hushed up. *The News* got hold of the story when the suspected spy escaped from military custody. Menzies intervened by approaching the editor with “an appeal to his patriotism”. The editor was the left-wing Rohan Rivett, and various sources indicate that Murdoch, rather than Rivett, would have had the final say on whether to publish.

In November, chief operating officer Peter Chernin said News Corp would focus on developing its Australian newspapers and expanding them on to the Internet. He ruled out a switch into television in Australia at the expense of print. Speaking in November at the annual meeting of News Corp in Adelaide, Rupert Murdoch said Internet services were “the absolute key” to the future of the company. The media group was developing a range of strategies to “leverage our strengths” in the media to Internet delivery. He foreshadowed some “limited” floats of online businesses over the next two years. News Ltd will realise \$700 million from the sale of its stake in Ansett Australia airlines to Air New Zealand.

Packer

In a year when rubies – said to have a potential value of up to \$460 million – were found on Kerry Packer’s Hunter Valley property, the media magnate and business billionaire again topped *Business Review Weekly’s* annual Top 200 Rich List. Packer’s fortune rose by \$1.8 billion to \$8.2 billion. Second on the list was property and shopping-centre investor Frank Lowy (\$2.8 billion).

Publishing & Broadcasting Ltd paid \$70 million to acquire a half share of pay TV sports channel, Fox Sports, from News Ltd.

James Packer, 32, married Jodie Meares, 27, a model, on 23 October 1999 at a private ceremony held within the Packer compound at Bellevue Hill, Sydney. The reception was reported to have cost \$10 million, but even this amount did not buy good weather.

Kerry Packer’s private company, Consolidated Press Holdings,

bought \$20 million worth of prime biotechnology scrip in various companies.

Kerry Packer had surgery in July to clear major arteries to his heart. He is reported to have had three stents implanted to prevent the arteries narrowing.

The Packers and current and politicians became embroiled in slanging matches after the Nine Network's *60 Minutes* had run a segment, presented by Paul Lyneham, on a former Prime Minister, Paul Keating, and his piggeries. The climax of the verbal duel came in November when Mark Latham told the House of Representatives:

The *60 Minutes* program has once again shown itself unfit to broadcast current affairs in this country. It is unable to separate its editorial policy from the commercial interests of its owner. Its segment three Sundays ago covering digital TV was a disgrace to the notion of journalistic independence ... Channel 9 is a shameless mouthpiece for the pecuniary views of the Packer organization and, in particular, for its vendetta against Mr Paul Keating. This was evident once again early last month. On October 4 James Packer said Mr Keating should either sue the Packer family or put their feud aside. The next night, in a loaded segment on the *Nightline* program, Paul Lyneham, as is his style, parroted the Packer view, arguing that Keating has not sued. It is absurd for Channel 9 to argue Mr Keating needs to take the civil remedy of defamation to prove the point. This has never been a standard the Packer family applies to itself. The next time James Packer and his parrot, Paul Lyneham, engage in such an argument, they might like to think of this: if defamation proceedings are needed to prove one's innocence, then Frank Packer [James Packer's grandfather] would have been guilty of tax fraud in the matters raised in Newton's case in 1957; or, by such a standard, Clyde [James's uncle] and Kerry Packer [his father] would have been guilty of break and enter in their notorious occupation of the Anglican Press building in June 1960; or, by such a standard, Kerry Packer would have been guilty of tax fraud numerous times in the 1980s ... He has had more tax schemes than I have had hot lunches. Then again, the Packers have never been keen on paying their fair share of tax, any more than they have been keen on facing up to their share of market competition in the TV industry.

Two books on aspects of the Packer family's media interests were

published during the year: one historical, Bridget Griffen-Foley's *The House of Packer: The Making of a Media Empire* (Allen & Unwin), and one anecdotal, Gerald Stone's *Compulsive Viewing: The Inside Story of Packer's Nine Network* (Viking). Griffen-Foley's is a painstaking effort, produced despite denial of access to internal and corporate Packer company records. Stone's book arises from his 15 years of working for Nine as a journalist and, ultimately, as executive producer of *60 Minutes*.

Kerry Packer's private companies continued to battle with the Australian Taxation Office in the courts. The Tax Office had a victory in September when the full bench of the federal Court ruled that one of the companies had engaged in a tax avoidance scheme. But in May the High Court gave leave to both parties to appeal parts of the Federal Court decision, related to 1988-1992 tax assessments.

Strong performances by the Nine Network and Melbourne's Crown Casino underpinned a record profit for Kerry Packer's public company, Publishing & Broadcasting Ltd. PBL delivered an 86 percent jump in full-year net profit to 30 June to \$324 million.

Newspapers

It is only a matter of time, it seems, until Sydney and Melbourne have free commuter newspapers inspired by the success of *Metro*, a similar paper in London. The John Fairfax group was as close as a touch to launching one, the *Express*, on 15 May. Deborah Light, a former Fairfax journalist, broke the story in *The Bulletin* on 3 May (in its issue dated 9 May). When News Ltd learned of the Fairfax plans, it geared up to launch a competitor. Next thing Fairfax suggested a joint venture. And then Fairfax abandoned its plans for the *Express* because "competitive reaction" made such a product unviable. News Ltd responded by "shelving its product, killing of what loomed as a revolution in newspaper publishing". A day later businessman Dick Smith pledged \$2 million of his own money to help launch an afternoon newspaper for Sydney commuters. He hoped to raise between \$10 million and \$20 million to launch the paper. The undeclared war is summarised chronologically as follows:

3 May – John Fairfax is planning its first assault on the afternoon newspaper market in a decade with the launch of a free tabloid on the Sydney and Melbourne commuter markets.

4 May – News Limited is gearing up to launch a free tabloid daily in the Sydney and Melbourne commuter markets should rival John Fairfax proceed with plans for a similar newspaper.

9 May – A compromise may be near in the undeclared “commuter newspaper” war between John Fairfax and News Ltd, with Fairfax suggesting a joint venture between the two companies may be possible.

11 May – A launch of free commuter newspapers is abandoned. John Fairfax concedes “competitive reaction” makes its product not viable.

12 May – Dick Smith pledges \$2 million to help launch a Sydney afternoon commuter newspaper.

Newspapers, joining the multitude of people and organisations that regarded 1 January 2000 as the beginning of the third millennium and the 21st century, published special millennial or century issues leading up to or on the date of the change. For example, Queensland Newspapers published a 12-part magazine, “Century”, in the *Sunday Mail* and *Courier-Mail* on successive days. They traversed “all that has made people laugh, cry and gasp in disbelief” during the 20th century, with 208 pages, 100,000 words, 950 pictures and 1,750 timeline entries.

News Ltd., John Fairfax Holdings and West Australian Newspapers entered into an alliance with Australian Associated Press to set up NewsCast, a single online service for business users. NewsCast combined the agency’s 24-hour news wire with content from mastheads of the three newspaper groups. The mastheads included Fairfax’s *Australian Financial Review*, *Sydney Morning Herald* and *Age*; News Ltd’s flagship the *Australian*, *Daily Telegraph*, and *Courier-Mail*; and WAN’s *West Australian*. This meant that, as well as receiving up-to-the-minute coverage of breaking news, corporate affairs and other issues, senior managers could assess how Australia’s main media were projecting the news and interpreting events.

Alan Oakley, a former editor of Melbourne’s *Herald Sun* and

Sydney's *Sunday Telegraph*, was appointed editor of Fairfax's *Newcastle Herald* after the abrupt departure of John McCluskey at the end of 1999.

Cratis Hippocrates, the former head of journalism at the Queensland University of technology, Brisbane, was appointed group editorial training manager at John Fairfax Publications.

The Sunday edition of the *Canberra Times* presented itself as a tabloid with a new masthead, *Canberra Sunday Times*, with a heavy typographic emphasis on *Sunday Times*, on 7 May. The paper has its own editor, Michael Stevens, formerly of the *Examiner*, Launceston, part of the Rural Press Ltd chain. The weekday *Canberra Times* remained a broadsheet.

The *Australian Financial Review*, both weekday and weekend, continued to outperform other major newspapers in circulation. For the six months to 30 June, weekday circulation was up 6.04 percent (5,556 copies) on the same period in 1999 and weekend, up 15.69 percent (13,338). No other national or metropolitan daily or Sunday paper could claim an increase of more than 2 percent. The next best were *The Age*, weekday edition, up 1.8 percent, and the *Northern Territory News*, Saturday edition, 1.7 percent. Significant falls were the Saturday editions on the *Sydney Morning Herald* (2.9 percent) and *The Age* (3.0 percent) and the weekday edition of the *Daily Telegraph* (4.1 percent). Among the regional dailies, steady declines were the feature, but the *Newcastle Herald*, a tabloid since July 1998, continued its impressive reversal of form. After increasing its circulation by 5,912 (13.3 percent) in 1998-99, it jumped another 2,400 (4.8 percent) in 1999-2000. The circulation of another recently tabloided paper, the *Bendigo Advertiser*, flattened out – an increase of only 88 sales – after jumping by 333 the previous year. The *Gold Coast Bulletin* increased by 1,537 (3.6 percent) after a moderate gain of 365 the previous year. Albury-Wodonga's *Border Mail* jumped 613 (2.3 percent) to 26,790 after falling by 205 the previous year. The smallest circulation of the audited dailies is the *North-West Star*, Mount Isa, with 4,019 (down 149).

Table 1: Newspaper circulations

Newspaper	Six months to 30/6/2000	Six months to 30/6/1999	Change %*
Australian (M-F)	132,595	131,097	+ 1.1
Australian (Sat.)	304,038	310,394	- 2.0
AFR (M-F)	97,556	92,000	+ 6.0
AFR (Sat.)	98,338	85,000	+ 15.7
Daily Telegraph (M-F)	414,365	432,105	- 4.1
Daily Telegraph (Sat.)	346,887	354,219	- 2.1
SMH (M-F)	231,518	233,500	- 0.8
SMH (Sat.)	393,699	405,500	- 2.9
Sun-Herald	584,000	600,000	- 0.3
Sunday Telegraph	718,536	720,505	- 2.7
Herald-Sun (M-F)	551,350	560,887	- 1.7
Herald-Sun (Sat.)	512,318	521,417	- 1.7
Age (M-F)	199,199	195,599	+ 1.8
Age (Sat.)	330,247	340,577	- 3.0
Sunday Herald-Sun	537,400	534,100	+ 0.6
Sunday Age	196,234	197,175	- 0.5
Courier-Mail (M-F)	218,963	218,900	Negligible
Courier-Mail (Sat.)	341,472	342,500	- 0.3
Sunday Mail (Qld)	589,765	591,300	- 0.3
Advertiser (M-F)	206,758	209,122	- 1.1
Advertiser (Sat.)	275,861	277,448	- 0.6
Sunday Mail (SA)	347,157	348,367	- 0.3
West Australian (M-F)	217,008	221,282	- 1.9
West Australian (Sat.)	388,290	389,810	0.4
Sunday Times (WA)	344,169	344,149	Negligible

Mercury (M-F)	50,504	50,802	- 0.6
Mercury (Sat.)	64,919	64,572	+ 0.5
Sunday Tasmanian	57,257	57,249	Negligible
Sunday Examiner	42,032	42,571	- 1.3
Canberra Times (M-F)	38,987	39,678	- 1.7
Canberra Times (Sat.)	70,558	71,254	- 1.0
Canberra Times (Sun.)	37,095	37,450	- 0.9
Northern Territory News (M-F)	23,103	23,109	Negligible
Northern Territory News (Sat.)	31,882	31,364	+ 1.7
Sunday Territorian	25,459	25,967	- 2.0

In other newspaper news:

- In July, News Ltd's new Perth printing plant was inaugurated, completing replacement of the company's printing plants in all State capitals; inauguration of full colour of Perth *Sunday Times* (25 July); inauguration of full colour of Perth edition of the *Australian* (completing colour printing in all editions) and page of local news in Perth edition.
- In August, the printing of the *Illawarra Mercury*, Wollongong, was transferred to Fairfax plant at Chullora, Sydney, and APN News & Media Ltd acquired the *Gympie Times* from Rural Press Ltd.
- In September, the *Sunday Age* was redesigned and a national edition, printed at Fairfax plant at Chullora, Sydney, was inaugurated.
- On 1 November, separate rural and national editions of the *Age* began with marketing of the national edition in Adelaide (sale at Victorian price of \$1, and home delivery).
- For five days in November the Sydney *Daily Telegraph* ran a circulation promotion featuring a nominal daily price of 20¢ and daily historic photographs supplements.

- At the end of January the *West Australian* established an Internet presence (www.thewest.com.au), the last major metropolitan paper to do so.
- Fairfax announced a \$70 million expansion for its Chullora printing plant in Sydney's south-west because the plant was forced consistently to operate beyond design capacity to produce Saturday editions of the *Sydney Morning Herald* and *Australian Financial Review*.
- On 7 May, the *Canberra Times's* Sunday edition became the *Sunday Times* and converted from broadsheet to tabloid.

Magazines

PMP Communications Ltd announced in June its long-awaited Internet strategy, aimed at unlocking value in magazines such as *New Idea*, *That's Life* and *TV Week*. PMP's Pacific Publications struck a 50/50 joint-venture deal with Imagination Entertainment to develop e-commerce businesses and new media assets. In February PMP announced plans to cut up to \$20 million from its cost base after its first-half interim net profit had dropped nearly 10 percent.

Eric Beecher launched *The Eye* as an intellectual fortnightly news magazine in October but it closed with Vol 2, No. 7 on 20 April, an 82-page issue that carried only nine pages of advertisements. It was believed to be selling fewer than 20,000 copies an issue, and possibly as few as 10,000, well below its target of 100,000.

The closure of the Australian edition of *Playboy* was announced in February, 21 years after it had begun publishing on licence from the American *Playboy*. The first Australian issue, in February 1979, sold nearly 200,000 copies. By 1996 circulation had fallen to 36,000.

Only six of the magazines featuring in the top 20 circulations (for magazines appearing weekly or monthly) at 30 June 2000 increased their circulation during the year and only one, *Take 5*, attained a significant increase (30,738, or 16.3 percent). It jumped from 12th to ninth in the list. Two leading magazines, *Woman's Day* and *New Idea*, recorded significant falls of 7.2 percent and 7.6 percent, respectively.

Reader's Digest, with circulation remaining fairly static, crept into third place, ahead of *New Idea*. *Australian Family Circle* lost 17.1 percent and *TV Hits*, which fell from 14th to 20th, lost 26.8 percent. The *Bulletin* increased circulation by 3,869 to 82,484 during the year, but remains well outside the top 20.

Table 2: Top 20 magazines by circulation

Magazine title	Six months to 30/6/2000	Six months to 30/6/1999	Change %
1. Australian Women's Weekly	751,878	759,010	- 0.9
2. Woman's Day	608,779	655,900	- 7.2
3. Reader's Digest	470,922	471,259	- 0.1
4. New Idea	440,554	476,544	- 7.6
5. That's Life	431,160	440,621	- 2.1
6. Better Homes and Gardens	313,214	314,021	- 0.3
7. TV Week	281,197	301,748	- 6.8
8. Cosmopolitan	228,218	223,991	+ 1.9
9. Take 5	219,428	188,690	+ 16.3
10. Cleo	208,690	206,427	+ 1.1
11. Who Weekly	202,969	205,796	- 1.4
12. Dolly	196,820	195,578	+ 0.6
13. Australian Good Taste	171,568	170,183	+ 0.8
14. For Me	163,360	168,068	- 2.8
15. Australian Family Circle	155,052	187,130	- 17.1
16. NW (New Weekly)	152,972	150,656	+ 1.5
17. Girlfriend	152,913	158,426	- 3.5
18. Australia's Parents*	152,703	170,526	- 10.5
19. Time	140,867	141,266	- 0.3
20. TV Hits	136,737	186,882	- 26.8

* Not listed in the June 1999 ABC figures.

Other publishers

APN News & Media Ltd began moving in August to increase its exposure to the burgeoning Internet sector by taking a 15 percent stake in business-to-business company, PeakHour. APN decided against floating its new-media division separately. Chief executive Cameron O'Reilly announced in October that he would depart the company on 30 June and would be replaced by finance director Vincent Crowley. O'Reilly became chief executive in 1996 after four years as deputy to John Reynolds. He left to pursue several private business interests in Europe. O'Reilly, one of the six sons of Dr Tony O'Reilly, the principal of Independent Newspapers plc of Ireland (a 41 percent stakeholder in APN), denied his departure was connected with an alleged sibling succession rift with brother Gavin. On his departure, Cameron O'Reilly attached Australia's restrictions on foreign ownership of media companies. He said there was more risk of a local owner interfering in domestic politics than a foreign owner.

APN's calendar year net profits jumped 20 percent to \$42.4 million after the company's outdoor advertising division had increased its profits by 51 percent and the newspapers and radio network had lifted theirs by 11 percent.

A \$3.7 million abnormal gain from the sale of the *Gympie Times* and associated publications helped Rural Press Ltd lift its interim net profit for the first half-year by 34.5 percent to \$28.33 million. For the full year, Rural Press reported a net profit of \$55.7 million, 33.6 percent higher than the previous year. The company's Australian earnings before tax climbed to \$89.9 million, \$15 million up on the previous year.

Pay TV

Bob Mansfield, former chief executive officer of Optus, was appointed chair of Telstra in August. Mansfield had taken on three major government assignments since the board of John Fairfax Holdings asked for his resignation in April 1996 as chief executive

after only five months. He conducted an inquiry into the Australian Broadcasting Corporation in 1996 became major projects facilitator in the Prime Minister's Office in March 1997, and was appointed the government's strategic investment coordinator nine months later.

In the first official subscription television ratings, released in August, pay TV was shown to have captured 7.3 percent of total television viewing. People with pay TV spent 46 percent of their viewing time watching pay TV.

Foxtel's bid to retain exclusive access to Telstra Corp's extensive cable network suffered a major blow in May when the Federal Court ruled against Foxtel. The decision brought rival media groups, such as the Seven Network, closer to gaining access to the Telstra cable. The court upheld rulings by the Australian Competition and Consumer Commission, which had declared pay TV "carriage services" open to Foxtel's rivals. Foxtel challenged the declaration and instituted the court action. Foxtel was expected to appeal.

Pay TV operator Austar United Communications pledged it would plough money into providing high-speed Internet services to the bush after opening on the share market in July 20 percent higher than its \$4.70 listing price. Six weeks later Austar announced plans to forge closer links with Bill Gates' Microsoft and John Malone's Liberty Media.

Cable & Wireless Optus announced in May a full-year profit of \$264.5 million following a 29 percent jump in revenue to more than \$4 billion. Last year the company lost \$9.6 million.

Television

Only eight months into his three-year contract as chief executive of the Seven Network, Julian Mounter agreed to resign because of "irreconcilable differences" with chair Kerry Stokes. Stokes shifted from Perth to Sydney to become executive chair until at least after the Olympic Games in September 2000. The network had been reeling from a plunge in its share prices and dwindling profits. Stokes immediately announced massive cost-cutting and job losses. One of

the first to go was Peter Manning, director of corporate affairs and planning and a former senior current affairs executive with the ABC. The aim was to cut jobs by 83 – 38 in Perth, 23 in Melbourne, 12 in Brisbane and 10 in Sydney. Voluntary redundancies were sought. Seven announced a full-year net profit of \$85.3 million, an increase of 54 percent. It delivered better earnings growth than the Nine Network.

At year's end, federal Parliament cleared the way for high-definition digital television to begin in Australia on 1 January 2001. Digital television gives sharper, clearer pictures and CD-quality sound. The existing commercial networks will operate the services, and the ABC will be given an extra channel, but will be unable to run movies, sport, drama and national news on it. Multi-channelling will not be available to the commercial networks until at least 2004, and they have accepted strict guidelines for the so-called datacasting or web TV services they will be able to provide to ensure that no other competitor enters the public airwaves. By contrast, Australia's pay TV companies – Foxtel, Optus Television and Austar – face no such restrictions as they move to the digital environment.

Radio

“Cash for comment” put radio squarely in the headlines during the year under review. The deal that captured most attention was one between the bankers and John Laws. The Australian Bankers' Association paid Laws \$1.3 million to present a favourable image of banks, in contrast to the decidedly negative image Laws had been presenting. Exposure of the deal on ABC-TV's *Media Watch* led the Australian Broadcasting to conduct an inquiry into allegations that Sydney radio personalities, John Laws and Alan Jones, both employed by 2UE, had accepted cash for editorial comment from a wide range of sources. Other broadcasters, such as Jeremy Cordeaux of Adelaide and Howard Sattler of Perth, were also investigated as the terms of reference of the inquiry were widened. By the time it handed down its initial report, the ABA had held hearings on 19 days and heard from 21 witnesses. The cost had been \$1 million. The ABA found that:

- 2UE breached the commercial radio code of practice 90 times: 60 for fairness and accuracy in news and current affairs, and 30 for presenting advertisements as news.
- 2UE breached the Broadcast Services Act five times by broadcasting political matter at the request of a sponsor without disclosure.
- 2UE's management systems were not adequate to prevent breaches of the codes or its conditions of licence.

The ABA rejected a submission from Laws that his contracts were well known to the public and Jones's assertion that his contracts did not affect the contents of his program. Two new conditions on 2UE were proposed, requiring its presenters to disclose all commercial agreements and distinguish advertising from other material.

The ABA accepted as fact one of the most damning allegations against Laws – that he protected Star City from a bad news story because the casino was paying him \$250,000 a year. The inquiry heard that Laws had written to the Star City chief executive, then Neil Gamble, to defend himself against accusations he was not supportive enough on air. As an example of his loyalty, Laws told Gamble that when a casino patron had died after an altercation with security guards, he had ignored it. “At no time did I allow any comment on the unfortunate incident concerning the security guards even though I was strongly encouraged to do so,” Laws had said. The federal government warned 2UE to act quickly on the ABA's findings and said the new conditions on the station's licence were the “minimum” standard it expected of commercial radio. In the first ratings survey after the ABA report was released, both Laws and Jones increased their audience share: Laws from 13.8 percent of the audience to 15.4, and Jones from 17.5 to 18.9 percent .

When long-serving editor of the *West Australian*, Paul Murray, switched to talkback radio at 6PR, Perth, in February, he decided against reading on-air advertisements, following the lead of another editor-turned-radio personality Neil Mitchell, of Melbourne” 3AW.

Britain's Daily Mail group (DMG) paid a record \$155 million for a new Sydney FM radio station licence in May. DMG Radio Australia

chief executive officer Paul Thompson was the successful bidder at the Australian Broadcasting Authority's auction for the first new Sydney commercial licences in 20 years. Radio 2UE dropped out at \$80 million and America's Second Generation dropped out at \$120 million. Wollongong Radio Pty Ltd, a subsidiary of the WIN television group, paid \$10 million for the second FM licence auctioned, for Campbelltown on Sydney's south-western outskirts. According to ABA figures, total revenue from Sydney's nine metropolitan AM and FM stations in 1999 was \$168.7 million. Profit was \$27.3 million, with the three unprofitable stations losing a total of \$3.9 million.

The Sydney ABA auction result heightened speculation about the likely price to be paid when Melbourne's first new commercial FM licence in 20 years is auctioned later in 2000. The ABA announced in June that four new commercial FM licences were planned for south-east Queensland. Two would cover Brisbane, one would serve Nambour and the other the Gold Coast. Community licences for non-profit organizations were planned for Brisbane, the Gold Coast, Noosa, Gympie and Nambour.

Broadcaster Ron Casey was suspended from Radio 2GB, Sydney, in May after telling listeners to his Saturday morning show that Aborigines were "disadvantaged because they won't get off their black arses and do some work". It is the third time 2GB has sacked Casey and the fourth time he has made racist comments on air.

Legal

The Marsden v Seven Network defamation case ran for much of the year. In two programs, *Today Tonight* in 1995 and *Witness* in 1996, Channel 7 labelled Marsden, a former Police Board member and a former president of the New South Wales Law Society, as a paedophile. Marsden sued and in February 1999 a jury found defamatory imputations had arisen. Since then Justice David Levine has had the role of determining whether those imputations are defensible and, if not, what damages are due to Marsden. Seven was offering two defences: a truth defence, under which it was trying to prove its original paedophile claims; and one of qualified privilege

– essentially that it made its best efforts to report the truth. By 29 May 2000, there had been 158 sittings days, 81 witnesses had been called, Justice Levine had issued 165 rulings, and finally Marsden was in the box.

A jury took less than 90 minutes in June to find Radio 2UE's Alan Jones guilty of defaming Aboriginal leader Patrick Dodson in 1998 by implying he “exploited his Aboriginality” and “grossly overcharged” taxpayers \$81,000 to run a land rights conference. The jury also decided Jones implied Dodson was “such an unprincipled person” that he called his accusers racists to deflect attention away from his own activities. Damages will be decided later.

Twenty-eight former students of a western Sydney high school won a defamation action against the *Daily Telegraph*, Sydney, over a front-page story and an editorial on 8 January 1997. A class photograph appeared beneath the headline, “Class we failed”. The jury rejected claims that the editorial was defamatory, but found that the article conveyed defamatory meanings that included:

- The students were so stupid, in the sense they lacked intelligence, that they failed the HSC.
- The lack of application and academic self-discipline of each of the plaintiffs contributed to their failure in the HSC.
- They had no commitment to their HSC studies.

A judge will determine the damages.

In New Zealand, a ground-breaking study found that jurors in criminal trials were mainly not swayed by media coverage. Detailed evidence in the courtroom tended to overpower the prejudicial effect of dimly recalled or sketchy and slanted media reports, said the researcher, law professor Warren Young from Wellington's Victoria University. Professor Young surveyed 312 jurors in 48 trials.

A Queensland Supreme Court judge sitting in Cairns ruled that the parliamentary privilege that allowed MPs to make defamatory statements without fear of litigation did not extend to ordinary people who provide the MPs with information. Justice Stanley Jones made the judgment in the case of David Armstrong, who had supplied

written material about his former employer, professional fisherman Michael Rowley, to Bill O'Chee, then a Senator, in 1995. O'Chee had made the allegations in Parliament and had repeated them on radio and television, outside the legal protection of the House. Rowley subsequently sued Armstrong, O'Chee and 11 others.

South Australia's Premier John Olsen, lost a bid before the full bench of the SA Supreme Court for a permanent stay on an unprecedented defamation action launched by Opposition Leader Mike Rann – the so-called “Liar Liar” case. The majority of the full court agreed that truth could not be used as a defence by Olsen, but the defences of qualified privilege and fair comment remained open. Three of the five judges agreed it was inappropriate for the full court to grant a stay when it had to speculate on what evidence might be put at the trial and how, if at all, the act could have an impact. The defamation case, which is unlikely to proceed to a trial, arose from comments made by Rann during a federal parliamentary inquiry in 1997 where he identified Olsen as the source of leaks to the Labor Party that undermined then-Premier Dean Brown. Olsen rejected the allegation, calling Rann a liar. Rann sued. The case is unlikely ever to go to trial.

Press photographers from Fairfax newspapers were banned from the House of Representatives for a week in April after the *Sydney Morning Herald* had published a photograph that breached parliamentary rules. The Speaker, Neil Andrew, imposed the ban after the publication of a photograph showing four Aboriginal protesters in the parliamentary gallery turning their backs on the Prime Minister, John Howard. According to the guidelines covering access to the Press Gallery for still photographers, “photographs of persons in the galleries are not permitted, the only exception being distinguished visitors being welcomed by the chair”.

A scramble for an exclusive television interview with Richard Pratt's mistress and her former nanny left the Nine network with a large legal bill, an interview it agreed to buy but cannot air, and a feud between *60 Minutes* and *A Current Affair*. The mistress, Shari-Lea Hitchcock, successfully sought injunctions in the Supreme Court to stop the screening of the interview with her former nanny, Julie

Page, claiming it was defamatory and breached confidences and an agreement she had with Page.

Chris Masters' 1987 *Four Corners* program, "The Moonlight State", is remembered as one of the factors that triggered the Fitzgerald inquiry into police and political corruption in Queensland. It took 12 years to conclude a defamation action arising from the program. The action was launched by Queensland businessman, Vincenzo Bellino, who lost his first case, and subsequent appeal, but who was later granted a retrial via a split High Court judgment. A second jury decided Bellino, linked on *Four Corners* to certain activities through police intelligence, had been defamed. However, in the absence of proof of bad faith on the broadcaster's part, the ABC was deemed protected by qualified privilege. An appeal failed before, finally, in mid 1999, the High Court declined to take the matter further.

Ethics

Most Australians are satisfied with the quality of Australian journalism and believe the media use their power responsibly, according to a special A.C. Nielsen AgePoll taken in mid-March. The poll, of 1,034 people, found that 57 percent of Australians were generally satisfied with the quality of journalism they received, and 37 percent were not. Among young people, 75 percent are satisfied; 47 percent of people aged over 55 were dissatisfied and 45 percent satisfied.

An Australian Broadcasting Authority survey of community attitudes found that nearly 60 percent of people thought TV news and current affairs programs were too graphic in showing accidents and tragedies. Nearly 50 percent thought TV news and current affairs programs were too intrusive and lacked sensitivity. The ABA said 51 percent of the 1,203 people surveyed thought TV news programs put too much emphasis on personal characteristics of subjects, such as ethnic background and sexuality.

The former Victorian Premier Jeff Kennett stormed out of a Fairfax company dinner during the entertainment provided by Fairfax cartoonist Ron Tandberg who had sketched Kennett and

was sketching Prime Minister John Howard as the “nowhere man”. Tandberg said he had planned an evening of “bipartisan insults”.

Embattled Labor backbencher Cheryl Kernot had decided by June that when she made a public address she would ask journalists to identify themselves. She would be less candid if any journalists were present, the *Courier-Mail* reported.

The Australian Press Council dismissed a complaint by Geoff Clark, chair of the Aboriginal and Torres Strait Islander Commission, about two articles in the *Australian*. The articles were published in December, within days of Clark’s election as ATSIIC chair – the first time the organization elected its chair.

David Fidler, for 15 years a newsreader on the Northern Territory’s Nine Network affiliate station, NTD8, resigned in March when the *Australian* threatened to expose his false claim of to having been an Olympic swimmer in the 1968 Games.

West Australian police appointed a senior officer to investigate a “regrettable” attack on journalists by riot police during a visit by the Prime Minister to a Perth function in February. Assistant Commissioner John Standing conceded police might have “over-reacted” when they charged at a group of about 20 journalists, cameramen and photographers who had been invited by the Prime Minister’s office and the West Australian Chamber of Commerce and Industry to cover Mr Howard’s visit to the chamber’s Perth office. The media group was about 30 metres from a group of 300 protesting construction unionists, who were being kept away from Mr Howard by a line of regular police, when officers of the tactical response group and other squads charged at the journalists without warning as Mr Howard arrived. Television footage shows the riot police, wearing helmets, carrying shields and with batons drawn, scuffling with camera crews.

The ABA decided to investigate claims that Channel 7 failed to reveal that Gail Austen, Liberal candidate for the Brisbane lord mayoralty, had paid for an on-air interview to be screened on the outdoors program, *The Great South East*.

The *Sydney Morning Herald* advertised in its suburban papers in Sydney's southern suburbs that it would donate \$10 to the South Sydney Football Fighting Fund for every new subscription to the *Herald*. This led Lachlan Murdoch, News Ltd's chair and chief executive, to accuse the *Herald* of running its own commercial agenda in the Rugby League wars.

Chair of the Australian Press Council, Professor Dennis Pearce, argued that freedom of the press should be entrenched in legislation in any move to extend privacy laws to cover the private sector.

The assumptions in the news media that Jeff Kennett had crushed dissent in Victoria and had become a slick persuader of voters were crushed when Steve Bracks' Labor team was elected to govern after a brief election campaign in September.

Australian Council of Civil Liberties president Terry O'Gorman wants Victorian legislation that came into force in January – imposing big fines on media organisations that breach new restrictions on unannounced walk-ins and use of hidden cameras – to be used as a model for national legislation.

The Nine Network came under police investigation after it was claimed the Nine television crew that found Robert Bogucki, a missing Alaskan fireman, wandering in desert country in the Kimberleys asked him to keep walking so they could film him from their helicopter. There were also claims that no one was told that Bogucki had been found for 30 to 40 minutes while he was interviewed for Nine's *A Current Affair* and that his medical condition had not been given priority it should have.

In the aftermath of the ballot of independence in East Timor, *60 Minutes* reporter Richard Carleton and three other Nine Network television employees were deported from Indonesia after Carleton had posed as a tourist and almost caused a riot. Police detained the four because they lacked valid visas and accreditation from the United Nations. On polling day, the crew travelled to Liquisa, outside Dili – the scene of a militia massacre in April that left dozens dead. Carleton attempted to interview people in the queue about their voting intentions and was upset by a militia leader who was looking

over his [Carleton's] shoulder. Carleton confronted the man and a disturbance broke out, requiring a rescue mission by the Indonesian police who discovered that the crew members did not have valid travel documents. Their local driver was bashed by the militia and his car stolen. Head of the parliamentary observer mission, Tim Fischer, said the behaviour of *60 Minutes* had been "unhelpful and unacceptable". Carleton won headlines as the "caviar crusader" during the same trip because, before departing Sydney, he bought an esky full of supplies from a delicatessen, including smoked salmon, seven types of cheese, smoked oysters and various bottles of win.

Olympics

If news-media organisations were not highlighting another Olympics bungle or another allegation of corruption or shoddy ethics by an Olympics official, then they were bickering with one another over sponsorship rights or how many cameras could be placed where at the Games. News Ltd accused SOCOG of failing to protect its multi-million dollar sponsorship rights. And the "Olympics Channel", Channel 7, faced clashes with every other Australian TV channel over limitations on cameras at and screening live from Olympic Park during the Games. The *Daily Telegraph*, Sydney, summed up the feelings of many Australians when it ran on 12 May a six-line front page headline beginning with the initials of the surname of Kevan Gosper, the Australian Olympics official who allowed his daughter, Sophie, to be the first Australian runner with the Olympic torch. It read: Greedy Obstinate Selfish Pompous Egotistic Reptile.

Australian Associated Press normally sends a team of 20 journalists, photographers, editors and technicians to cover the Olympic Games, but with the Games being held in Australia, AAP planned to send 70 to Sydney. The Fairfax group linked with Australian Provincial Newspapers (APN) and Rural Press Ltd and other regional independent newspapers in The Alliance, a team of about 350 people, including 200 journalists, formed specifically for the Games. Through The Alliance, participating media groups pooled staff and resources to ensure all angles would be covered. APN planned to have a team of 10 journalists, photographers and a technician. The APN team

had prepared detailed dossiers on all athletes, officials and volunteers who lived, went to school or had family in APN newspaper areas, covered by 14 dailies from Coffs Harbour, New South Wales, to Mackay, Queensland. The dossiers were being updated weekly, but from September they would be updated daily, said Olympics co-editor Dean Gould, of the *Northern Star*, Lismore. News Ltd, too, planned to have about 350 people involved in journalistic and technical services related to news coverage of the Games.

News-media people

- **John Lyons**, national affairs editor for *The Bulletin* and a former editor of the *Sydney Morning Herald*, won the Graham Perkin Award for the Australian Journalist of the Year, 1999. Lyons left *The Bulletin* in May to join the Nine Network as an investigative reporter for its *Sunday* program.
- Founding editor of *BRW* magazine, **Robert Gottliebsen**, began contributing business commentary to the columns of the *Australian* in March.
- Former Victorian Premier **Jeff Kennett** made a well-received appearance as a reporter on *60 Minutes* in February.
- After five years as the *Australia's* Canberra-based economics correspondent, **Ian Henderson** became the paper's national political correspondent in May.
- **Ray Martin**, former front man for programs such as the *Midday Show* and *A Current Affair*, signed a three-year contract with the Nine Network in February. He will report for *60 Minutes* and host special events.
- Columnist **Leo Schofield**, famous in part for libelling a lobster chef, has left the columns of Fairfax's *Sydney Morning Herald* after 20 years and joined News Ltd's *Sunday Telegraph*.
- Political correspondent **Wallace Brown** wrote his farewell column in the *Courier-Mail* on 30 July after 38 years of column writing, extending back to the final few years of the Menzies era.

- **Paul Murray** left the *West Australian* after being its editor for 10 years; he joined Radio 6PR, Perth, as a talkback compere, but refused to read advertisements.
- After a four-month search for a new editor, the *West Australian's* board of directors appointed **Brian Rogers**, news director of Channel Nine, Perth. Rogers began his career in 1970 at the *Daily News*, the now-defunct Perth afternoon paper.
- **Richard Ackland, Deb Richards** and **Anne Connolly**, of ABC TV's *Media Watch*, won the Gold Walkley for its revelation of the talkback radio "cash for comment" affair. They also won the award for television current affairs segments of less than 10 minutes. **Tony Koch**, chief reporter of the *Courier-Mail*, received the award for the most outstanding contribution to journalism, as well as winning the award for the best coverage of indigenous affairs.

Other Walkleys went to:

Print – News report, Ian McPhedran, *Daily Telegraph*; investigative reporting Hedley Thomas and Paul Whittaker, *Courier-Mail*; three headings, Donna Maeraith, *The Bulletin*; best newspaper feature, Gay Alcorn, *The Age*, with Julie-Anne Davies, *The Age*, highly commended; cartoon, Jenny Coopes, *Sun-Herald*; artwork, Fiona Lawrence, *Sunday Herald Sun*; information graphics or digital photo illustration, Will Pearce, *Sydney Morning Herald*; news photograph, Simon Dallinger, *Herald Sun*; feature photograph, Penny Tweedie, *Good Weekend*, with Cathryn Tremain, *Sunday Life*, highly commended; sports photograph, Mark Evans, *Daily Telegraph*.

Radio – News report, Katy Cronin, ABC Radio; current affairs report, Linda Mottram, *AM*, ABC Radio; feature, documentary or broadcast special, Suzanne Smith, ABC Radio National.

Television – News report, Damian Ryan, Mark Burrows, Robert Hopkins and Brendan Minogue, National Nine News; current affairs report [less than 10 minutes] Richard Ackland, Deborah Richards and Anne Connolly, *Media Watch*, ABC; current affairs report, feature, documentary or special [more than 10 minutes], Mark Davis, *Four Corners*, ABC, with Paul Lyneham and Peter Wilkinson, *60 Minutes*,

Nine Network, highly commended; cinematography, Geoff Clegg, *Foreign Correspondent*, ABC.

General – Business reporting, Stephen Mayne, *Daily Telegraph*; coverage of sport, Malcolm Conn, *Australian*; commentary, analysis, opinion and critique, John Lyons, *The Bulletin*; coverage of suburban or regional affairs, Richard Schmeiszl, *Sentinel Times*; coverage of indigenous affairs, Tony Koch, *Courier-Mail*; coverage of Asia Pacific region, *Sydney Morning Herald* (Mark Dodd, David Jenkins, Hamish McDonald, Lindsay Murdoch, Mark Riley, Zannuba Wahid, Louise Williams and Jason South), with Ross Coulthart and Nick Farrow, *Sunday*, Nine Network, highly commended.

Obituaries

Following is an alphabetical list of key news-media identities who died in 1999-2000:

Anderson, Ian Edwin, died 20/3, editor, science communicator; former editor, Australasian edition of *New Scientist*; age 53.

Boland, Ronald Raymond, died 26/4, editor and managing director, *Sunday Times*, Perth, 1956-60; managing editor, *The News*, Adelaide, 1960-77; age 88.

Casey, Ron, died 19/6; overcame a stutter to become of the nation's top sports broadcasters; covered Olympic Games, Davis Cup, world boxing title bouts and VFL matches for 25 years; general manager of HSV-7, Melbourne, 1972-87; awarded MBE in 1982 for services to sports journalism.

Deamer, Adrian, died 16/1, aged 77; editor of the *Australian* 1966-1971; had major impact on the modern Australian quality newspaper; encouraged interpretive and analytical reporting; at 51, studied law and became a media solicitor; was legal manager for the Fairfax newspapers for nine years.

Gullett, Henry (Jo) Baynton Somers, died 24/8, aged 84; journalist who started on Melbourne *Herald* in 1935 after gaining a BA at Oxford; after service in war, won federal seat of Henty in 1945 and became the third Henry Gullet to serve in Parliament; resigned seat in 1956 and resumed journalism; also wrote books.

Harris, Mike, died 6/8, aged 64; London-born, worked in Fleet Street before coming to Australia with his Australian-born wife; worked for *Daily Mirror*, became *Australian's* film critic, *Bulletin's* TV critic; built up extensive reference library related to film, music and the written word;

established in 1976 the new office of the show-biz bible *Variety*; worked in Los Angeles in early 1980s for Australian Film Commission.

- Harrison**, Harry (Dooley), died 9/2, aged 70; began journalistic career in his native Wentworth, NSW, on the *Western Evening News*; moved on to the *Sunraysia Daily*, Mildura, and Sydney's *Sun* and *Daily Mirror*; during overseas travels he edited a paper in rural Canada and joined the New York bureau of the *Daily Mirror*; spent final 30 years of his working life as a sub-editor on the *Daily Telegraph*; fine creator of snappy and witty headlines.
- Hughes**, Jack, died 30/5, aged 87; editor who made the *Australasian Post* a national icon; lifted circulation from 100,00 to 325,000 in about seven years by making it appeal "to a truck driver in Wagga Wagga" and putting a girl on the cover.
- Kable**, Mike, died 30/5, aged 65; motoring writer who became one of the *Australian's* longest serving staff members; became cadet on Bathurst's *National Advocate* and later joined *Lithgow Mercury*; joined *Sydney Morning Herald* in 1958; edited monthly *Sports Car World* magazine 1961; rejoined *herald* before joining the *Australian* when it began publication in 1964; was motoring editor for both it and *Daily Mirror* for 23 years; resigned from permanent staff in 1992, but continued covering motoring on freelance basis.
- Lamb**, Albert (Sir Larry), died 18/5, aged 70; tabloid editor; former editor of the *Australian*, editor-in-chief of *Western Mail*, Perth; editor of London's *Sun* and *Daily Express*; great tabloid journalist.
- MacCallum**, Mungo Ballardie, died 12/7, aged 85; third in a distinguished line of similarly-named scholars, writers and academics; joined *Sydney Morning Herald* as a cadet journalist in 1933, studying simultaneously for BA at Sydney University; covered most areas of reporting before World War II; became controversial editor of forces' journal, *Salt*; wrote satirical column, "National Circus" for *Sun*, Sydney; joined ABC in 1952 as features editor and for rest of life was happily occupied as compere, writer and critic in or of radio and television; produced and stage-managed opening night of ABC TV in 1956.
- McKibbin**, Brian, died 24/4, aged 69; began career on *Geelong Advertiser*; distinguished himself as a foreign correspondent and senior journalist for Adelaide's *Advertiser* and Melbourne's *Sun News-Pictorial*; joined News and Information Bureau in 1969 (*Herald Sun*, 10 May 00).
- May**, Kenneth Spencer, died 21/5, aged 85; chief executive, News Ltd., 1969-80; general manager, *The News*, Adelaide, 1964-69; knighted upon retirement in 1980; former political reporter; spent three significant years at *Barrier Miner*, Broken Hill, as chief reporter and leader writer.
- Mott**, Tennyson Henry, died 22/2, aged 94; reporter on the *Border Mail*, and director of the Mott family newspaper company, Albury.
- Pringle**, John Douglas, died 4/12, aged 87; editor of the *Sydney Morning Herald* 1953-57 and 1965-70 [i.e. of its editorial page] and *Canberra*

Times 1964-65 when the *Australian* was launched in Canberra; elegant, lucid writer.

Ramsden, James, died November, aged 80; made name as shipping correspondent on *Australian Financial Review*; his career advanced to the point where he was offered the editorship of the *Australian*.

Richards, Ron, died 19/5, aged 71; managing editor, Queensland Newspapers Pty Ltd, 1987-91; former editor-in-chief of *Daily Sun* and *Sunday Sun*, Brisbane; served cadetship at *Warwick Daily News*.

Roderick, Colin Arthur, died 16/6, aged 88; author, academic, publisher; co-editor with Lindsay Revill of *the Journalist's Craft*, the book that flowed from the 1968 Townsville conference on education of journalists.

Ryan, John Philip, died 7/5, aged 79; editor of the radical Melbourne *Catholic Worker*, 1959-71; mathematician; human rights activist; age 79.

Smark, Peter, died 22/6, aged 63; a senior writer and correspondent at various times for the *Australian*, *Age*, *Sydney Morning Herald* and *Herald Sun*; worked for ABC Radio and AAP; won Australian Journalist of the Year Award in 1982; editor of *Sun-Herald*, Sydney, 1986-88.

Thomson, Graeme (Bluey), died 8/7, aged 57; leading political photographer; had photograph on front page of first issue of the *Australian*; recorded all the significant Australian political events from Menzies to the late 1990s; won Nikon award for best news photograph of year, 1987.

Tilley, George, died 12/12, aged 74; editor of *Sunraysia Daily*, Mildura, Vic., 1956-1988.

Ward, Len, died in May; former editor of the *Daily Advertiser*, Wagga Wagga, former acting editor and literary editor, *Canberra Times*, motoring writer.

Internet

By Kerry Green

Two events dominated the past 12 months as far as online news media are concerned: The Napster copyright issue and Poynter Institute's update of its decade-old Eyetrack study, aimed this time at Web users. The Napster issue, unresolved at the time of writing, has implications for online news publishers. The Napster issue came to a head in June when the Recording Industry Association of America took legal action to close down music industry company Napster's web service. Essentially, the RIAA has argued that Napster's provision of a directory service that enables surfers to locate music clips on the web (and then to download them to their own computers as MP3 files) constitutes copyright infringement. Napster has defended the

suit by arguing that it is not responsible for the actions of surfers once they have located the clips via Napster – in essence, that it is not responsible for the downloads. In a four-point response to the suit, Napster further argues that such downloading is not illegal anyway.

Napster initially lost the case, but then won an appeal court stay of execution until a further hearing some time next year. The Napster case is important for online publishers, because the issue of copyright is proving difficult to deal with in the world of the Web. Where online publishers aspire to be portals or gateways to other services, they are in effect providing directory services, much as Napster does. If the US courts ultimately hold that the directory service provider is responsible for the actions of surfers once they have located other services, then online publishers could find themselves lining up with Napster to defend accusations of copyright infringement. That would be cause for a delicious irony – publishers are traditionally strong enforcers of the copyright law and have much to lose from any change.

In the end, the ruling on the Napster case may be irrelevant – the traditional copyright “enforcers” may already have lost the capacity to protect their work. A Californian politician, Brian Bilbray, says “technology has already evolved past the point where even if Napster and MP3 are shut down permanently, there are already a number of next-generation programs available for free on the Internet which provide the same or similar services. Some of these are completely independent of any individual or company and there is no way to restrain or control them.” In other words, the Internet is once again proving that its anarchic and international character enables it to bypass the best efforts of the most powerful legislators.

The second major occurrence for the year under review was the release of the new Eyetrack study findings. The original Eyetrack study, more than a decade ago, was conducted by the Poynter Institute, the journalism industry organisation located at St Petersburg, Florida. That study examined the way readers approached news on the printed page, tracking eye movements to show which elements on a page attracted the most interest. The new study, by the institute

in conjunction with Stanford University, looks at the way readers approach Internet news sites. The initial findings have surprised researchers and have generated considerable debate about their meaning and implications.

Most journalists are aware of the original findings, even if they are unaware of the source: Readers notice pictures first, display type second and text last. The new study changes the order, finding that readers notice text first (heading then body text), then pictures, then graphic elements. Initially, the findings were interpreted as meaning Website designers should use fewer pictures and more text, but more considered review reveals other factors at work. Pictures on Websites, for example, are perforce small because of their effect on download times; and the respondents in the study were deliberate information-seekers and were thus less likely to be seeking photos than text. (It should be noted, of course, that the same may be said about the respondents in the original print version of the study).

What can be said with some confidence is that while text may have primacy on news sites – an important finding for online publishers – the same is not necessarily true for other, non-news, sites. A study of non-news sites might well have provided different results. Interestingly, the study found the average amount of time spent at a site was 34 minutes – significantly longer than the 25-minute average the print news junkie spends with the paper. The study found that items on a page were “looked at” (not necessarily read intently) as follows: Article text 92 percent of the time, news briefs 82 percent, photos 64 percent and graphics 22 percent. Additionally, it concluded that readers were willing to scroll a story – in fact, much more willing to scroll a story than the typical newspaper reader is willing to read through an article. The study showed 75 percent of a text article got read on the screen, compared with 20-25 percent of newspaper articles. The study team will continue to analyse its data for some years to come, but the initial findings contain the first hard data available on audience reaction to the design of news Websites.

Some observers noticed a slowing of innovation during the year under review. Influential columnist Steve Outing, in his “Stop the Press” columns at the *Editor & Publisher* Website, noticed a significant

reduction in traffic in discussion lists dealing with online publishing and news. He also noted claims about innovation on news sites typically were old ideas repackaged, observing that the innovation so apparent in the news industry in the early days of the Internet had passed on to other applications. Outing also told the news industry it had to improve its employees' research skills to take advantage of improved access to information sources. He quoted a number of industry experts to support his contention that the roles of news reporter and professional researcher were becoming ever more closely aligned (www.editorandpublisher.com, Stop the Presses, October 4 2000, accessed October 9 2000).

Outing's contention is supported by moves in a small but significant number of news organisations to reorganise their news operations into multimedia news-desks. Apart from the usual technology leaders that have tended to come out of Florida (*Orlando Sentinel*, *St Petersburg Times*, *Tampa Tribune*), others who have reorganised include institutions as large as the Chicago Tribune group, the third-largest player in online journalism in the US (after *New York Times* and *Washington Post*).

The impetus for a multimedia news desk has come from a combination of cross-media ownership or at least network/syndication arrangements, the improvement of broadband services, and more widespread audience access to broadband services. The *Orlando Sentinel*, for example, may assign print, audio and video reporters to an assignment for output to four separate media (print, radio, TV and online). In a significant number of occasions, a single reporter/photographer team is capable of providing copy for all four outlets.

Although the multimedia news approach has yet to take hold in Australia, we have seen in the past year a change in the approach to online journalism by at least two of the major players in this country. The Fairfax organisation's online publications exhibit an attempt to write and produce specifically for the Web, while the ABCOnline site leads the exploration of online interaction between audience and journalist with its semi-moderated forums.

If online journalism produces a fundamental change in the

relationship between source and audience, as many believe it will, then it will become apparent first in the forum sessions in ABCOnline and in the Weblogs of journalists/writers like the *Sydney Morning Herald's* Margo Kingston. These forms of journalism will become more accessible and more widespread as broadband access gives publishers the capacity to deliver more enriched services. In the year to come, increased Internet bandwidth and third-generation technology promise to deliver not just enriched content, but content accessible anywhere on devices capable of combining the functions of mobile phone, personal organiser, MP3 player and, to some extent, laptop computer. Perhaps the new technology will cause the tide of innovation to flow back to and through the online publishing industry.

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