FactCheck: does Murdoch own 70% of newspapers in Australia?

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We take a closer look at the claim the prime minister has made on the Murdoch press in Australia.

"Mr Murdoch is entitled to his own view... he owns 70% of the newspapers in this country." – Prime Minister Kevin Rudd, press conference, 6 August.

One of the more spirited discussions of the first week of this federal election campaign has concerned whether News Corp Australia, as our largest print media company, has a vested interest in the election outcome.

After a front page of Sydney’s Daily Telegraph declaring “Finally, you have a chance to... KICK THIS MOB OUT”, and a tweet from Rupert Murdoch questioning the cost of the National Broadband Network (NBN), Prime Minister Kevin Rudd responded at a media conference in Brisbane that “Mr. Murdoch is entitled to his own view... he owns 70% of the...
newspapers in this country."

This statement is factually incorrect. According to the Finkelstein Review of Media and Media Regulation, in 2011 News Corp Australia (then News Limited) accounted for 23% of the newspaper titles in Australia.

In a rebuttal of Kevin Rudd’s claim, Sally Jackson from The Australian observed that News Corp Australia accounts for 33% of the newspaper titles that have sales audited by the Audit Bureau of Circulation.

But Rudd’s claim has more validity if we focus on newspaper circulation. Many of the newspapers listed are highly localised and have small circulations.

News Corp Australia titles account for 59% of the sales of all daily newspapers, with sales of 17.3 million papers a week, making it Australia’s most influential newspaper publisher by a considerable margin.

Among capital city and national daily newspapers, which are by far the most influential in setting the news agenda, News Corporation titles accounted for 65% of circulation in 2011. Fairfax Media, the next biggest publisher, controlled just 25%. Those figures may have shifted slightly since then, but there is no doubt that News Corp Australia is our most dominant player - as academic Matthew Ricketson pointed out in The Conversation’s media panel blog, it owns 14 of our 21 metro daily and Sunday newspapers.

An International Media Concentration Research Project, led by Professor Eli Noam of Columbia University, found that Australian newspaper circulation was the most concentrated of 26 countries surveyed, and among the most concentrated in the democratic world.

Two newspaper owners (News and Fairfax) accounted for 86% of newspaper sales in Australia in 2011, as compared to 54% for the top two newspaper owners in the United Kingdom and a lowly 14% for the top two in the United States.

It is not the purpose of this fact check to consider whether that translates into political influence over governments and the electoral process. But it is important to note that this concentration of newspaper circulation exists at a time when the overall number of newspaper sales is declining. Newspaper sales per 100 Australians were 9.7 in 2011, as compared to 21.9 in 1987 and 13.0 in 2000.

The major reason for this decline is the migration of news consumption to the internet, where news.com.au and other News Corp sites face stronger competition from ninemsn, Yahoo7, Fairfax Media, the ABC, and other sites such as The Conversation, Crikey, On Line Opinion and Guardian Australia. The extent to which some of these sites either gather original material, or have the influence of the News mastheads, is certainly debatable, but the online news environment is far more diverse than that for print newspapers.
But Kevin Rudd’s claim that Rupert Murdoch - or News Corp Australia - “owns 70% of the newspapers in this country” is, as a factual statement, false.

Verdict

Kevin Rudd’s claim that Rupert Murdoch “owns 70% of the newspapers in this country” is false. He is closer to the mark on the circulation of News Corp Australia’s capital city and daily newspaper titles.

Review

As the article rightly notes, the claim that Rupert Murdoch or News Corp Australia own 70% of Australian newspapers is factually incorrect. As reported in the Independent Media Inquiry final report, its share of daily newspaper is 23%. The report also includes a set of tables on share of newspaper ownership that use Audit Bureau of Circulation data from 2011.

The most recent IBIS World Industry Report on Newspaper Publishing in Australia (July 2013) finds that News Australia has a 42.3% marketshare, with the company’s daily and Sunday newspapers accounting for approximately two-thirds of all daily (including Sunday) newspapers sold in Australia. - Ben Goldsmith.

The Conversation is fact checking political statements in the lead-up to this year’s federal election. Statements are checked by an academic with expertise in the area. A second academic expert reviews an anonymous copy of the article. Request a check at checkit@theconversation.edu.au. Please include the statement you would like us to check, the date it was made, and a link if possible.