

Profits before news as APN cuts 70 jobs, says union

by Justin Henehan and Angus Bennett

A "dark day for news and democracy" is how the journalists' union describes APN News & Media's move to contract out subediting of its newspapers and magazines.

From July, Australian production company Pagemasters will subedit newspaper and magazine content for APN publications from all over New Zealand. Its production facility will be in Penrose, Auckland.

Subeditors are senior journalists who write headlines and check stories for accuracy, grammar and spelling.

Affected publications include *New Zealand Herald*, *The Listener*, *The Northern Advocate*, *Bay of Plenty Times*, and *The Star*.

New Zealand journalists are represented by the Engineering Printing and Manufacturing Union. The EPMU estimates the move will see 70 jobs lost up and down the country — an

estimate APN says is "close to the mark".

Pagemasters will eventually employ up to 50 subediting staff at its Auckland production

facility, says Rick Neville, deputy chief executive of APN's New Zealand publishing division.

"The number of editorial production staff in Auckland will actually increase over what exists now," he says.

Increasing profit and efficiency is the rationale behind APN's decision, despite the Australian media giant achieving record profits in 2006.

Macquarie Bank adviser and for-

mer journalist Richard Inder says the move in New Zealand is a symptom of an emerging media battle across the Tasman.

"The cuts serve their purpose by creating higher profits. This increases APN's ability to borrow against their assets, giving them more firepower."

He says New Zealand newspapers are being used to pump up APN international's share price so it can jump into the Australian media war with as much money as possible.

Neville says APN has a duty to its shareholders "to continually look for new efficiencies".

But APN already makes tens of millions of dollars in profit out of its New Zealand interests, says EPMU national secretary Andrew Little in a statement.

"Now they're trying to squeeze out a little more and it's going to come at the cost of decent jobs and news quality."

"The move shows APN's priority is the bottom-line profit, rather than providing quality news to New Zealanders," says Little.

Most page design on *The New Zealand*

Herald will remain in-house, while editing of content will be done by Pagemasters.

Pagemasters' subeditors will work in shifts, checking content on pages from several different publications at a time — a process that will lead to errors, says *Herald* union delegate Simon Collins.

"It's an intensification of the process. They'll be under pressure to [subedit] a certain amount of pages an



PHOTO: JUSTIN HENEHAN

JOB LOSSES: Australian media giant APN plans to cut costs by outsourcing its subediting work to another Australian company. An estimated 70 senior journalists throughout New Zealand will be made redundant.

hour," he says.

The EPMU says the result will be less in-depth coverage, a decline in accuracy, and some stories left untold.

Neville disagrees: "Pagemasters can manage the high page traffic volume. Each page will be checked at local level before being sent to print."

"The commercial agreement APN has negotiated with Pagemasters provides for financial penalties if standards of quality and accuracy are not met," he says.

But Collins says when subediting is removed from community newspapers, a decline in accuracy is inevitable.

"With time the connection between

local newspapers and their communities will be lost."

The connection between journalists and subeditors will also be lost — a relationship Collins says is crucial to producing journalists capable of quality reporting.

"There will be a loss of wisdom. Subeditors have the institutional memory in place. They pick up errors reporters don't know about."

"Subeditors play a mentor's role to young reporters — they're the old hands you go to as a reporter."

Neville says each paper will retain a core "back bench" of senior news editors and sub-editors that will continue to carry out the mentoring role.

But a statement, Little describes APN's move to "assembly-line subediting" as an attack on the New Zealand news media and its democratic function.

"This is a dark day for our members but also for news and democracy in New Zealand."

"New Zealanders rely on the news for quality information about what's happening in their country and in their communities and base important decisions on that information."

"It's time to make media companies take responsibility for their role in the democratic process rather than let them simply chase profits," Little says.

Sky not the limit as Alt TV plans to hit the airwaves

by Michelle King

Alternative music television station Alt TV plans to take on the world of convergent media and move into radio by December.

The Auckland music channel recently went nationwide by

moving onto channel 36 on Sky.

The station's owner, Thane Kirby, is now looking to further expand the business by developing a radio version of the television channel.

Kirby, who previously founded George FM, says the move into radio is all part of a business

strategy which aims to develop brand awareness and revenue.

"Sometimes I long for another go at radio. I'm working a deal at present to secure another radio licence. Standby for Alt FM."

The move to develop the Alt TV brand into radio is a form of "media convergence", under which experts say media companies will deliver content on a variety of platforms.

Jim Tully, head of political science and communication at the University of Canterbury, says it is not essential for small-scale media companies like Alt to diversify their offerings to retain a competitive advantage.

"But clearly diversity of operation is the norm for bigger companies."

TV3 news and current affairs producer Keith Slater says in the past, media companies have tried to integrate their website, print and broadcasting without much success but it is becoming necessary for companies like Alt to converge in order to remain competitive.

Tully says the downside of convergence is the loss of range and diversity in the media.

Another problem is a potential lack of independence for each arm.

However, Slater says editors fiercely guard the independence of bulletins regardless of who owns the media entity, and so convergence is not something to be feared.

"[Convergence] is not easy but small companies like Alt can pull it off because they are more nimble and responsive to the market," he says.

Alt has made a number of strategic decisions recently, such as moving its broadcast from UHF channel 35 to Sky channel 36, rather than utilising Freeview to gain a nationwide viewership.

The station has also hired TV presenter Martyn "Bomber" Bradbury as its weekend programme director.

"Bomber is an alternative media mastermind and I cannot think of a better person to lead the station on weekends," says Kirby.

Initially Alt was only available on UHF to 30,000 viewers. Kirby maintains that the move to Sky has increased monthly viewership to 250,000.

He decided not to wait for

Freeview, the new free-to-air digital television service, because it would not have an established audience.

"It's just got no viewers straight off the bat. Sky has something like 700,000 viewers. So it's just the economics of moving to Sky to get advertising."

"We had to take Alt national to increase viewership and advertising sales. Alt receives no public funding and must rely solely on advertising income," he says.

Kirby says that over the next few years Alt will look to localise its advertising and have offices in all main centres. But the key focus for the business is increasing advertising and cash flow.

"We will grow sales and work on moving more resources into producing programmes and marketing."

Alt is also focused on sponsoring events. He says events provide content for radio and television shows. They are also a great way of marketing to a live audience.

Kirby says this will be run by his business partner Ricky Newby. "Ricky is a key part of the business. His role is marketing."

He is also the creator of Deep Hard and Funky and co-owner of Groove in the Park."



PHOTO: MICHELLE KING

ALT FM: Media convergence is the future for Alt TV. Station founder Thane Kirby plans for Alt FM to hit the airwaves by December.