

## **Elites: Concentration of media ownership and control**

What is the origin of this pattern of Australian media ownership and control? In framing the Federation of Australia in 1901, our founding fathers bestowed great responsibilities on the Australian Parliament for national communications policy. Most of them would turn in their graves if they could see the outcome at the end of the twentieth century. Section 51(v) of the Constitution gave responsibility for ‘postal, telegraphic, telephonic and other like services’ to the Commonwealth Parliament, and this section has been held since to include broadcasting as well. Print media was not envisaged in 1901 as being subject to Commonwealth laws, although subsequently the structure of newspapers has been affected by other regulations relating to broadcasting, foreign ownership and competition.

There have been several key justifications behind the regulation of Australian broadcasting. The limited electromagnetic space has been a major factor which underpinned government regulation of broadcasting. Licences to broadcast were granted by the Commonwealth government to particular companies, individuals or interest groups. Hence, privileged access was granted to public assets, although licences were intended to carry with them reciprocal obligations. We shall see later in this chapter how the granting of broadcasting licences, and the conditions attached to the holding of such licences, has been the subject of blatant partisan favouritism on the part of the Lyons, Menzies, Fraser, Hawke and Keating administrations during the past 60 years.

Governments also assume that broadcasting has a uniquely powerful impact on society, especially the alleged intrusiveness into people’s lives of commercial television and its influential agenda-setting capacity. The political process has striven for an elusive ‘balance’ in content, usually sought to be administered through a broadcasting authority (the Australian Broadcasting Control Board from 1949 to 1976, the Australian Broadcasting Tribunal from 1976 to 1992, and the less overtly regulatory Australian Broadcasting Authority since 1992). The principal piece of broadcasting legislation in the second half of the twentieth century—the *Broadcast and Television Act 1942*—long held broadcasters responsible for providing ‘adequate and comprehensive’ programs, although regulators struggled to interpret what this meant or how it might be implemented.

Does it matter, and does anyone care, that Australia’s pattern of media ownership and control is so highly concentrated? The

arguments against high levels of concentration of ownership may be summarised as:

- potential abuse of power;
- loss of diversity of expression;
- conflict of interest; and
- repressive journalistic culture.

### **Potential abuse of power**

Arguments against concentration of ownership rest on the premise that the unchecked concentration of power is undesirable. Media conglomerates are generally controlled by a small group of people who are unelected and, in many ways, unaccountable to the community at large. Where proprietors have a high level of ownership of a media group, such as the Murdoch family, which owns about one-third of News Corporation, or the Packer family, which also owns about one-third of the shares of Publishing and Broadcasting Ltd, the chances are clearly greater for proprietors to have a dominant influence over editorial policy and content. On the assumption that media are influential in people's lives, it is the arbitrary power, and the *potential* for its abuse, which is of central concern. This is a position consistently taken by Royal Commissions in the United Kingdom and Canada, and was also the finding of a major Victorian government inquiry into problems associated with high levels of concentration of daily newspaper ownership which reported in 1981.<sup>2</sup>

### **Loss of diversity of expression**

In the healthiest democracies, a wide range of diverse opinions are offered, and media offer a plethora of different positions, values and biases. No citizen is obliged to accept any particular position or argument, but the principle of a person's democratic right to put their view is of paramount importance. The most desirable media systems ensure that 'a hundred flowers of opinion' can bloom. The core of the problem with concentration of ownership is *not* that we have a few media demon owners who dream up evil schemes to foist upon the public through their media outlets, or that they can easily manipulate an unsuspecting public, but that we lack sufficient *ideological diversity* within our media system. A key theme of this book is the potential that exists for greater ideological diversity with the new media.

Australian media are essentially dominated by a commercial ideology,

and while this is the institutional reality of our economic system, it inevitably restricts the full range of diverse and antagonistic views that the system can offer its media publics. We will not solve the alleged problems of concentration of media ownership by simply adding more players to the system if they are *all* ideological players of the same kind. Take the following theoretical and somewhat fanciful exercise in attempting to change the players who own and control the daily newspaper interests. For the sake of this exercise, picture the Australian capital cities in the mid-1970s, with their dailies owned by the Herald and Weekly Times group's morning *Sun News Pictorial* and the evening *Herald*, Fairfax's *Sydney Morning Herald* and *Australian Financial Review*, and Murdoch's *Australian*.

Just suppose that only one of these commercial papers could somehow remain with the same commercial owner, but that *all* of the others were sold individually to, say, the Australian Council of Trade Unions, the Australian Conservation Foundation, the Brotherhood of St Lawrence and the Australian Council for Social Services (assuming for this exercise that these groups could afford and wanted to buy them!). This would produce an ideological mix within the ownership, where more diverse opinions and alternatives would most likely be offered. When media executives pontificate that we enjoy the world's best television, or boast that Australia has the freest and most open media system, they rarely acknowledge the limitations that the dominance of commercial ideology imposes on the achievement of full diversity. Of course, commercial media are central to our framework of institutional communications, but surely they ought not to dominate the whole system?

## **Conflict of interest**

Media outlets cover the breadth of financial dealings in the Australian business scene, and conflicts of interest can arise where media owners are directly involved with other business activities which inevitably get media coverage in the outlets they control. Vic Carroll, a former editor-in-chief of the *Sydney Morning Herald* and a former managing editor of the *Australian*, made this comment on the problem:

[A]ll media are potentially compromised when the media owner/controller has substantial non-media interests. They are politically compromised when the non-media interests involve government licences. We do not expect News Corporation newspapers to be vigorously critical of the two airline policy whilst News controls Ansett. We do not expect them to investigate fearlessly the terms and conditions of Fox Studios' deal with

the NSW government over the Sydney Showground. We do not expect the Nine Network's current affairs programs to be profoundly sceptical of casino values. But we should expect someone to be doing these things and that will only happen while there is a diversity and separation of ownership.<sup>3</sup>

It is a contention of this book that we need as many media players as possible to be involved, portraying different perceptions of the world and what it could be like.

Another area of concern about conflicts of interest arises where a Minister with portfolio responsibilities for media policy becomes, or is perceived to become, captured by particular media commercial interests. A good example of this was provided by Peter Westerway, former Chair of the Australian Broadcasting Tribunal, who said at a 1997 conference on media ownership and control:

[O]ne of Paul Keating's first, if regrettable, acts as Prime Minister was to appoint his old friend, Graham Richardson, as the Minister for Transport and Communications. He became somewhat better known as 'the Minister for mates,' or alternatively 'the Minister for Channel Nine.' Richardson's twisting and turning over policy issues is a story in itself (ably described in Marian Wilkinson's book *The Fixer*). But on the central issue with which we are concerned today—media ownership and control—Mr Packer's warm friend and well paid future employee was very single minded. Take it from one who canvassed no less than four ministers and a prime minister seeking support, that Graham Richardson's mission as a Minister of the crown was clearly the same as it is now: to arrange matters to suit his mates. And no one else in the government—including the Prime Minister—was going to stop him.<sup>4</sup>

## **Repressive journalistic culture**

Significant differences of opinion occur, of course, across the commercial media and within individual media organisations. It is common editorial practice of many daily newspapers to commission senior journalists with diametrically opposed views to write detailed feature articles on major issues. Some newspapers recruit leading journalists, such as Kenneth Davidson or Paddy McGuinness, because of their particular political position, be it left or right wing, in an attempt to contribute to the balance of the paper. There are, however, few examples of the recruitment of highly radical journalists, from any side of the political spectrum, who fundamentally challenge political and social orthodoxy.

Many journalists try to debunk the fears expressed about concentration of media ownership by stating that in all of their years of journalism,

no owner has ever told them what to write. Commercial media institutions, however, generate internal pressures which are a product of the character of their ownership. The issue here is *not* that some bosses actually direct their editors or journalists about what they may publish or write, but rather that media personnel *internalise* the values of their organisation and become conditioned by their occupational environment into conventions of particular commercial institutional uniformity. Jock Given, Director of the Communications Law Centre, has alluded to the ‘two views of reality’ that were offered by the Murdoch and Packer camps about the future of Rugby League in New South Wales during the nasty and protracted negotiations over television rights in 1997. What emerged in the media coverage, he argued, was two images of Rugby League:

. . . the honest, decent sport set upon by avaricious and unprincipled demons of News Corporation, and a new world of super players, super skills and super entertainment . . . The Murdoch papers have delivered, relentlessly, for Super League. Channel Nine’s football coverage, at least until it was supplemented by rights to some Super League fixtures, delivered for the Australian Rugby League (ARL).<sup>5</sup>

This example has been chosen not merely to show that a predictable commercial bias intruded into the media coverage by the two media companies involved in the fight for television rights, but also to demonstrate the pressures towards self-censorship on journalists working within those organisations. How, for instance, could a Packer employee possibly do a pro Super League journalistic piece in this circumstance, or a Murdoch employee write a pro ARL status quo rights story?

Moreover, where media ownership is highly concentrated, the covert pressures to toe the company line are greater because of the lack of alternative employment opportunities. Mungo MacCallum, a flamboyant Canberra political correspondent for the *Nation Review*, observed many years ago that ‘you get to know what you cannot write’. Similarly, Max Walsh, an experienced managing editor of the *Financial Review* and the *Bulletin*, once said that ‘there are no parachutes for editors’. This pressure for conformity has become more serious in recent years in Australia’s smaller capital cities as a result of the abnormally high levels of concentrated ownership of daily newspapers, together with the disappearance of most evening daily newspapers. Where do the journalists who ‘rock the boat’ unacceptably now find alternative similar employment in the ‘company towns’ with one daily newspaper owner, such as in Perth, Adelaide, Brisbane and Hobart? One would assume that a business environment with vigorous press competition, plus many

alternative avenues for editorial and journalistic employment, would be much more likely to produce a dynamic, diverse and rich content environment.

### **Broadcasting licences: Partisan patronage**

The history of Australia's pattern of media ownership and control shows extraordinary political favouritism and pragmatism on the part of governments towards media corporations judged to best serve the party's interests. Broadcasting policy has been one of the most blatantly politicised and incompetently managed areas of government policy since Federation, by both sides of Australia's major political spectrum.

Australia's media policy history is littered with special manifestations of 'Ozzie mateship' towards media barons by governments of the day. During the past six decades the most notable examples are:

- the Lyons government in the 1930s;
- the Menzies government in the 1950s;
- the Fraser government in the 1970s; and
- the Hawke–Keating administrations (1983–96).

### **The Lyons government in the 1930s**

Rupert Murdoch's father, Sir Keith Murdoch, enjoyed a close relationship with Prime Minister Joseph Lyons when he was at the helm of the Herald and Weekly Times Ltd in the 1930s. Historian Robin Walker has documented an example when Murdoch was rewarded for curbing press criticism of the Prime Minister:

In October 1934 Lyons wrote to the editor of the *Melbourne Herald* to thank him for his great help in the elections. About a year later Murdoch wrote to Lyons objecting to the recent regulations which curbed the extent to which his and other companies could own a chain of wireless stations. Two days later new revised regulations were gazetted . . . The price that Lyons paid for his support was the suspicion that the Prime Minister was at the bidding of the managing director of the Herald and Weekly Times Company Ltd.<sup>6</sup>

Joseph Lyons thus created the policy precedent whereby the Commonwealth government facilitated increased levels of concentration of media ownership.

## The Menzies government in the 1950s

The introduction of television to Australia in the 1950s was accompanied by political interference. In 1958 the Australian Broadcasting Control Board (ABCB) had the authority recommend to the government suitable applicants to be granted television licences. When the ABCB, seeking two licensees for television in each of Brisbane and Adelaide, found that the applicants, the Sydney and Melbourne newspaper groups, breached government policy in that television stations were supposed to be controlled by local interests, they declined to recommend any applicant for a licence to the government. They called for new applications for one licence only in each city to be granted to local business, but the government rejected this proposal—and without any public explanation—in October 1958. After Parliament had risen prior to an election, the Postmaster-General announced that the Adelaide NWS-9 licence had been granted to Rupert Murdoch, owner of the *Adelaide News*, the ADS-7 Adelaide licence had gone to the *Adelaide Advertiser*, owned by the Herald and Weekly Times group, Brisbane's QTQ-9 had been granted to Fairfax, and BTQ-7 had gone to Queensland Press, also owned by the Herald group. It was the Menzies government that set in concrete a media ownership pattern which essentially gave the major television licences to the same big press/radio oligopoly, resulting in Australia having levels of concentration of media ownership unprecedented in the Western world.

## The Fraser government in the 1970s

Malcolm Fraser's government (1975–83) also provided some extraordinary examples of political intervention into broadcasting licence allocation, and commissioned some changes to the *Broadcasting and Television Act* which became widely referred to as 'the Murdoch amendments'. Surely it is wrong for governments to rewrite national legislation to suit the interests of a particular company at times which are convenient to individual corporate interests. So, how did this happen?

In the late 1970s Murdoch acquired Channel 10 in both Sydney and Melbourne, Australia's largest city television markets. Murdoch by then had begun his expansionist internationalisation of News Corporation, including the purchase of major American newspaper assets. Since it appeared likely that he had become an American citizen to enable him to purchase such assets, he was cross-examined (by Gareth Evans) at the Australian Broadcasting Tribunal (ABT) inquiry into this acquisition and asked whether he was legally an Australian resident, which

the law required of broadcast licensees. This issue became clouded in technicalities about the meaning of citizenship and Murdoch won. Given the extent of his vast international media empire, and hence the limited time spent in Australia, he could hardly be called an Australian resident or Australian citizen. Later he became owner of more than 60 per cent of Australia's major daily newspapers. Moreover, few countries in the world have levels of foreign media ownership anywhere near as high as Australia has allowed.

At the time of the ABT inquiry into the Murdoch takeover, there was a 'two station rule' for television, intended to put a check on further increased concentration of ownership of Australian media assets by limiting the control of television licences to a maximum of two for any one proprietor. Murdoch, who wanted a Melbourne–Sydney television axis, therefore needed to divest a television station licence in Brisbane, which he had held since 1958, or be in breach of the Act. Occasionally, existing licence-holding duopolists bought a share-holding in further licences but later divested these interests in order to stay within the legal limit. There were considerable legal procedural matters involved at the ABT hearing into Murdoch's purchases about 'warehousing' shares during the acquisition. The ABT somewhat courageously ruled against Murdoch's acquisition on public interest grounds, arguing that his control of a Sydney–Melbourne network would unduly concentrate media power. But later an Administrative Appeals Tribunal review overturned the ABT's decision in favour of Murdoch.

Astonishingly, however, as a result of this saga, the Fraser government changed the legislation with what came to be known as 'the Murdoch amendments' which removed the important ABT's public interest powers that previously could be taken into account when deciding on the suitability of corporate licensing changes. The revised legislation redefined the criteria for licensing by omitting concentration of media control in metropolitan areas as an appropriate criterion for consideration. So, as a result of these government policy changes, no longer could the government's regulatory body take into account public interest issues in the allocation of public licences! The sad irony of this episode was that the Australian Broadcasting Tribunal was itself a creation of the Fraser government (in 1976), and the Prime Minister, Malcolm Fraser, had said at the time of its inauguration that its role would be to 'depoliticise' the licensing process! A decade later, Fraser appeared as a private citizen, with another former prime minister, Gough Whitlam, to speak at a public rally in Melbourne's Treasury



Gardens where he vigorously denounced the disastrous media ownership legislative changes made by the Hawke administrations.

### **The Hawke–Keating administrations (1983–96)**

The late 1980s witnessed the greatest spate of takeovers in Australia's corporate history, with extraordinarily bizarre buying and selling of media assets. Though there were some complex policy factors at work, especially the inevitable structural industry changes resulting from the introduction of Australia's domestic satellite system, the fact remains that new government media legislation introduced by the Hawke administration was the catalyst for this spate of media takeovers. In November 1986, amendments to media ownership laws, which changed the numerical limits to television station ownership, facilitated a successful takeover early in 1987 of the Herald and Weekly Times group by Rupert Murdoch. It also created a situation where virtually all metropolitan television licences changed hands, with the result that most of the new owners subsequently ran their newly acquired television networks at substantial losses. Flawed legislation, coupled with one of the most deplorable exercises in Australian corporate sector incompetence, meant that Australia's commercial television industry, whose history really had been 'a licence to print money', went broke for a while. Staggering commercial television industry losses in the late 1980s saw Frank Lowy selling the Ten Network, Alan Bond being forced to sell the Nine Network (back to Packer), and Christopher Skase quitting Qintex and the Seven Network before fleeing to Spain.

How could a government have possibly had a hand in this debacle? With the introduction of the domestic satellite system in Australia in the early 1980s, the issue arose of how to utilise the satellite's capacity to cover the whole of Australia to justify the existence of the system and help Aussat, the domestic satellite company, pay its way. It was necessary to alter the established balance of interests between metropolitan television interests and cosy regional television monopolies (among the most profitable business enterprises in the country), otherwise the satellite system would have been underutilised, thereby incurring huge losses. A proposed system for regional television operators to take up supplementary licences, whereby the regional operator would offer a second service via a supplementary licence, did not work. The regional operators were generally reluctant to change an industry structure which had provided them with such handsome profit margins, and few took up the offer of supplementary licences. While searching for a solution to the satellite problem, the government was attracted to

a suggestion that had been made by the Australian Broadcasting Tribunal in 1984 to change the two station rule. The then Minister of Communications, Michael Duffy, subsequently explained that the two station limit rule

. . . was extraordinary because it equated holding a licence in Sydney and Melbourne with Mt Isa and Shepparton, which in terms of power was considerably different. The rule did not take into account the different populations served by television licensees. Based on the 1981 Census data a licence in Sydney served 3.3 million people, that is 22% of the population. Mt Isa served 23000 people, that is 0.2% of the population. So Channel Nine, at that stage, had 43% of the population, Channel 10 had 43% of the population, Fairfax 31% and the Herald and Weekly Times 28%. But Mt Isa and Broken Hill had 0.4% of the population, and Ballarat and Shepparton had 3.3%. It was a ridiculous rule.<sup>7</sup>

On 21 November 1986, Duffy took a submission to Cabinet favouring the abandonment of the two station rule, replacing it with a provision which allowed a prescribed interest in any number of television licences, provided the combined population of the area serviced did not exceed 43 per cent of Australia's population. Therefore, it was recommended that the two station rule be changed to a system based on the upper limits of the then television ownership audience reach, bearing in mind that the combined Sydney and Melbourne television markets comprised 43 per cent of Australia's population. This ought to have allowed more licences to be held by one interest, while still keeping in check the levels of concentration of television ownership. The Labor government was very divided on this issue, but eventually opted for a proposal from the then Treasurer, Paul Keating, a disciple of deregulation in all industry areas, for an upper limit of ownership reach of 75 per cent which had to open up the floodgates. Minister Duffy stayed steadfastly to his proposed limit of 43 per cent, but Keating, with Prime Minister Hawke's support, won the day—at 75 per cent. Later, the Senate amended the legislation to allow for a maximum audience reach of 60 per cent.

As a trade-off to government members who opposed this new ownership policy, and who were concerned that the Labor Party platform actually pledged diversity of ownership, new regulation was introduced to limit the levels of cross-media ownership. Essentially, the cross-media law provision under Labor was that a company could not acquire a television station in a market where it owned a daily newspaper with more than 50 per cent circulation in the same market. Keating said that owners had to make choices about their medium, that they had to choose to be only '*princes of print*', '*queens of the screen*' or

*'rajas of radio'*! As Rod Tiffen later put it, '[R]estrictions on cross-media ownership were the one fig leaf for maintaining diversity.'<sup>8</sup> However, the consequences of the changes to the legislation brought substantial activity to the share market, and within weeks of the legislation being passed, Murdoch bought the Herald and Weekly Times group, and a corporate circus of television takeovers began with multiple changes of ownership and control of licences. Although this brought some new owners into the system, these tumultuous changes provided no real diversity than before, and ended in financial disaster for many companies.

These policy issues were among the most complex in Australia's media policy history, but in hindsight it is difficult to see that any national benefits have accrued from this bizarre policy period. The Howard government (1996– ) subsequently came to office promising a thorough media review of cross-media ownership, but after a protracted debate in the major press outlets during much of 1997, together with powerful lobbying from vested media interests, the Howard Cabinet finally decided, rather symbolically, to maintain the legislative status quo. It must be acknowledged that this prevented the Packer organisation from the possible acquisition of the Fairfax group as a result of legislative change, which Packer had publicly sought, and which would have further reduced the number of principal media players. In May 1999 all three major media groups declared that they were in favour of the abandonment of the cross-ownership limits.

If history judges governments merely on outcomes, it will be especially unkind to the Hawke–Keating governments in the context of Australia's new map of media ownership and control. This Labor government's track media record during 1983–96 was partially responsible for:

- The break-up of the Herald and Weekly Times group, which reduced the number of media oligopolists from four (Murdoch, Packer, Fairfax, Herald) down to three. Paradoxically for a Labor government, the Herald group had the most diverse share register of all the media companies—an example of 'people's capitalism'.
- The greatest spate of takeovers in Australia's commercial television history, with unbelievable and unsustainable prices paid for licences. There were many commercially stupid decisions, but they were facilitated by Labor's new legislation on television ownership and control.
- A commercial television system which focused more programming power on the six Sydney and Melbourne channels of 7, 9 and 10 (and with Sydney more dominant managerially than Melbourne) in

a television industry now increasingly operated on a national networked basis, paying lip service to regional needs.

- The highest levels of concentration of ownership of daily newspapers in Australia's history, with Murdoch owning more than 60 per cent of the major daily newspapers.

What conclusions can be drawn about the effective functioning of media policy in Australia from these examples of blatant politicisation over many decades? Governments and political parties are dependent on an unelected group in society—the media owners and controllers—for their electoral prospects. A political party elected to form a government and administer the portfolio responsible for national media policies and practices behaves in ways which suggest it feels beholden to keep media members 'on side', otherwise it may risk defeat at the next election. This is one of the most serious and unfortunate conflicts of interest inherent in our system of government. Clearly, this is an area where the democratic process has not worked in the way it was intended to work.

### ***The old media hegemony***

The complex issues surrounding the alleged power and influence of media institutions, of who owns and controls media, and how they exercise that power, have always been subject to intense scrutiny by interests vested and otherwise.

Media remain central to most people's lives: the old adage still remains true for many people today, that next to sleep and work, our next most time-consuming activity is attending to media. We use media to construct our version of what the world is like, and what we regard as important issues in society depends in part on how the media choose to represent them.

Every political party pays extraordinary attention to the agenda constructed by the media, and how their particular party interests and performance are portrayed, for better or worse. Media institutions are also central to a great deal of financial activities, including an unprecedented level of media share dealings during the past decade and a half. Hence, media institutions and practices have a special prominence in our society; they are significant financial organisations in our economy, major political influences in the democratic process, and central players in the construction of our sense of place in society.

Some media scholars have drawn upon the economic determinism school of thought proposed by Karl Marx in the 1860s, which has

recently come to be revisited in debates about power in our contemporary information society. Briefly, Marx saw capitalist society as being driven by the dual dynamism of investment and profit. For Marx, the central axis of the capitalist society was the connection between the ‘mode of production’ and the ‘relations of production’. The ‘mode’ constituted the products of a society, whether grown, manufactured or extracted, to be used or consumed. He argued that the ‘mode’ of production separated capital, which accumulated profits, from labour, the ‘relations’ of production. Capital would inevitably drive down the costs of labour as low as possible. In Marx’s form of capitalism there were only two classes, the owner and the wage slave—each locked in an inevitable class war. Technological development emerged through the logic of capitalistic necessity. For Marx, the only way that labour could ‘win’ over capitalism was by socialising the means of production through a revolution.

Marxism’s economic determinism was encompassed in related debates about class and ideology by an Italian journalist and political activist, Antonio Gramsci, who was a founding member of the Italian Communist Party in the 1920s. He was imprisoned in 1926 where he wrote a major treatise before his death in 1937. The notion of *hegemony*, essentially defined as *the power or dominance that one social group holds over another*, is attributed to Gramsci. He was opposed to Marx’s strict economic determinism, and preferred interpretations which centred on the role of the human agency in understanding class and other social struggles in historical change. Gramsci gave attention to the structuring of authority and dependence on symbolical environments that correspond to the ruling economic class in a society. According to Gramsci’s theory of ideological hegemony, mass media are tools that ruling elites use to ‘perpetuate their power, wealth and status [by popularising] their own philosophy, culture and morality’.<sup>9</sup> For Marx, the centrepiece was the economic class struggle, whereas for Gramsci it was more critical to understand *consciousness*, especially how the ruling class had the power to frame or define reality in a way that perpetuated their class domination.

For much of the twentieth century, Australia had among the highest level of concentration of media ownership and control in the democratic world—Australia’s media ruling class. Although all were conglomerates, there were significant differences in terms of the content offered, their political outlook and their style. Their management invested in each new medium as it arrived, were enormously competitive, suspicious of each other, and made good profits as media became a significant growth industry of post-Second World War Australia. Each of the major technological shifts was spaced with decades of institutional adjustment,

notably the advent of radio in the 1920s and 1930s, television in the 1950s and 1960s, and the introduction of an Australian domestic satellite in the 1980s.

For much of the twentieth century, Australian media expansionism was built around ‘press moguls’—the Fairfaxes, the Murdochs, the Packers—as well as the Herald and Weekly Times group (until 1987). Since the 1960s about 90 per cent of what Australians read in newspapers, hear on radio and watch on television are products of these companies. Their collective ownership and control of so many media outlets has given them a commanding political base. James Lull argues,

[O]wners and managers of media industries can produce and reproduce the content, inflections, and tones of ideas favourable to them far more easily than any other social groups because they manage key socialising institutions, thereby guaranteeing that their points of view are constantly and attractively cast into the public arena.<sup>10</sup>

It is important to point out that there are no uniform social responses to the content offered by major media to their media publics. Inevitably, there is an extraordinarily different set of human responses by media consumers to media outputs. Meaning always remains in the eye of the beholder. It is in this sense that the term ‘mass media’ has become discredited. Those who own and control the media systems cannot *manipulate* the reading, viewing and listening publics, although they *do* possess the capacity to set agendas of discourse and exert influence in ways that others cannot. Owners can still make the ultimate decision on what is published, and what is not. Editors, journalists and program makers inevitably *construct* the content of media.

Some of the rhetoric of new media suggests that the old power bases are now being eroded by new players and the many new modes of communication, so that the concerns about highly concentrated levels of ownership and control are no longer well founded. With so many new choices along the superhighway, why worry about the old media conglomerates? We are witnessing, so the argument goes, the ‘demassification’ of the new media.

However, we need to be reminded that the key institutional media power bases still remain firmly entrenched in terms of their market share of audiences. The major audience trends regarding the time devoted to media sources by Australians may be summarised as follows:

- Overall Australian media consumption by adults has not changed greatly during the past ten years. Mainstream media, including radio and television, tended to maintain their number of users, though there has been some decline in hours spent with particular media.<sup>11</sup>

- A.C. Nielsen research in 1977 argued that the average television viewing time was 3.2 hours per day, with 4.4 hours per day for those aged 55-plus, but people in pay television households split their viewing between an average of 2.1 hours daily on pay television, and 1 hour a day on network television. By 1999 Nielsen research indicated that pay TV viewing accounted for 46 per cent of all television viewing in homes with a pay TV connection.<sup>12</sup>
- The number of hours spent over a year (1997) watching commercial television dropped to about 15.5 billion, down by about 470 million, with the difference explained in terms of greater time devoted to the Internet. Heavy users of the Internet tend to devote little time to commercial radio and television.<sup>13</sup>
- There has been a substantial drop in newspaper *circulation* in recent years: total average daily sales have fallen 38 per cent in the past 25 years, and 32 per cent for the period 1986–97, although weekend and Sunday newspapers have fared better. In 1963 one person in three bought a daily newspaper, but now only one paper is sold for every 7.5 people.<sup>14</sup>
- Meanwhile, the amount of newspaper *reading* appeared not to be in decline, with total hours increasing by 120 million in 1998.<sup>15</sup>

Classic Marxist/Gramsci theorists would point out that some fundamental characteristics of Australian media still remain with us at the beginning of this new century—a highly concentrated pattern of commercial ownership and control by the ‘ruling class’, with most Australians high consumers of the products of the ideological hegemony, although with some significant changes in media habits beginning to emerge.

The era of the twentieth century media age was essentially built around press dynasties: Keith handed on to Rupert Murdoch, Frank to Kerry Packer, and James to Warwick Fairfax. It will be fascinating to see whether the new generation of daughters and sons, notably Elisabeth and Lachlan Murdoch and James Packer, will be able to maintain the dynasties’ power base in the age of the new media. Their new century will be commercially and strategically much tougher. The communications technological landscape is in the process of changing rapidly. There are no governments to lobby to acquire Internet advantage for their companies because there are no Internet licences in Australia.

There are radical forces for change under way, to which we must now turn.