



# Cover Prices, Episode III

**Connoisseurs of the twice yearly press coverage of newspaper circulation figures had something special to savor last month. Along with the usual contortions to put its own result in the best possible light, each paper studiously ignored a factor which all would automatically consider in their analyses of poor results by sellers of any other commodity.**

The circulation figures showed some troubling declines in Monday-Friday sales. But no paper referred to the recent steep increases in cover prices. Is it possible people are buying fewer papers because they cost too much?

A nexus between cover prices and circulation seems to have been confirmed in London, where Rupert Murdoch's *Times* has sold 46 per cent more copies since he cut its cover price from 45 pence to 30 pence last September (*Age*, citing *New York Times*, 14 June 1994).

In February, *CU* noted the long-term decline in newspaper circulations. In April we published the first detailed analysis of cover prices, showing increases well in excess of CPI over the period 1984-94. Prices have risen most sharply since 1991, when inflation has been lowest.

The papers mostly ignored these newsworthy statistics. In May, *CU* asked whether conflict of interest was infecting news judgments. John Henningham, professor of journalism at the University of Queensland, examined the issue in the *Brisbane Weekend Independent* (published by the University) on 13 May in a column which began: 'This is a story you won't read about in the *Courier-Mail*.'

The Communications Law Centre sent letters to the editors of the major dailies and Sunday papers outlining our cover price research findings and inviting readers to join our call to the Assistant Treasurer, George Gear, for an inquiry by the Prices Surveillance Authority. The *Sydney Sun-Herald*, alone to our knowledge, published a heavily edited version on 29 May.

Despite our express indication that the CLC letter was intended for publi-

cation, one other paper's executive editor replied privately. He explained that it was simplistic to compare CPI with cover prices and went on to list the percentage increases in items used in producing papers, among them newsprint, transport, fringe benefits tax and insurance. He trusted that 'this puts the matter in a better perspective for you.'

We appreciate his courtesy and do not wish to create trouble for him with his more tough-minded superiors by identifying him. However, to our mind his reply proves our central point: there is a prima facie case to answer and the PSA is the obvious agency to conduct a public inquiry. We will ask the managing editor, with equal courtesy, to publish to his readers both our letter and his reply.

Meanwhile, Mr Gear's staff say that he is waiting for Treasury advice about the CLC's request for a PSA inquiry.

Several Labor Caucus members have shown an interest in the issue, although the Canberra Press Gallery has not yet stirred to action. Puzzling, when you consider that the ingredients of this public policy issue include the competing interests of the three major print media owners and the many Australians who jointly buy the 18.8 million newspapers sold, on aver-

age, each week. This is a live issue, not a post mortem such as the Senate inquiry into the Keating-Conrad conversations over Fairfax. Yet that inquiry (which was about much more, of course) received saturation coverage.

If the media won't represent the public interest, perhaps the Parliament will. Democrats' communications spokesperson, Senator Vicki Bourne, asked in a Question on Notice on 4 May whether the Minister representing the Communications Minister supported a PSA inquiry.

'Does the Minister accept,' she asked, 'that the case for rigorous newspaper cover price control [is] strengthened by the 1992 findings of the House of Representatives Select Committee on the Print Media that 'barriers to entry into print media markets...are very high for metropolitan and national daily newspapers', and that competition between a new niche publisher and a major publishing group 'could only be at the margin - both in terms of influencing public opinion and affecting price and quality'?

If the press doesn't bring you the Minister's answer, *CU* will. □

**STOP PRESS:** The price of the *Sydney Daily Telegraph Mirror* rose in May from 60 to 70 cents.

*Paul Chadwick*

## Farewell, Michael Law

**"It is crucially important that the truly radical nature of the changes occurring in the communications system should be recognised. We cannot afford simply to tinker with a legislative regime which has no hope of coping with future needs and will become progressively more inadequate, to the point where it will constitute an administrative disaster area of mammoth proportions and pervasive effect, capable of doing great national harm."**

Michael Law, a seminal figure in the development of community broadcasting in Australia, died last month in England. This typically perceptive extract from a piece Michael wrote for *CU* in January 1987 seemed to us like a fitting tribute to a man who wielded so much influence on Australian broadcasting policy during the 1970s and 1980s.