

CONSULTATION PAPER
NEWS BARGAINING INCENTIVE
REVENUE DISTRIBUTION

Submission by

PUBLIC INTEREST PUBLISHERS ALLIANCE

May 2026

INTRODUCTION

This submission on the revenue distribution approach to be implemented under the proposed Statutory Payment Scheme (Scheme) is made by Public Interest Publishers Alliance (PIPA).

As the Department may be aware from our earlier submission to Treasury in respect of the NBI, PIPA represents the interests of a range of small Australian news publishers in respect of their engagement and negotiations with various digital platforms for the supply and use of news related content by those platforms. As such, PIPA is uniquely positioned to provide comment on this proposed scheme from the perspective of small, independent publishers in negotiating deals with digital platforms.

PIPA's publisher members work in rural communities, outer urban areas, with multicultural and LGBTQI+ communities, and many cover public interest journalism from the point of view of the arts, science, and the environment. Our members provide a training ground for young journalists across Australia, and we are filling important gaps in the media market that helps promote diversity and consumer choice.

PIPA and its members much support the government's commitment to implementing the NBI and are very supportive of the exposure draft of the News Media Bargaining (Administration) Bill. Clearly, finalising the revenue distribution formula under the Scheme is a very important part of ensuring that the objectives of the NBI are fully realised.

We are particularly grateful for the recognition of the important role played by small publishers in ensuring a diverse media landscape in Australia.

Additional background on PIPA and the small publisher sector in Australia was provided in our submission to the NBI Consultation process conducted by Treasury in December 2025. As such we have chosen not to repeat it here.

Further information on any of the contents of this submission can be obtained by contacting Mr Lawrence Gibbons (lawrence@altmedia.net.au) or Mr Nelson Yap (nyap@greenstretnews.com.au), co-chairs of PIPA (and publishers in their own right).

EXECUTIVE SUMMARY

In addition to the answers to specific questions posed in the consultation paper, we also make a series of key submissions which can be summarised as set out below:

No ‘double dipping’

Any publisher that secures a direct deal with a platform should not be entitled to participate in distributions under the proposed scheme in respect of any Charge paid by that platform.

Failing to exclude such publishers would mean that they receive total allocations over and above their entitlements and would do so at the expense of those publishers who were unable to secure direct deals.

Specific allocation to small and medium publishers

Given the relative sizes of large publishers on one hand and the small to medium publishers (S/M publishers) on the other, S/M publishers are likely to be significantly disadvantaged (even with weightings as proposed) with virtually all of the distributable amount likely to be allocated to large publishers on the FTE journalist model.

We submit, consistent with the submission we made in respect of the Bill, that the total funds available for distribution be split into two pools – 75% to large publishers and 25% to S/M sized publishers (i.e., \$50m annual revenues or less).

In each case, the total amount to be actually allocated to each pool would need to be reduced by the offset value of direct deals done with such publishers.

Weightings in favour of small publishers

We support the concept of weightings as outlined in Section 3 of the consultation paper. However, we consider that the weightings should only

be available to small publishers (irrespective of whether they are relevantly rural/regional publications and/or are directed at special interest communities).

In addition, the weighting values should be significant in recognition of the fact that:

- many small publishers have been forced to cut staff at a proportionately greater rate than for larger publishers (and hence are more likely to increase employment if the funds are available), and
- Larger publishers have the capacity to ‘hire back’ ahead of the commencement date of the Scheme.

We propose a minimum 200% weighting for a small publisher.

Whilst this may seem a significant number in terms of a percentage uplift, it is still likely to only result in a relatively small impact in real terms. For example, if a small publisher currently employs 3 FTE journalists (not an unusual situation), it will only receive an allocation as if it had employed 6 – which, compared to even a medium sized publisher, remains fundamentally insignificant.

In addition, in recognition of the importance placed on rural and regional as well as community focused publications, we propose that the weighting be increased to 225% if a small publisher also satisfies one or both of those additional criteria.

Grants fund for non-qualifying public interest publishers

Whilst we support the requirement for ACMA registration to qualify for distributions, we also recognise the significant importance of the very small publisher sector (i.e., under \$150k annual revenues) and the benefits to be gained by ensuring that the sector remains viable.

Accordingly, we propose that a modest percentage of the total pool be allocated towards a grants scheme for such very small publishers.

We consider that an appropriate percentage would be the equivalent of the Incentive Charge i.e. 2.25% of the total pool (being the large and S/M publishers pools combined)

10% limit on payments to any one publisher

To avoid unintended consequences from the use of the FTE journalist model for distribution, a cap of 10% of the relevant pool should be placed on distributions payable to any one publisher or organisation.

KEY SUBMISSIONS

The PIPA members are extremely pleased to see the release of the exposure draft of the Incentive legislation (the ‘Bill’) and, in broad terms, are very supportive of the potential distribution mechanism outlined in the Consultation Paper.

In relation to the specifics of the distribution proposal, the primary matters that we would like to bring to the attention of the Department are set out below. Some of these matters range over a number of the questions raised in the consultation paper, which we address later in this submission.

No ‘double dipping’

The Consultation Paper appears to proceed on the assumption of a binary outcome – either

- That a platform finalises agreements with a total value that equals or exceeds their Charge liability (in which case the Scheme will be unnecessary), or
- no deals are done and all qualifying publishers will receive payments under the Scheme in respect of that platform.

It is, of course, quite possible that the platforms will do a variety of deals (especially with larger publishers) for a total amount that is less than their total Charge liability (in which case, a reduced Charge will be payable, but the Charge will not be avoided in its entirety).

To prevent any ‘double dipping’ (which would clearly advantage those publishers who secured direct deals at the expense of those who did not), any publisher who has secured a direct deal with a platform should not be entitled to receive payments under the Scheme in respect of that platform.

This also means, of course, that all distributions would need to be undertaken on a platform-by-platform basis.

Specific Allocation to Small/Medium Publishers

Consistent with views we have expressed in relation to the exposure draft of the Bill, we consider that a specific allocation to small and medium publishers (S/M publishers') needs to also be reflected in the Scheme.

The weighting system suggested in section 3 of the Consultation Paper, whilst welcome, will be insufficient to ensure proper support of the S/M publisher sector (especially if no deals are done and all large publishers are participating in the Scheme). Given the substantial resources (at least relatively) available to the large publishers, the Scheme would overwhelmingly favour large publishers even with the proposed weightings for smaller publishers (which we address separately below).

In short, we propose that the same 75%/25% split proposed in relation to the Charge under the Bill also form part of the Scheme – this would see large publishers sharing in a pool for a particular platform calculated at 75% of the total Charge, with S/M publishers sharing the remaining 25%.

We recognise that the exclusion of publishers with direct deals will potentially complicate this allocation. However, we consider that there is a relatively simple and pragmatic solution:

- Determine the total Charge liability
- Allocate into two pools - 75%/25% as above
- Deduct from each pool the relevant offset based on the total value of deals relevant to each pool
- Distribute the balance of each pool to each qualifying publisher without a deal

To illustrate by way of example, assume:

- a platform's total charge liability is \$100m - this produces notional pools of \$75m for large publishers and \$25m for small and medium publishers
- the platform has done direct deals with large and S/M publishers which entitle offsets of \$30m and \$10m respectively (so \$40m in total)

- the resultant \$60m Charge liability (\$100m less ‘credits’ of \$30m and \$10m) would be allocated:
 - \$45m to large publishers who don’t have deals (\$75m less \$30m)
 - \$15m to S/M publishers without direct deals

Weightings in favour of small publishers

We support the concept of weightings in respect of the broad categories as outlined in section 3 of the paper.

However, as a threshold issue, we are strongly of the view that the weightings should only apply in respect of small publishers (i.e., those with annual revenues of \$10m or less). In other words, even if a publisher operates in regional or rural areas and/or services specialist communities, it will not get the benefits of any weightings if it is not also a small publisher.

Many small publishers have already had to significantly reduce the number of journalists on staff out of all proportion to the redundancies experienced to date in larger organisations (including medium-sized publishers). In addition, even if larger publishers have laid off journalists to date, they will have the resources to ‘hire back’ ahead of the commencement date of the Scheme.

As such, on an FTE journalist model, small publishers will be significantly disadvantaged from the outset as against such larger publishers.

We consider that the following variations to the suggested scheme would be appropriate:

- The weightings would only apply to those who qualify as small publishers (i.e., with annual revenues of \$10m or less) – as noted above, many of those publishers operate at a significant economic disadvantage when compared to even medium sized publishers. This would mean that larger publishers would be excluded even if they, for example, produce a special interest publication
- As a consequence, the weightings would therefore only apply in respect of the S/M pool as we’ve separately proposed

- Those small publishers who satisfy either or both of the other two proposed categories (rural/regional and specialist publication) should have a higher weighting to recognise the greater importance of such publishers in respect of the overall aims of the legislation. Specifically:
 - A weighting of 200% for being a small publisher, or
 - A weighting of 225% for a small publisher that satisfies either or both of the other proposed categories.

Whilst a 200% uplift for a small publisher may at first seem to be substantial, it is still likely to only result in a relatively small impact in real terms. For example, if a small publisher currently employs 3 FTE journalists (not an unusual situation), it will only receive an allocation as if it had employed 6 – which, compared to even a medium sized publisher, remains fundamentally insignificant.

Grants for non-qualifying publishers

PIPA and its members, as small publishers, appreciate the significant importance of continuing to support much smaller and emerging news-based publishers who do not (yet) qualify for registration with ACMA under the Code (and hence for distributions under the Scheme) on the basis that revenues are less than \$150k per annum.

We consider that it would be appropriate to allocate a percentage of the total Charge collections in a year (large and S/M combined) towards the ongoing support of currently non-eligible public interest news publishers with such funds being allocated by way of a grants system.

We do not suggest that the government needs to establish or manage a formal grants process nor burden an existing government department or NGO with the administration of such grants (let alone create a new body to do so). Rather, we consider that one or more existing private bodies or groups could undertake the process (eg LINA, Country Press Association, Copyright Agency) within a framework set by government with an appropriate acquittals process.

In terms of the level of that allocation, we consider that a modest percentage (possibly 2.25%, the same as the Charge) would be appropriate.

10% limit on payments to any one publisher

One potential risk with the 'FTE journalist' model is that it may unreasonably advantage those publishers who continue to employ a substantial number of journalists (e.g. those who have 'held on' despite falling revenues) compared to those who have already been forced by circumstances to make some positions redundant (particularly so in the small publisher sector).

It is this latter category of publishers who are more likely to employ additional journalists with additional funds over and above those who have maintained their journalist workforce in spite of declining revenues.

For that reason, we submit that there ought to be a cap on the share of distributions payable to any one news publisher or organisation under the proposed model regardless of the number of FTE journalists they employ. We consider that 10% of the relevant pool (i.e., large or S/M pools in our submission) would be an appropriate cap.

RESPONSES TO SPECIFIC QUESTIONS

In this section we provide answers to some of the specific questions posed in the consultation paper. As a representative organisation, we respond to some of these questions from the perspective of our knowledge of the operations of our members

Q1: Do you have any concerns with the proposed registration and application process?

No. ACMA registration is necessary to objectively identify who is entitled to participate. It also makes the denominator of the distribution calculation a specific and calculable number – without it, the denominator would remain uncertain and the distribution mechanism difficult if not impossible to implement.

Q2: Would your organisation meet the criteria as set out under the ACMA register?

Yes. To the best of our knowledge, all PIPA members are either registered with ACMA or continue to qualify for registration

Q3: Is the proposed eligibility criteria fit for purpose?

Yes. It covers the key criteria for describing an Australian created and focused news service

Q4: Do any of the proposed eligibility criteria present significant costs or administrative burden for your organisation?

No.

Q5: Is FTE journalists a good approximation for investment in news and journalism, and an appropriate basis for determining payments to the sector?

Whilst we do not consider that the number of FTE journalists alone constitutes a reasonable approximation of total news-based investment, we broadly agree with the proposed approach.

Journalists represent a significant cost centre of course, and news could not be created without them. However, there are many other expenses necessarily incurred in the sourcing and production of news content. Only focusing on journalists would be akin to considering that actors represent the bulk of the investment in theatrical or film productions, or that musicians represent the bulk of the costs incurred in staging a live concert.

That said, we agree that in broad terms it is an acceptable basis for determining relative payments under the scheme provided that appropriate safeguards are put in place such as a cap on the share that can be paid to any one organisation.

The total number of journalists employed by any particular organisation is likely to be directly proportional to its size (or at least the size of the news divisions in respect of large, diverse media companies). As a measure, it is likely to be more representative of investment in news production in a relative sense than other measures such as revenue, audience reach or cost-based measures such as salaries – and it has the advantage of being more capable of objective determination.

It should be understood, particularly in relation to small publishers, that employed journalists may produce both core news content and other content (and that this proportion may vary from week to week). We propose that a qualifying journalist should be one who is primarily engaged in producing core news content.

It also needs to be recognised, again especially in respect of small publishers, that some journalism is undertaken under contract (e.g. a flat fee or a set hourly rate for a particular task).

Q6: Are the identified editorial roles clear and fit for purpose? Are there any other roles that should be included?

We presume you are referring to those that constitute 'eligible journalists? If so, then:

- yes, we consider the roles are broadly clear (subject to the point made in response to Q5 in relation to the need to recognise contract journalists within these roles) and,
- no, we don't think there's any need to include any other roles. However, and although it is implied, we consider that it should be made express that a news editor or sub-editor (responsible for directing, reviewing and profiling news content produced by journalists) should be included within the definition. They are important and necessary roles for the production of news content – they are often current or former journalists but may not (in that role) be directly responsible for the production of news content in the manner envisaged in the paper.

Q7: Do the proposed evidentiary requirements present any specific difficulties, or a sizeable burden, for your business? Are there any risks arising from these evidentiary requirements?

Not any significant burdens that we can presently identify based on the outline contained in the paper.

Q8: Are the proposed weighting categories an appropriate and effective means of accounting for the economies of scale and resourcing differences across the sector; and meeting the objectives of the Scheme?

Please see our comments in the Key Submissions section

Q9: What weighting values would best achieve these aims?

Please see our comments in the Key Submissions section

Q10: Is the proposed retention obligation an appropriate measure to ensure funding provided to the sector delivers against a clear and valid public purpose?

We agree with the general approach proposed (ie that funding based on a certain number of FTE journalists should be subject to a general obligation to maintain those positions).

Q11: Are there any risks or other issues we should take into consideration with regard to the retention obligation, including time periods and tolerance thresholds?

A distinction needs to be drawn between normal fluctuations in employment on the one hand and deliberate terminations or redundancies.

It is almost certain that individual journalists will depart the organisation from time to time (either at the employee's election or at the direction of the employer e.g., for cause). The question will be whether the publisher takes active steps to recruit a replacement within a reasonable period.

It also needs to be recognised that subsequent circumstances may require material restructure of an organisation (including roles and responsibilities).

All of this is especially important in the consideration of when penalties or other restitution should apply and what the nature of that should be.

Q12: What penalties should apply for organisations that are later found to have misreported their eligibility or employment practices?

Consistent with the answer to Q12, we consider that penalties should only be considered in circumstances where a deliberate misreporting (or deliberate or calculated failure to maintain eligibility) can be demonstrated.

In all other circumstances, we consider that any adjustment to entitlements (if required), should be made to a subsequent year's entitlement. However, in circumstances of genuine employment turnover, no adjustment should be required where a vacant role is filled within 3 months of the departure of the previous employee.

Q13: Do you have any concerns about the general approach to regular reporting and an event-based notification framework?

Not in general terms. However, we unclear if the reference to reporting of relevant local government areas refers to the target of the news coverage or the location of the audience.

Q14: What lead-in time would you require for information required under regular reporting and event-based notices? Do you have any concerns about the feasibility of collecting this information, the timing or sequencing of obligations, or disclosure of commercially sensitive information?

Given the limited resources of most of our members, we consider that annual reporting ought to be sufficient, with such reports due within 60 days of year end.

In terms of the information proposed to be published in pursuit of transparency, we are not opposed to the suggested disclosures provided that:

- In relation to industry figures, they are not published in such a way as to allow a reader to determine the figures as they relate to individual publishers
- Any information in relation to penalties or debts (if intended to be published on a publisher-by-publisher basis) are limited to those that are uncontested or undisputed.

Q15: Do you have any concerns or views about penalties under the scheme, including the thresholds for penalties for serious non-compliance?

As noted above, we consider that if penalties are to form part of the scheme, they should only be considered in circumstances where a deliberate misreporting (or deliberate or calculated failure to maintain eligibility) can be demonstrated