

National Press Council Proposal - Summary

This summary proposal follows the letter you have received from John Hinds of Newspapers Canada regarding the history of CNA's concerns regarding the future of Canada's Press Councils. We are asking you to indicate your intention of support or non-support, for the creation of and your commitment of membership in, a National Press Council for Canada which would be launched by April 1, 2015.

This summary is based on the full report prepared for presentation to the two governing Boards of Newspapers Canada following consultation with Press Councils in Atlantic Canada, Ontario, Alberta and British Columbia. (Quebec's Press Council decided not to participate in the preparation and consideration of this report for a number of reasons, chiefly because it is the only Council supported by its provincial government and, unlike elsewhere, it considers complaints involving all media and deals solely in French. The four other Press Councils deal solely with public concerns about English language newspapers that are members of their respective regional Council.)

The report sets out the feasibility of creating a National Press Council to expand and preserve work done by the five existing provincial-regional Press Councils. In the preparation of this proposal, special consideration was been given to efficient budgeting, regional representation, expansion of membership and the promotion of ethical and journalistic guidelines as practised by member news organizations on behalf of the public they serve.

Administrative Streamlining

The key challenge facing the future of the self-regulatory model is to build a ***sustainable*** council model. This requires two things. Firstly, it is necessary to rebuild the newspaper membership base. A concerted effort must be made to attract back news organizations who have left Press Council membership. From discussions with these organizations, standardized fees, rationalized administration, consistency in decision making and the ability to deal with one Press Council entity are prerequisite conditions to any reconsideration of their membership status. Secondly, to ensure sustained revenues and affordability of fees in the long term, serious consideration should be given to building a model that reaches beyond the traditional print newspaper membership base.

A National Press Council obviously provides a framework within which streamlined and standardized administration could be achieved. Although there is very little administrative overhead in the existing regional council model, there is an opportunity to achieve some economies of scale in a consolidated model and to reallocate resources across cost centres.

Administrative costs will be reduced with streamlining of such functions as membership invoicing and fees collections. Newspaper Canada has agreed to combine this function into their membership servicing model. Newspaper Canada has also agreed to provide a number of back office administrative supports such as accounting, IT, telephony, and reduced rent for office, kitchen, washrooms and meeting space.

Mandate and Structure

The main functions of the Press Council would continue to be the consideration of unresolved specific complaints about adherence to standards of journalism and ethical reporting by news organizations, which would include print, online and digital elements as well as allow for growth to include other media. The Council would also have a

mandate of outreach to educate the public about the codes, standards and principles that guide institutional and individual journalist decision making about news gathering and publishing.

The structure and representation of a national council will ensure complaints will be heard by panel members who understand the regional and community context within which complaints arise. While committed to a goal of consistency in decision making, it will remain important to give life to the reality that Canada is made up of local communities with local influences and not a cookie cutter of any provincial/national capital or major urban centre.

Promotional materials to launch and brand a National Press Council containing a brief outline explaining the role of the council, a toll-free phone number, information about filing a complaint would be developed. Its main goal will be to direct people to a web site, where specific, expanded information, a data bank of decisions, instructional material and forms for filing a complaint online, would be found. We propose that complaints from across the country would be sent to a central national office which would act as a clearing house for complaints and possible immediate resolution by office staff.

Issues and specific complaints that are not resolved will be forwarded for deliberation to the appropriate area members of the Press Council. Regional members of the Council will determine whether unresolved complaints are dismissed or referred to a public hearing. If a matter is referred to a hearing, three members of the Council from the area where the complaint was filed, or the location where the media outlet is based, would hold a conference call hearing to consider the issues raised by the complainant and respondent media representative.

Member news organizations involved in a complaint will be expected to report on decisions where the complaint is upheld by the Council.

Media Membership in the National Press Council

The existence of a viable and credible Press Council and complaints process provides a general benefit to the entire industry. We propose all 861 members (daily and community papers outside Quebec) of Newspapers Canada would be represented by the National Press Council and pay a membership fee, based on circulation categories.

(Quebec, which has a government subsidized Press Council dealing with a wide variety of media, has chosen not to participate in a national body at this time. Issues surrounding membership by French language media have yet to be fully addressed and there may be future opportunities to involve the Conseil de presse du Quebec.)

While media organizations (outside of Quebec) which are members of Newspapers Canada, both daily and community, would be billed through CNA on behalf of the Council, the National Press Council will operate as an independent organization. Non-members of Newspapers Canada may join the National Press Council by paying an annual fee.

Appointment of Public and Professional Members to the National Press Council

The professional members who sit on the Press Council will reflect areas represented by the existing Press Councils, which will be expanded to include geographic areas now not serviced by existing Press Councils.

Specifically, the National Council will serve Atlantic Region, representing PEI, New Brunswick, Nova Scotia and Newfoundland; Central Region representing Ontario (and possibly Quebec's English-language media if they request

membership); Western Region, representing Manitoba, Saskatchewan and Alberta; and Coastal Region, representing British Columbia, Yukon, Nunavut and the Northwest Territories.

For the purposes of transition to any new national council a subcommittee drawn from the membership of existing councils, would be established to develop a new Constitution, governance model and budget. The transitional subcommittee would also develop a skills matrix to help guide the members appointment process. Diversity of members' backgrounds (including professional skills, ethnicity, age and geographical area) is strongly recommended.

The subcommittee would develop the final governance model based on the following:

Initial appointees to the new council would be selected on a regional basis by the existing Press Councils. Each Council would select five members to represent their region (three public members and two media representatives for each region, for a total of 20 members). One public member from each region would be named a regional Vice Chair of the Council. The initial national Chair (also a public member) would be selected in consultation with regional councils and industry stakeholders. The initial Chair and a committee of Council would hire the Executive Director and work with the ED to determine a new staffing structure.

In order to contain costs, council meetings and hearings would be conducted by conference call, except for the annual general meeting when the chair, executive director, four vice-chairs and four professional members-at-large, will meet in person to determine operational matters of importance, including for example, amendments to the Constitution, annual budgets and to affirm replacement members recommended by the regional council members and strategic directions for the entire Council.

Working Budget And Membership Fee Structure

An final annual operational budget and membership fee structure will be determined by the transition committee through discussions with Newspapers Canada.

A working budget proposal has built on the premise of establishing a professional organization to provide credible services to its membership and the public in the handling of complaints, the promotion of a broader understanding of journalistic standards and the capacity to penetrate new markets of potential memberships e.g., University Papers, Magazines, Digital Publication etc. If membership expansion is successful, it will contribute to an initial increase in the number of complaints filed and it is important that a realistic proposal is adopted to ensure the Media Council can function to meet expectations from the public and the news members.

A. Budget Assumptions

A Working Operating Budget with total expenses of \$386,500 has been built on the following assumptions:

1. A National Press Council would be housed in a permanent office location. Current housing costs paid by the Ontario Press Council to Newspapers Canada are used for the Working Budget.
2. With the exception of the Annual General Meeting of the Council Executive, all council meetings and most, if not all, Complaint Hearings would be held by tele or video conferencing.

3. A National Press Council would be established with a staffing compliment of three positions; an Executive Director, a Co-ordinator of Complaints and Outreach and an Administrative Assistant. Salary assumptions need to be market tested.
4. Retainers would be paid for Public members (Chair, Vice-Chairs and Council Members).
5. A budget line for professional services such as legal, audit, website, benefits plan management etc.
6. Revenues of \$386,950 as per Appendix 1.

The 2013 combined revenues for the four Press Councils had been projected to be \$350,000. Over the course of the year Post Media papers in Calgary and Edmonton, the Vancouver Sun, The Province and Glacier's Victoria Times Colonist all withdrew from membership in their respective Press Councils. Before the withdrawal of the Sun Media chain of newspapers from the Ontario Press Council, combined revenues had been over \$420,000. The loss of these papers to Press Council membership leaves readers in large parts of the country without access to a Press Council complaint process and reduces the projected combined revenues for 2014 to approximately \$260,000.

Currently the four Press Councils have different membership fee schedules ranging from annual assessments as low as \$100 for a small community paper to \$45,000 for the largest paid circulation daily newspaper. Appendix 1 provides a proposal for a standardized fee structure based on newspaper type and circulation numbers.

B. Membership Fee Structure Assumptions

The sample fee structure is based on the following assumptions.

1. Membership numbers are based on all 861 members of Newspapers Canada outside of Quebec becoming members of the National Press Council and paying fees as part of their remittance to Newspapers Canada, including the Post Media and Sun Media papers.
2. Membership fees are based on an incremental scale based on newspaper type and circulation numbers.
3. Any expansion of membership to markets outside of newspapers would potentially allow for lower fees for some or all newspaper circulation bands.

As noted, this proposal assumes an expanded membership in the new Press Council from among the current membership of Newspaper Canada and a strategic direction to expand membership beyond the newspaper industry to include other media. If there is not support to bring all non-Quebec Newspapers Canada members into membership of a new National Press Council, the budget and scope of activities could be adjusted downward. However, we note that the scaled back Council would not operate as a truly National Council and that large parts of the country would have no access. This is the current state of affairs that led to the commissioning of the Ryerson report by Newspapers Canada.

NEXT STEPS

We ask that you respond to CNA with your response to two questions by August 22, 2014.

1. **Does your organization support the establishment of a National Press Council? Yes or No**
2. **Does your organization commit to membership in a new national press Council Commencing April 1, 2015? Yes or No**

