

SUBMISSION TO THE SENATE INQUIRY INTO MEDIA DIVERSITY



Committee Secretariat
Senate Standing Committees on Environment and Communications
PO Box 6100
Parliament House
Canberra ACT 2600

16 November 2021

Senators,

On 28 October 2021, tens of thousands of Australians joined together to launch Australians for a Murdoch Royal Commission, the official campaign tasked with advancing the objectives of the Petition launched by Kevin Rudd last year, which was signed by more than half a million people.

I was honoured to be appointed as the organisation's inaugural National Director.

I intend to be the organisation's only National Director, steering the widespread and deeply felt public support for comprehensive reform and securing the announcement and commencement of a Royal Commission to ensure the strength and diversity of the media in Australia.

As *Petition EN1938* stated, this Royal Commission should focus in part on the monopoly power of News Corporation, Fox Corp, and the other media holdings of the Murdoch family in Australia. This would not be the sole remit of the proposed Royal Commission, which would also include the ownership concentration of tech monopolies, Google and Facebook, other private media outlets, Nine Entertainment and Seven West, as well as public broadcasters, the ABC and SBS.

Australians for a Murdoch Royal Commission believes that a media landscape, made up of diverse news publications and professional journalists who are empowered to investigate fearlessly and report truthfully, is essential to any functioning democracy and fair society.

I note that News Corporation has campaigned against your Inquiry and attacked its legitimacy. It has been described as "tokenistic" and a "witch hunt" among other epithets. You might consider this as just one example of the Murdoch media's post-truth campaign tactics — attacking opponents, drawing false equivalencies and attempting to delegitimise all forms of independent scrutiny — and, perhaps more damningly, missing the irony.

The fact that News Corporation campaigns so strongly against a Royal Commission begs the question: why is News Corporation so frightened of scrutiny? Your inquiry has begun to scratch the surface of that question.

Even while you have conducted your investigations, carefully considering thousands of submissions and calling expert witnesses, News Corporation has continued to abuse its monopoly power.



For the benefit of the Committee's enquiries, Australians for a Royal Commission has compiled a snapshot of these abuses by the Murdoch media as well as other matters that the Committee may not have been able to investigate given limited time and resources.

Australians for a Murdoch Royal Commission looks forward to this Committee's report.

Sally Rugg

National Director Australians for a Murdoch Royal Commission



ABUSES OF MONOPOLY POWER & MISINFORMATION 19 FEB – 16 NOV 2021

Killing regional news under the cover of COVID-19

19 February 2021

In Michael Miller's appearance at the Senate Inquiry, he stated:

We are committed to investing in journalism, investing in communities and continuing our role, as all media do, in covering debate, going to the heart of issues and serving grassroots, and often that does involve asking tough questions.

This is not in keeping with News Corporation's efforts, throughout this pandemic, to undermine regional news <u>despite record profits</u>. While News Corporation has pleaded its inability to facilitate local news, its financial results expose this argument entirely. According to financial results posted this month, News Corporation's first quarter earnings are as follows:

- Net profit of \$US267 million in 3 months (Q1, FY21-22), up from \$US47 million in the previous year;
- Revenues of \$US2.5 billion, up 18% on the previous year;
- Earnings (EBITDA) of \$410 million, up from \$268 million the year prior.
- News Media Bargaining Code revenue "clearly into nine figures" annually.

News Corporation was built on rural and regional Australia but the company is now turning its back on country communities.

On 29 March 2021, it was reported by the ABC that News Corporation had written to select newsagents, informing them it would no longer provide physical copies of its newspapers after September 2021. One newsagent described the move as "another nail in the coffin in the west," confirming that "[t]hey don't care about us west of the [Great Dividing Range]."

This move combines with News Corporation's destruction of 112 regional titles—discontinuing them or moving them wholly online—to create a news vacuum. News Corporation claimed many of these titles would continue online, but many have now been shutdown or nominally subsumed into metropolitan websites like the Daily Telegraph.



This occurred despite the company's promise in 2016 that the acquisition of APN newspapers marked "a commitment to vibrant newspaper operations that make strategic sense".

These closures, executed under the cover of the dominant news story of COVID-19 throughout mid-2020, form part of News Corporation's dangerous expansion into the regions through their Sky News Regional television offering.

News Corporation is known for its assiduous oversight of mergers and acquisitions. It is almost incomprehensible that the devastation of local news was not premeditated, or at least considered, in the process of valuing Australian Provincial Newspapers.

ACCC Chair Rod Sims, has testified that he did not perceive a monopoly problem in green-lighting this acquisition. Before this Inquiry, he staggeringly argued that the ACCC's analysts had managed to prove that News Corp and APN operated in different markets. We were surprised to see Mr Sims present this as, apparently, a serious argument. The questions that follow are obvious:

- How can two newspapers with competing products on the same retail shelves operate in separate markets?
- How can a news company legally acquire a competitor, only to seek to eliminate its primary asset two years later, and these decisions not be fully scrutinised?
- How can the overnight disappearance of local news sources in Australia occur on the watch of a properly empowered and well-run competition watchdog?

We believe these perverse regulatory decisions speak for themselves, and illuminate the ACCC's failure of judgement where media concentration is concerned.

Timeline: News Corporation's Change of Heart

Two major events took place immediately before News Corporation abandoned the sale of regional newspapers in favour of shutting them down:

- 1. The Government began formulating the News Media Bargaining Code; and
- 2. The COVID-19 pandemic intensified.
- December 2016 ACCC approves News Corp's formal takeover of Australian Provincial Newspapers (APN) (link)
- 2018 News Corporation begins "testing" a restructure which would move community print publications to digital-only (<u>link</u>)



- September 2018 News Corporation suspends its planned 'auction' of regional publishing assets (<u>link</u>)
- 11 March 2020 World Health Organisation announces COVID-19 is a 'pandemic' (link)

On 20 April 2020, the Government asks the ACCC to develop a mandatory code of conduct to for bargaining between Australian news media businesses and digital platforms (link), after a long-term campaign spearheaded by News Corporation (link)

 10 May 2020 – News breaks of advanced talks whereby News Corporation would sell regional newspapers and publishing assets to ACM (<u>link</u>)

By 12 May 2020, a total of 6,964 cases are reported in Australia, including 97 deaths. Approximately 18 new cases per day (link)

- **12 May 2020 –** Sources speculate News Corp is considering instead a 'restructure' of its assets which will involve digital-only editions and job cuts (link)
- **28 May 2020** News Corp announces it will cease printing 112 community and regional newspapers, transition 76 to digital-only and close down 36 titles altogether, with hundreds of journalism jobs axed (link)
- 31 July 2020 ACCC released a draft media bargaining code for public consultation (link)
 - November 2020 News Corp launches another round of job cuts, losing 25 editorial staff, on top of 500 journalists and photographers lost that year (link)
 - March 2021 News Corp ceases distributing newspapers across large parts of QLD (link)
 - April 2021 News Corp merges 20+ regional news sites with capital city mastheads (link)



Response to the Senate Inquiry's first public hearing

19 February 2021

Murdoch's Executives, Michael Miller and Campbell Reid, fronted the Inquiry to defend News Corporation's name. They claimed:

- News Corporation does not engage in character assassination;
- News Corporation outlets are editorially independent, publishing their own views; and
- News Corporation does not centrally exert influence on news or opinions presented.

Within hours of the close of the Senate Inquiry, the full line-up of Sky News presenters mounted an <u>identical editorial line</u> against its critics at the Inquiry. In the linked video clip, presenters and contributors Chris Kenny, Rita Panahi, Cory Bernardi and Gideon Rozner are seen to take on a uniform *ad hominem* attack on the petition's half-a-million signatories, as well as Mr Rudd himself, rather than to debate the serious concerns held by these Australians.

No less than eight publications could be seen advancing the identical argument on scrutiny of news ownership in Australia. Against this backdrop, of identical articles across the nation, supported by online articles and the largest news media outlet on YouTube in the country, there is no doubt as to the centralisation of News Corp's reporting and editorial.





Doubly, these articles level a critique not against the arguments put to News Corporation about concentration, bias, disinformation and political power, but instead seek to vindicate a broader prejudice against the proponents of this petition.



Australians are deeply concerned about the state of the media. These concerns range from alleged bias in public broadcasting to the increasing concentration of commercial media.

This committee has heard a range of opinions on the urgency of a Royal Commission to address this public concern. But News Corporation stands alone in pursuing an organisation-wide campaign to chill public debate on this topic.



"Proactively approaching" The Australian for an article

19 February 2021

Within two hours of Kevin Rudd's first appearance at the Senate Inquiry, News Corporation's Executive Chairman, Michael Miller, made the false claim in his testimony that Rudd "proactively approached" his company to write an article about China in the week prior.

This was a patently false statement used to support Mr Miller's claim that News Corporation provides equal and impartial coverage to experts who may not accord with the editorial line.

The relevant essay was published in the US magazine, <u>Foreign Affairs</u>. Alan Howe, a journalist at *The Australian*, received an alert from Mr Rudd via a mailing list of hundreds of journalists and experts in the global policy community. Mr Howe asked Mr Rudd twice by email and then by text message whether *The Australian* could publish an extract of this essay. In a subsequent phone conversation, Mr Rudd indicated that there was nothing stopping *The Australian*, because he considered the essay was now in the public domain.

Mr Miller would no doubt be aware of this, as the article's provenance was clearly noted at the bottom of the extract. Despite this fact being brought to the company's attention, Mr Miller has not corrected his evidence.



The News Media Bargaining Code is failing smaller publishers

16 March 2021

On 16 March, News Corporation <u>announced</u> it had concluded deals for payments by Facebook, Google and Apple in exchange for publicising their content. As the Petition noted, emerging online monopolies are a problem. However, this Bargaining Code has failed to deal with the unbridled market power of the US media company, News Corporation, which has boasted that this deal followed "the fervent, unstinting support of Rupert and Lachlan Murdoch, and the News Corp Board".

On earnings calls with the company's shareholders, News Corporation's Robert Thomson has boasted that these arrangements are delivering revenue for his company "clearly into nine figures" every year. The fact that the power of the Australian Parliament was used to obtain this money, but that Australian voters are not told exactly how much or on what terms, should be of deep concern.

While Murdoch and shareholders profit from these rules, even medium-sized outlets are still struggling to negotiate with digital platforms, as reported by the Financial Review. The Guardian Australia and Country Press Australia only announced their deals with Facebook on Friday 2 July 2021, almost four months on from News Corporation's profitable deal being concluded. Today, the Conversation and SBS still are just two examples of companies yet to secure their respective deals. Despite News Corporation's insistence that by negotiating for such deals it was aiding competition—an objective squarely outside Murdoch's cut-throat and monopolistic modus operandi—small and regional publishers have expressed concern about being sidelined by these digital offerings, which focus on a centralised or national 'news feed, an issue highlighted by the Financial Review.

This compounds the problems faced by smaller publishers in print, who have reported that they have been subject to predatory market conduct by News Corporation either through access to printing presses, undercutting their advertising markets or other efforts to squeeze new entrants out of the market.

Further, the timing of the News Media Bargaining Code reform — when the Australian discourse focused squarely on the COVID-19 crisis — was curious: the directive from the Australian Government to the ACCC to develop a 'mandatory code of conduct' occurred on 20 April 2020; the ACCC completed its draft legislation just three months later, on 31 July 2020.

Andrew Jaspan, co-founder of the Conversation and previously editor of The Age, was "in the room" with the ACCC and media organisations during the design phase. <u>He has explained</u> that News Corporation was "driving the whole thing" and it was adopted by the government "as a payback to News Corp".



Potential News-Gambling cross-subsidisation

17 March 2021

Rumours have emerged that Lachlan Murdoch's Fox Corp, sister organisation to News Corporation, is considering a <u>market entry</u> into the Australian gambling market, either through an acquisition of Tabcorp's relevant business units or by the organic entry of Fox Bet (registered in Australia in <u>September 2019</u>).

Such a market entry could create troubling synergies between Fox Corp and News Corporation, which could extend to preferential advertising treatment or leveraging the customer bases of News Corporation to encourage gambling using services like Foxtel, Kayo & Fox Sports.

As <u>reported by The Economist</u> in 2017, Australia labours under the largest gambling losses in the world. The potential for these synergies between a media monopoly and a large gambling interest in Australia is a live risk, particularly without watchful scrutiny of some kind.

Presently, the prime national watchdog is the industry group, Responsible Wagering Australia, which maintains a membership model that does not include Tabcorp, News Corporation or Fox Corp. Nick Minchin, a regular guest on Sky News Australia programmes, is both Chairman of Responsible Wagering Australia and a member of the Foreign Investment Review Board.



Publishing Businesses

29 March 2021

In one calendar week, <u>News Corporation announced</u> the acquisition of two publishing houses: Houghton Mifflin (approx. US\$349 million) and Investor's Business Daily (approx. US\$275 million).

This adds to News Corporation's extensive publishing business which already includes one of the world's largest English language publishing companies, Harper Collins. Through the expansion of its publishing operations, News Corporation says that it is challenging "emerging monopolies [which] threaten the creative marketplace".

This exposes the hypocrisy in News Corporation's position, that the internet has now invalidated concerns about monopolisation in news media; surely, if monopolisation is occurring in book publishing, where there are four major publishers, it can also occur in the much more concentrated market of news publishing.

The Murdoch logic appears to be: the ability to launch a start-up online news service has negated concerns about monopoly in news, yet the existence of niche publishing houses does not negate concerns about monopoly in books. Just as this logic is flawed, so too is News Corporation's contention that the internet has eliminated the problem of monopoly in our news media.



The fake 'Trump story you've never heard of' on YouTube

31 March 2021

Even today, Sky News Australia's millions of viewers have access to a flatly discredited YouTube clip from the Daily Telegraph's political editor, James Morrow:

This is the most important Trump story you never heard': Morrow 2.6 million views, 19.3 thousand comments, 21 March 2021

On 31 March 2021, the ABC's Media Watch exposed this clip for falsely reporting and misconstruing a correction made by the Washington Post over an article relating to Donald Trump and his phone call directing an election investigation official to 'find the fraud'; the corrections stated that, while Trump made the phone call, he actually asserted that she would find "dishonesty" there and she had "the most important job in the country right now". In fact, Morrow rubbished the wrong article entirely, alleging that Trump did not say to the Georgia Secretary of State "I just want to find 11,780 votes". He did. Morrow is seen to polemicise against the 'left-leaning media' over an entirely factual story.

Instead of taking action on this flagrant misreporting, Sky News's digital team has not deleted the video or even the insufficient but at least platitudinous act of including a correction.

This demonstrates Sky News's freedom within News Corporation to misreport, propagandise and disinform its captive audience with misplaced outrage and false information. There is a lack of editorial accountability in this operation which ACMA has declined to mandate, or even to investigate.



The deletion of news stories: The Chaser's Fairy Bread

16 April 2021

On 16 April 2021, the Murdoch media launched a company-wide crusade against a fake campaign to "cancel fairy bread", citing 1000 signatures on a petition. The campaign was a joke, created by social media staff at The Chaser.

Within hours of The Chaser launching the petition on Change.org (a platform that facilitates members of the public in creating petitions on any issue they care about), at least nine News Corporation outlets had reported on the petition's "call to change the name" of "one of Australia's favourite party foods".

Not one journalist from any of these publications contacted Change.org to verify the legitimacy of the petition or ask staff to connect them with the "petition starter" (a fake profile "Alexis Chaise" was named after a popular piece of furniture., with her profile image from 'ThisPersonDoesNotExist.com'). These facts are known to Australians for a Murdoch Royal Commission because our National Director was, at the time, change.org Australia's Executive Director.

It is extremely unusual for an online petition to garner widespread, completely unsolicited media coverage within hours of its launch, especially with so few signatures.

Very soon after the stories were published, it was brought to News Corporation's attention that there was no such campaign, and the stories were removed. However, News Corporation chose to remove the stories without clarification or a note from editors. Unlike the ABC, which has a significantly smaller reach than News Corporation's combined arsenal of outlets, no 'Corrections and Clarifications' are widely publicised. Thousands of Australians, by the time of deletion, were led to believe that the fabled 'culture warriors' described by the Murdoch media actually exist.





First, this story was given full coverage even in the 'localised' bulletins described by News Corporation. Apparently, a petition of 1000 signatures was 'hyper-local' news of concern for, at least:

- News.com.au
- SunshineCoastDaily.com.au
- FraserCoastChronicle.com.au
- News-Mail.com.au
- WarwickDailyNews.com.au
- DailyMercury.com.au
- NorthernStar.com.au

Other leading News Corp mastheads carried the article, including the Herald Sun and The Australian's news feed. According to The Chaser, it took a full four hours for the story to be deleted. Some of the more public 'feed' stories (covering the story in sum) were amended with the addition: "—which appears to be satirical—".

According to The Chaser, the news story was subsequently covered across the broader media apparatus, including the DailyMail, LADbible, the ABC included the story in their morning drive radio bulletin. No apology or correction was provided to readers for ventilating blatantly false information.

Multiple comments on the petition even claimed they were directed to the petition by the Chaser; Ben Fordham on 2GB had already exposed the prank within 24 hours. Even so, News Corporation either knowingly ran false information or failed to conduct basic research on a story that received national coverage on Australia's largest news platforms.

This saga should trouble Senators not solely because it demonstrates the decline of journalistic standards or the lack of fact-checking in Australia's news media monopoly. It should trouble Senators because it demonstrates the propaganda model of News Corporation in pursuit of its profitable 'culture war', which chiefly aims to stoke outrage by singling out obscure examples of 'culture war' or 'wokeness', seeking to outrage ordinary viewers by citing the extremes of social groups and misrepresenting them as a well-resourced and organised cultural front. This is the business model of counterculture, which is only sustainable by severely weakening editorial standards and deliberately infusing a cultural narrative in the company's news reporting.

Most importantly, it should trouble Senators because, within four hours, four non-News Corporation outlets and the national broadcaster were publicising fake news without conducting their own fact checking. This demonstrates the abuse of status. While this was an entirely false story—a choice prank on the Murdochs, if ever there was one—consider the scale and cultural impact of stories which are not pranks, but which are



hyperbolised, misreported or utterly fabricated stories left to seep into the rest of our media coverage.

This story is not an anomaly. Two weeks later, the international News Corporation media machine was exposed for having "ordered" a journalist to write a malicious fake story about Kamala Harris which she knew to be false, which was subsequently ventilated in the Australian media by Sky News. Similarly, Fox News knowingly ran a false story suggesting Joe Biden would legislate to impose strict limits on red meat consumption. While a short correction was subsequently made, the story was seen to echo around the US media and still exists as an unspoken cultural reference point for future news stories used as 'signals' to the Fox News base. Closer to home, Murdoch's Daily Telegraph refused to correct the record or apologise for publishing false claims about the death of a veteran, despite serious concerns expressed by the veteran's family.

This, Senators, should trouble you.

To quote The Chaser:

You can still buy almost any Dr Seuss Book. Lola Bunny didn't get a breast reduction. And basically every gay rights group came out and said they have no problem with the Golden Gaytime. Oh, and Mr Potato Head? Still Mr Potato Head! They just changed the box.

news.com.au 🔮





Fox News's endorsement of the Neo-Nazi 'Great Replacement 'Conspiracy Theory

10 April 2021

The Anti-Defamation League (ADL) is a leading Jewish-led organisation that was founded in 1913 in response to an escalating climate of antisemitism and bigotry. It is non-partisan, having given Rupert Murdoch an International Leadership Award for his campaigns against antisemitism in 2010.

On 10 April 2021, the ADL's chief executive Jonathan Greenblatt wrote personally to Lachlan Murdoch over <u>comments made by Tucker Carlson</u> live on air, Fox News's toprating presenter.

Carlson had said: "I know that the left and all the gatekeepers on Twitter become literally hysterical if you use the term 'replacement' ... if you suggest that the Democratic party is trying to replace the current electorate, the voters now casting ballots, with new people, more obedient voters, from the third world. But they become hysterical because that's what's happening, actually. Let's just say it. That's true." Carlson added: "Every time they import a new voter, I become disenfranchised as a current voter."

These comments were also broadcast in Australia via Foxtel.

Mr Greenblatt called for Tucker's resignation on the basis that his propagation of the "Great Replacement Theory" co-opts white supremacist motifs to signal that "the white race is in danger". He explained that the mainstreaming of such a theory is dangerous and cited examples of mass shootings, including by an Australian national in an act of terrorism in Christchurch, New Zealand, as being driven by this ideology.

Instead of apologising and removing Carlson from the air, Murdoch argued – in defiance of Carlson's own words in his own broadcast –" that Mr Carlson decried and rejected replacement theory".

Lachlan Murdoch is entitled to employ whomever he wants to employ within the law. However, those employees are not given license to broadcast racist, antisemitic or white supremacist content with impunity. Lachlan Murdoch acts in defiance of evidence when he pretends that his outlets have done no such thing. Carlson also cast dispersions against critics, calling them "hysterical ... hyper-aggressive liars".

As Senators have noted, Sky News Australia provides a platform to proponents of the "Great Replacement" theory <u>like Lauren Southern</u> and heavily promotes the appearance of such guests to their audience. By News Corporation's political tactics, they have told this Committee that "Opinionated people appear on Sky News, their opinions are their own." This dismissive public spin, which betrays recklessness, masks a sinister internal strategy to normalise extremist propaganda as "political debate" in the Australian mainstream. This kind of extremist propaganda may be marketed as simply "unfashionable points of view" or "controversial opinion" by News



Corporation editors, but it is becoming a serious concern among our national security organisations, particularly ASIO.

Far-right extremism accounts now for 50% of Australia's <u>domestic counter-terrorism caseload</u>, up from 40% in 2020, from just 15% in 2016 <u>according to senior officials</u>. Far-right terrorism investigations have increased by a staggering <u>750% in 18 months</u>. This is an unconscionable and chronically under-reported national security challenge, the drivers and symptoms of which News Corporation, our dominant media monopoly, does little to contend with.

As reported by <u>Media Matters</u>, a US progressive lobby group, the white nationalist community were thrilled by this ringing endorsement and mainstreaming of their racist and vitriolic ideology.

Since then, and as a marker of truth decay in respect of the Murdoch media, when the ADL's calls were later raised with Tucker Carlson in September 2021 in response to his antisemitism broadcast on SKY News Australia, he had a simple retort on the record: "Fuck them".

Below is one example of Carlson's comments being celebrated by white supremacists online, as reported by Media Matters:

Jonathan Greenblatt says that when whites speak out against mass immigration it's anti Semitic. So basically admitting that immigration and demographic replacement is a Jewish funded agenda.

On top of that, he is trying to shut down Tucker Carlson because Tucker is telling the truth about white replacement. You are being replaced, white man. They want you gone so they can create a world of low IQ workers who won't resist their conquest for global financial domination. And in the words of Jewish activist, Barbara Spectre: "Jews will be at the center of it."

Remember, when you speak about white replacement, it's anti Semitic. When jews or any other minority advocate for it, it's "progress."

4420 edited 3:08 PM



Expansion of Fox News in Australia

11 April 2021

On 11 April 2021, the <u>Sydney Morning Herald</u> reported that the Murdoch media will be expanding Fox News to a wider Australian audience through an incoming low-cost streaming platform called Newsflash (now 'Flash'). While News Corp would not confirm this in the article, the article cited Australian trademarks for 'Fox News International' on 1 February 2021.

It is still early days for Flash, but it is clear that it will be a platform that intends to deliver radical opinion content in the mode set out elsewhere in this submission. As evidence of this, consider that when Alan Jones was dropped from Sky News amid controversies over his frequent broadcast of conspiracy theories about the pandemic, fabrications about vaccines and dangerous, widely condemned medial disinformation, Sky News Australia executive Paul Whittaker offered him his own program that would solely broadcast on Flash.

This Committee has been unable to assess the ramifications of Flash, and this should be further considered by a Royal Commission.



Disinformation is 'comment'

17 May 2021

Murdoch papers are routinely seen to skirt the already lax standards of the Australian Press Council. One such example includes this piece by The Australian's Engagement Editor, Jason Gagliardi, on 17 May. Gagliardi has not published an article since. Gagliardi's column remains on The Australian's website, still propagating disinformation on the public record.

Among Gagliardi's utterly false claims, he ventilates the immediately disprovable talking points advanced by selected readers:

- "On 21 Dec 2008, Kevin Rudd announced how his Housing Minister Tanya Plibersek and Infrastructure/Planning Minister Anthony Albanese were going to make homelessness history."
- "...Shorten was going to take their utes away..."
- "Labour (sic) ... quite a few years ago they spent \$15m and built 5 houses..."
- "...The last Victorian budget included funding to buy 12,000 commission houses and now Albanese wants to borrow money to buy 30,000."
- That Anthony Albanese's Budget Reply promised to put nurses, police and emergency services workers in social housing.
- "...Keven Rudd (sic) did cheap accommodation for our university students but all the rich overseas students got them."

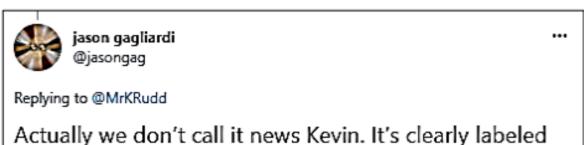
Gagliardi's weekly comment is just one example of News Corporation disguising outright disinformation as 'opinion 'and 'commentary 'in an apparent attempt to subvert Press Council enforcement actions, which are known to be more difficult than for news reports, even where overarching factual errors and omissions are concerned. This is bolstered by the Press Council's notoriously slow complaints process and its infamous under-resourcing.

So inadequate is the Press Council that the Media, Entertainment & Arts Alliance is withdrawing from its ranks and even News Corp's commentator, Andrew Bolt, who has



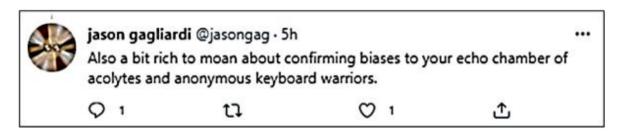
the most to gain from a defective self-regulation scheme, made a point of <u>publicly</u> <u>scoffing at the Press Council's attempt</u> to consider his thinly-veiled racial dog-whistles.

When Gagliardi was exposed for publishing obviously false information as the supposed "cream" of subscribers 'comments and collate them for special "honour" as "solid arguments", he retorted as follows:



as comment. But go you.

8:09 AM · May 18, 2021 · Twitter for iPhone



Kevin Rudd complained to the Press Council in May 2021 but, as a testament to the Press Council's lack of capacity, this complaint was not registered until his office contacted the Council for an update in November.

As the complaint set out, the notion that, by marking articles as "comment", a news media editor can have free license to publish misinformation is outrageous. It is not in keeping with the Press Council General Principles.



Welfare for billionaires: taxpayer grants and special legislation

17 May 2021

On 17 May 2021, the <u>Auditor-General confirmed</u> that they would investigate Australian taxpayer funding to Fox Sports' broadcasting arm as part of the 2021-22 annual audit work program. This deal signals just a small part of the umbilical relationship between the Murdoch media and the Liberal Government.

Other recent 'special' transactions and dealings worthy of investigation on public interest grounds include:

- Fox Sports receiving \$30 million in 2017 to cover women's, niche and community sport over five years which have since been marred by glitches.
- According to documents obtained <u>under Freedom of Information</u>, a further \$10 million grant was offered to Foxtel during COVID-19 without a tender or any undertaking on how it would be spent. Another \$7.5 million was also fast-tracked under an existing grant. At the time, the government was spruiking financial support for struggling families and small businesses.
- On 4 June 2021, the <u>Financial Review</u> reported on the Government's move to legislate lower Australian screen content obligations for Foxtel at a time where Australian entertainment & production needs an immense financial boost.
- News Corporation's entrenched tax avoidance behaviour.
- While News Corporation has benefited from excess funding and uncompetitive grants, the contemporaneous cuts made to the ABC.



Rejoicing when a young woman is shot in the head

24 May 2021

In response to a factual news report on Sky News Australia about a UK Black Lives Matter activist, Sasha Johnson, being shot in the head, supporters of the News Corporation outlet were found openly celebrating the attack. These comments included quoting the Australian terrorist who committed the Christchurch mosque massacres in 2019.

This saga highlights the inability of tech monopolies like Google to monitor and curb the rising trend of News Corporation content courting and encouraging right wing extremists. The clip quickly rose through YouTube's algorithm, topping 200,000 views & 9,000 comments, largely praising the shooter, mocking the victim or calling for more violence.

Under bespoke <u>digital distribution deals</u> between the two companies, News Corporation takes a profit for its role in courting and engaging groups like this, often with campaigns that rely at least in part on disinformation.

Below are some of the 'top comments' which Google failed to monitor and which Sky News declined to delete after being notified:

- "They belong to Africa...and that's where they must be bundled off to"
- "keep em coming ..."
- "It's a great day. There is a God in heaven!"
- "Excellent news. A palpable hit."
- "finally, normal people standing up"
- "This is just the start of the fightback to return to normality."
- "One down, many many more to go! Let's get those numbers up!"
- "damn, someone needs to work on their marksmanship."
- "THANK YOU MISTER FOR YOUR SERVICE TO THE WEST!"
- "Now it's time to get the rest of them"

Senators will no doubt be shocked by these comments, but these remarks are a window to the sort of worldview that is portrayed and advanced by Murdoch's Sky News. Daily Telegraph political editor <u>James Morrow</u>, for example, has described Black Lives Matter as a "de-facto terrorist organisation" that is "controlled by the Democratic Party" on Sky News.



The deletion of news stories: Reporting on Harvey Norman's JobKeeper rort

14 June 2021

On 14 June 2021, the ABC's *Media Watch* programme exposed News Corporation for pulling a story that was critical of Harvey Norman from across its news sites. While non-Murdoch news outlets across the country reported on protests outside Harvey Norman stores after the company was found to have taken millions from JobKeeper to subsidise already record-high profits, they were quickly deleted from across the News Corporation network. The articles originally reported that the company had doubled its profits to \$462 million at the height of COVID-19, while freezing workers' wages and boosting executives' pay. While sixteen of News Corporation's online publications ran a simple story replicating the company's NewsWire story—including five of its largest news websites—twelve of these sixteen sites soon deleted the stories.

To this day, we can find no correction or update on any of these sites explaining the deletion.

As Media Watch notes, Harvey Norman is Australia's biggest advertiser, estimating that the company spends \$340 million in 2020 (three times as much as the second largest advertiser, Woolworths). This includes widespread sponsorship of Sky News programming and print publications. In the words of Sky News presenter, Paul Murray on 14 October 2020:

Harvey Norman, absolutely close to our hearts. And we want you to support them because not only do they support us, they give us the opportunity to come here and do things like this.

It should be noted that Nine newspapers have also received sizeable sums from Harvey Norman for advertising. Even so, they have produced a number of articles critical of the company's unethical but seemingly legal abuses of the JobKeeper system. Below you will see News Corp's front-page advertising for Harvey Norman across just one newspaper in the year to date.



























































Daily Telegraph

NO PFIZER

FOR YOU FULL STORY PAGE 6













Daily Telegraph

CHEERS TO FULL



















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Bangladeshi Bots: Gone, but not forgotten

24 June 2021

The findings of the <u>Report</u> on the inquiry into aspects of petitioning security and accessibility by the Standing Committee on Petitions were finally released. This investigation was initiated and much anticipated by The Australian which, on 18 November 2020, published the front-page 'exclusive 'investigation: "The fake and the furious: Rudd's Bangladeshi 'bots'". This followed patently false accusations by Peta Credlin of 'data harvesting '(for which she apologised on-air to Kevin Rudd as part of a confidential legal settlement).

The original 18 November 2020 report proclaimed that a sizeable chunk of the half-a-million Australians who rushed to sign the petition were actually "fake", "computer-generated" and "bots". The Murdoch stable got to work making it news of the day. The Daily Telegraph proclaimed a "*Rudd Awakening*", Australia's largest news website, news.com.au, replayed the allegations incessantly. Sky News, on free-to-air and Australia's largest cable network, had one reporter lay out the case for "a proper digital audit done by cyber security specialists". Banners abounded, declaring "MORE THAN 1000 FAKE NAMES UNCOVERED".

But, eight months later, the "official investigation" launched by the Parliament into the ePetition platform — under the weight of News Corporation's inquiries — finally released its report. Naturally, almost no Australian is aware of this because, despite News Corporation's sensationalist coverage, there was not a single mention of its findings anywhere by the Murdoch media.

The report found these "bots" totaled 0.2% of petitioners; they were easily spotted and removed by parliamentary staff *before* Murdoch ran the story. In fact, the report said, the fake signatures "were removed prior to the petition being presented and were not included in the petition's final signature count".

As some smaller media outlets correctly reported within hours of the headline in November 2020, these 'bots' were actually paid for by a *right-wing* internet activist named Nick Smith, who was inspired to do so by a segment on Sky News highlighting the petition as vulnerable to attack.



'Sky News Regional', after decimating local news

1 August 2021

Sky News Australia has expanded its monopoly on commercial 24-hour TV news through a deal with Southern Cross Austereo and a time-limited continuation of its deal with WIN.

This represents utter contempt for regional news by rolling out the reporting of metropolitan news, from Sydney and Melbourne, into regional communities after only one year ago gutting 112 regional newspapers and later merging 20 of the remaining online news outlets into the websites of their 3 major provincial newspapers, the Daily Telegraph, Courier-Mail and Herald Sun.

The Murdoch media has set out to starve remote communities of essential information and replace its own information vacuum with the disinformation model of the Americanised Sky News (Fox News' sister channel). Despite News Corp's PR blitz, this commercial decision does not represent a meaningful investment into these communities. Sky After Dark is dominated by individuals recording shows from major CBDs: Chris Kenny (Sydney), formerly Alan Jones (Sydney), Peta Credlin (Melbourne), Outsiders (Melbourne), Paul Murray (Sydney), Peter Gleeson (Brisbane), as evidenced by their programming schedule.

Sky News has since continued its campaign of COVID-19 misinformation, borrowing Fox News talking points to lie to regional communities, by falsely stating:

- Masks don't work (The Guardian);
- COVID-19 is not a pandemic (Sky News; Sky News);
- Vaccines may be ineffective or unsafe (The Guardian);
- Vaccines increase the risk of death from COVID-19 (Sky News);
- There could be a conspiracy to conceal possible COVID-19 cures (<u>Sky</u> News).

These extremist talking points have grounded and amplified anti-vaccine disinformation in the Australian community, which has now extended to politicians repeating News Corporation disinformation in Parliament.

All the while, having gutted their local news services, dominated the market for online news with big city news stories and now introducing a disinformation model through free-to-air television, News Corporation has set out to shift the landscape of news across the continent in favour of its own commercial and political interests.



Sky News seven-day ban from YouTube

1 August 2021

Sky News Australia's regular promotion of COVID-19 conspiracy theories and misinformation resulted in a seven-day ban from YouTube for breaching the company's COVID-19 Misinformation policy. The ban was imposed after Sky News posted numerous videos on YouTube that either denied the existence of COVID-19 or encouraged the use of unproven treatments such as hydroxychloroquine and ivermectin, often while suggesting a grand conspiracy to conceal miracle cures and push lucrative new vaccines on a vulnerable public.

Following the ban, Sky News Australia <u>rejected</u> claims that they had engaged in broadcasting Covid-19 misinformation saying, "no such videos were ever published or removed". Yet, the broadcaster subsequently deleted dozens of more videos of their own volition.

Sky News then <u>claimed</u> that they "support broad discussion and debate on a wide range of topics and perspectives which is vital to any democracy". The <u>Australian Therapeutic Goods Administration</u> (TGA) along with the National COVID-19 Clinical Evidence Taskforce, the <u>World Health Organisation</u> (<u>WHO</u>) and the <u>US Food and Drug Administration</u> (<u>FDA</u>) have strongly advocated against the use of both ivermectin and hydroxychloroquine to treat Covid-19.

In the 12 months preceding 22 July 2021, Sky News Australia had received over <u>1.3 billion video views online</u>. Given this reach, the representation of COVID-19 misinformation and conspiracy theories as 'debate' delegitimises and weakens public confidence in expert health advice.



Fox News host Tucker Carlson endorses far-right leadership of Hungary

6 August 2021

Fox News has endorsed Hungary's Prime Minister Victor Orbán through conservative talk-show host Tucker Carlson's appraisal of the far-right populist.

In early August, Tucker Carlson broadcast his nightly talk show 'Tucker Carlson Tonight' from Budapest where he interviewed and posed for pictures with the Hungarian leader. On his show, Carlson was favourable in his support for Orbán, a leader who has set out to curb democratic expression. Orbán has been branded by Reporters Without Borders as a "press freedom predator" for "ruthless suppression" of critical media.

Hungary is now rated only "partly free" by Freedom House, which this year rated the country: a 2 out of 4 for the existence of free and independent media; a 2 out of 4 for academic freedom and an educational system free from extensive political indoctrination; a 2 out of 4 for an independent judiciary; and a 2 out of 4 for the realistic opportunity for the opposition to increase its support or gain power through elections.

When the Murdoch media endorses Hungary as a model democracy, this parliament should be deeply troubled.



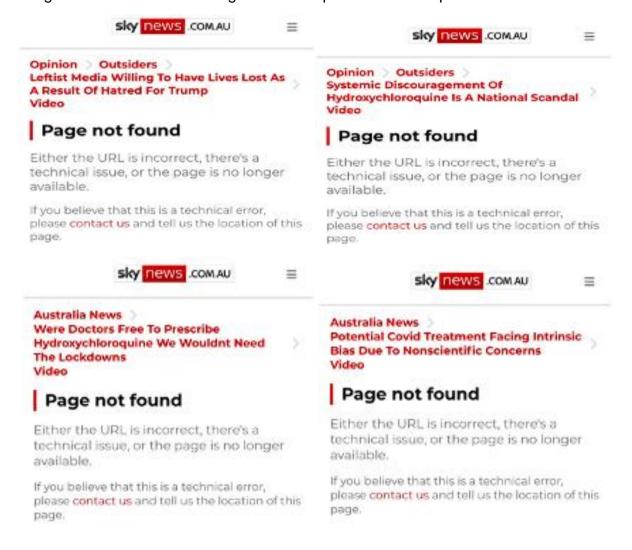
Sky News deletes Covid-19 misinformation videos from internet ahead of Senate inquiry

8 August 2021

Sky News set out to scrub their website clean before their Chief Executive, Paul Whittaker, appeared at the Senate Inquiry on the 13th of August.

The dozens of videos containing incriminating Covid-19 misinformation have resulted in an estimated third of Australians per month potentially consuming health-related content that is unproven and unreliable. YouTube temporarily suspended and removed 21 Sky News Australia's videos on the 29th of July, that reached the platforms 1.85 million subscribers, due to promotion of experimental Covid-19 treatments and denial of Covid-19 existence.

This action casts doubt on commentators of the Murdoch empire, who have argued in defence of pandemic misinformation as <u>'responsible' and 'informed'</u>. No correction or apology was issued to the Australian public for spreading the irresponsible and dangerous content surrounding Australia's public health response to Covid-19.





Australian Press Council rules against Murdoch for racist cartoon

20 August 2021

The Australian Press Council ruled against The Australian, Murdoch's largest circulating masthead in Australia's media monopoly, for violating general principle No. 6 in the publication of the below 'race-baiting' cartoon depicting US vice-presidential candidate Kamala Harris as a 'little brown girl'.

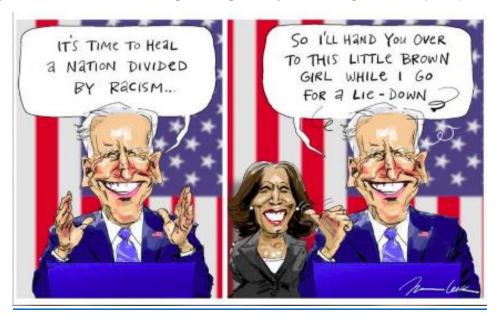
The masthead ridiculed Senator Harris by drawing acute attention to both her gender and ethnicity as the basis for her promotion in public office, as opposed to professional and political achievements and, crucially, the mandate deriving from a vote of the American people at a general election.

The Australian then set out to argue the ruling was an example of censorship, despite the cartoon being circulated for months between publication and ruling (and remaining online since then) and no apology being issued. The cartoon openly encourages ridicule and resentment towards successful people of colour, but The Australian instead argued the APC has 'missed the joke' insinuating that racial discrimination laws have been overstepped.

The unequivocally racist and sexist content distributed and defended by the Murdoch media has been ruled as a violation of Press Council principles, <u>however</u>, <u>only after a formal complaint was made</u>.

News Corporation has set out to argue such a ruling represents the extreme of regulation. In fact, the organisation's refusal to engage seriously with the complaint, and simply to deride its critics, demonstrates the very ineffectiveness of voluntary and under-resourced oversight mechanisms altogether.

News Corporation cannot argue their industry's regulatory settings are in order while ignoring and themselves deriding the legitimacy of the regulator they help to fund.





Former employees blast sexual misconduct non-disclosure agreements

23 August 2021

Former Fox News employees have spoken out against the American broadcaster in a two-part episode of <u>'Four Corners'</u>, exposing Fox News 'role as a propaganda outlet for former US president Donald Trump. The episode, broadcast by the ABC, used testimonies from former Fox employees to highlight Rupert and Lachlan Murdoch's facilitation of Donald Trump's rise to US presidency, the use of non-disclosure agreements by Fox News to silence sexual abuse victims and the propagation of Trump's 'stolen election 'lies.

Even <u>before the episode aired</u>, News Corporation deployed public attacks on the programme they had not seen. These public actions followed a campaign to <u>intimidate the ABC with legal threats</u>. Subsequently, it launched an <u>organisation-wide attack</u> on the ABC over 'bias' in hopes of delegitimising the news organisation as a whole, this included publishing 45 articles over 2 days.

These 'stolen election' lies have been repeated and broadcast in Australia by prominent Sky News personalities with no regulatory consequences, many of which remain accessible to this day:

- Chris Smith Tonight: It is clear 'something fishy' took place in US presidential election – 25 Nov 2020
- Alan Jones: US election was a 'manual on the art of voter fraud' 2 Dec 2020
- Paul Murray Live: The contested US election is 'still contested' 9 Dec 2020
- Alan Jones: Argument about US voter fraud is 'not a conspiracy': Alan Jones
 1 Feb 2021

Despite this clear track record, even in Australia, of co-opting disproven conspiracies, the News Corporation attack included, for example:

- The Australian 'The ABC's big lie and the madness of Four Corners'
- <u>The Australian, Chris Kenny</u> Four Corners: Fox News 'expose' shows same old script from the ABC
- Herald Sun, Andrew Bolt ABC a propaganda vehicle on public dime
- <u>The Australian, Mark Day</u> The Big Lie another big fail for Aunty's sloppy journalism
- <u>The Australian, Gerard Henderson</u> ABC's Four Corners: Cutting Corners in pursuit of the big dud story
- Herald Sun, James Morrow Comments closed: ABC shuts Four Corners Facebook discussion



- Herald Sun ABC 'conveniently omits' facts in Four Corners program
- Herald Sun, James Morrow ABC needs better watchdog after Trump Four Corners report: Senators

News Corporation's relentless attacks on the ABC, for having criticised Fox's role in Trump's presidency, demonstrates the powerful influence of Murdoch's news empire. News Corporation's ruthless condemnation of the ABC in the days following the Four Corners broadcast failed to make any mention of the non-disclosure agreements Fox used to silence sexual abuse victims. Instead, they sought to attack and delegitimise the public broadcaster, shifting the narrative away from Fox News' dangerous 'stolen election' lies and use of NDAs, preferring to accuse the ABC of its own form of propaganda for entertaining the possibility of misconduct.

Critics have every reason to believe that sexual misconduct and the use of nondisclosure agreements is as big a problem in Australia, since the concentration of market power makes journalists more likely to tolerate bad employers since they have fewer alternatives.



Lachlan Murdoch rejects Senate's invitation to face Senate inquiry

3 September 2021

Lachlan Murdoch, Co-Chairman of News Corporation, <u>declined the Senate's invitation</u> to answer questions about Sky News' pandemic denial and anti-vaccine conspiracy content, instead sending executives.

This serves as a subtle but emblematic case of the Murdoch empire's contempt for public scrutiny over news proprietors and their influence on our democracy. Lachlan Murdoch in turn opted to leave the country, boarding a flight to the United States, citing his commitment to reopening the office for Fox News 'employees.



News Corporation amplifies IPA's fabricated ABC figures

9 September 2021

As part of a wider campaign against the legitimacy of public broadcasters, the think tank closely associated with News Corporation, the Institute of Public Affairs, produced a subsequently disproven report that argued the ABC was as obsessed with News Corporation as News Corporation outlets are obsessed with the ABC.

The Australian subsequently published a story titled "ABC discusses News Corp and Murdoch 1700 times in just 30 days".

In fact, the IPA's dodgy report exaggerated the figure by a factor of 10.

Errors involved:

- Counting multiple mentions of 'Murdoch' and 'News Corp' within a piece as discrete reports;
- 2. Including mentions by radio guests and listeners as media reports;
- 3. Including mentions of reports contained in 'Murdoch papers' or 'News Corp' papers, making no further reflection on the organisation itself, as reports about News Corporation;
- 4. Multiplying singular mentions on syndicated programmes across the nation, including one mention of 'the Murdoch paper today' as 50 separate mentions;
- 5. Including the terms themselves out of context, including:
 - a. Mentions of various people with the surname "Murdoch", including chef Lauren Murdoch (17 separate mentions), Lindsay Murdoch, Peter Murdoch, Brent Murdoch, Roger Murdoch, Jordan Murdoch.
 - Mentions of the News Corp shareprice in stockmarket reports; for example, "The best performers today include News Corp..." (13 separate mentions);
 - c. Mentions of Murdoch University and the Murdoch Children's Research Institute;
 - d. Mentions of News Corp journalists whose work was being quoted;
 - e. Mentions of News Corp papers during wraps of the morning media.

No apology has yet been issued.

The Institute of Public Affairs was founded by a group of Australian businessmen, including Sir Keith Murdoch. According to the IPA, Rupert Murdoch was a member of the Council of the IPA from 1986 to 2000.



Fox News host Tucker Carlson admits he lies on his show

15 September 2021

In September 2021, Murdoch's top-rated US host Tucker Carlson unrepentantly admitted to lying to his audience. He said:

"I mean, I lie if I'm really cornered or something... I lie. I really try not to. I try never to lie on TV. I just don't — I don't like lying. I certainly do it, you know, out of weakness or whatever."

This <u>free and unapologetic admission</u> by Murdoch's most favoured presenter, that lies are deployed in service of producing news content, is demonstrative of the Murdoch media's approach to the truth.

In any respectable news organisation, a leader whose employee admits to lying onair would conduct an investigation to determine what falsehoods were spread and correct the record.

Yet this admission has been met with no action by Carlson's superiors, including Lachlan Murdoch.



Murdoch's 'Save Australia' disinformation campaign

6 October 2021

Fox News, by co-opting campaigns which have originated from News Corporation outlets in Australia, have fabricated and promoted the conspiracy theory that Australians are being held hostage by tyrannical governments, primarily anchoring this thesis through <u>Tucker Carlson Tonight</u>, the network's largest programme.

This campaign of COVID-19 misinformation, leading polarised groups of Americans to believe that our civil liberties are under attack by the states' COVID-19 response, ignores the reality that the premiers—which News Corporation has repeatedly attacked—have prevented mass casualties, preserved freedoms of movement and political speech and crucially prevented the collapse of our health system.

The 'Save Australia' disinformation campaign has been spread across Murdoch's global media outlets, following Tucker Carlson's statements on 6 October 2021, that <u>Australians' civil liberties were under 'horrifying 'attack</u>. Misinformation has shaped the opinions of Carlson's three million viewers, leading groups of right-wing Americans to partake in 'Save Australia' protests.

Demonstrative of Murdoch's impact on democracy, Americans have been pictured marching in the streets in support of captive Australians. Politicians and influential US media personalities not employed by Fox News have also taken up the campaign, apparently believing Australians to be imprisoned in their homes and segregated by authoritarian leaders. News Corporation personalities in Australia have supported the campaign, declaring Carlson is 'absolutely right'. For the avoidance of doubt, the conservative Liberal Party has been in power for eight years.



Murdoch attacks the Press Council - again

29 October 2021

On October 29, the Press Council handed down <u>an adjudication</u> against Murdoch's The Australian after almost two years of investigation and deliberation. The complaint was brought by the Office of Kevin Rudd in relation to its demonstrably false claim that the Rudd Government decided in February 2008 to "unilaterally kill the Quad" dialogue between Australia, India, Japan and the United States.

The Press Council found that the newspaper failed to present the facts in a way that was "accurate and not misleading" and that the statement was either not presented "with reasonable fairness and balance" or was "based on significantly inaccurate factual material or omission of key facts".

The Press Council considered prior statements by officials including Howard Government defence minister Brendan Nelson, former Indian president Manmohan Singh, former US under-secretary of state Nicholas Burns and Japanese diplomat Yoshitaka Kitamura prior to February 2008, as well as statements by Rudd Government foreign minister Stephen Smith and Mr Rudd himself.

The Press Council concluded that the Rudd Government's position was not unilateral as it was "consistent with the previous Howard government's position" and was "shared at least by Japan and the United States".

In response, the Australian <u>feverishly editorialised</u> against the Press Council, restating its false claim and citing evidence that had been clearly contradicted by evidence led during the Press Council's closed-door hearing earlier in the year.

For example, the Australian's editorial cited a diplomatic cable from November 2008 in which the then-US Ambassador, Robert McCallum, claimed the Rudd government engaged in no "advance consultation" with Washington on the issue prior to February 2008. The Australian knew this claim was false, since it was aware the Press Council had also considered also a cable dated 12 December 2007 recounting direct consultation between Mr Burns and Mr Smith in which Mr McCallum was not present.

News Corporation insists it doesn't need to report accurately, conflating provable fact with editorial opinion and political gossip. The Press Council merely applied the standards that the Murdoch media itself has signed up to, and it was unjustly impugned for doing so.

That the Press Council is powerless to respond proves it is effectively toothless.