

Thursday, 25 May 2017

Australians say 'No' to 100% foreign ownership of Fairfax

Over three-quarters of Australians (78%) do not want Fairfax Media to be 100% owned by either of the two overseas owned institutions* that have lodged multi-billion dollar bids for Fairfax in recent weeks. Only 17% of Australians say that overseas owned institutions should be allowed to buy Fairfax outright while 5% can't say.

However, a majority of Australians (53%) are in favour of allowing overseas based institutions to own a minority stake in Fairfax. A larger majority of L-NP supporters (59%) are in favour of this option for Fairfax than ALP supporters (51%).

Melbourne & Sydney more protective of Fairfax against 100% foreign ownership

- Only 12% of Melburnians are in favour of allowing overseas owned institutions to bid for 100% of Fairfax cf. 83% that say no;
- Sydney: 13% in favour cf. 78% against;
- Other Capital Cities (Adelaide, Brisbane & Perth): 23% in favour cf. 74% against;

Consumers of all major media channels reject 100% foreign ownership of Fairfax

- Internet main media: 20% in favour cf. 73% against;
- TV main media: 9% in favour cf. 86% against;
- Newspapers main media: 14% in favour cf. 83% against;
- Radio main media: 21% in favour cf. 78% against.

Michele Levine, CEO, Roy Morgan Research, says Australians remain staunchly opposed to foreign ownership of major Australian media assets despite the troubles the sector is facing with declining revenues:

"The Australian media industry has faced significant revenue problems in recent years as the rise of the Internet has contributed to substantial declines in the advertising revenue for well-known Australian media businesses. Now 51% of Australians say the Internet is their main source of information compared to only 12% for newspapers – down from 22% in 2005.

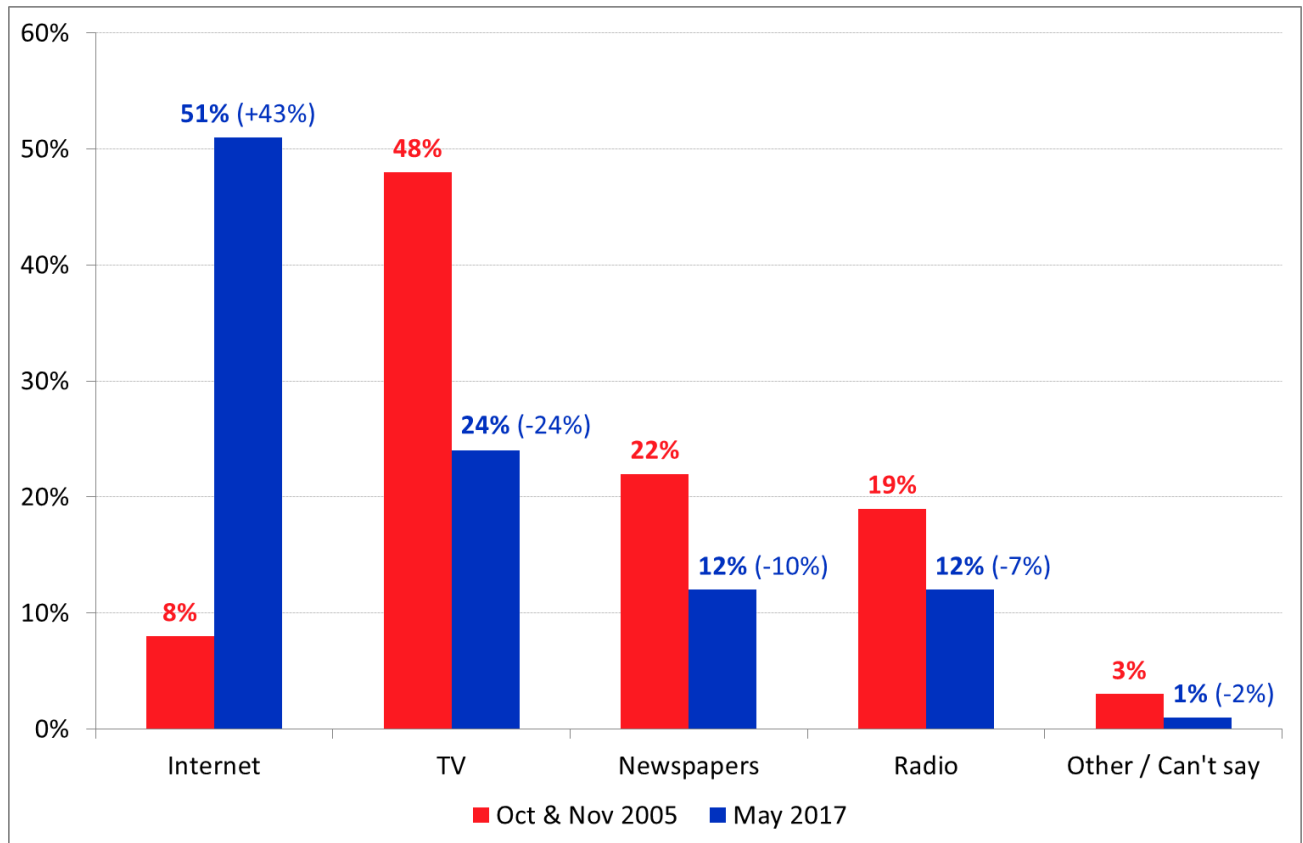
"Today 78% of Australians say 'No' to the prospect of an overseas owned institution buying 100% of Fairfax. Huge majorities of both ALP supporters (86%) and also L-NP supporters (77%) are against 100% foreign ownership of Fairfax.

"However, 53% of Australians are open to a minority foreign stake in Fairfax. Slightly more L-NP supporters (59%) are in favour than ALP supporters (51%)."

This Australia-wide Roy Morgan Survey was conducted over the last three nights of May 22-24, 2017 with a cross section of 648 respondents aged 14 and over.

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Which Media is Your Main Source of Information?



Source: Australia-wide Roy Morgan surveys with representative cross-sections of Australians aged 14 and over conducted on October 12/13 & November 2/3, 2005 with 1,315 respondents and over the last three nights of May 22-24, 2017 with 648 respondents.

The Internet is now the main source of information for 51% of Australians compared to 24% for TV and 12% for both Newspapers and Radio.

**American private equity firm TPG Capital has made a bid of \$2.76 billion for Fairfax while rival private equity firm from New York Hellman & Friedman, which is backed by former Fairfax chairman Brian Powers, has lodged a bid for Fairfax valued between \$2.82-\$2.87 billion.*

***Any investment in a major Australian media company (like Fairfax media) of at least 5% made by a foreign entity must be notified and approved by the Treasurer under the Government's Foreign Acquisition and Takeovers Act relating to 'sensitive sectors' of the Australian economy¹.*

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¹ Australian Government policy on ownership of Australian media companies under FATA (Foreign Acquisitions and Takeovers Act 1975 (FATA): http://www.presscouncil.org.au/uploads/52321/ufiles/Control_Background_Paper_Australian_Government_Department_of_Communications.pdf

Which Media is Main Source of Information?

Respondents were first asked: "Which one media is your main source of information?"

Total all people aged 14+

Analysis by Sex and Age

	Oct & Nov	May	Men	Women	14-24	25-34	35-49	50-64	65+
	2005	2017							
	%	%	%	%	%	%	%	%	%
Internet	8	51	51	50	81	74	56	32	15
TV	48	24	22	26	10	12	21	34	41
Newspapers	22	12	14	10	4	8	7	15	24
Radio	19	12	13	12	5	5	16	16	16
Magazines	1	*	*	*	*	-	-	1	1
Other	1	*	-	*	-	1	-	-	-
Can't say	1	1	-	2	-	-	-	2	3
TOTAL	100	100	100	100	100	100	100	100	100

*Less than 1%.

Total all people aged 14+

Analysis by Region

	May	Other Rest of			
	2017	Sydney	Melbourne	Capitals	Australia
	%	%	%	%	%
Internet	51	51	54	57	44
TV	24	18	15	23	32
Newspapers	12	14	15	7	11
Radio	12	14	14	11	11
Magazines	*	1	-	-	1
Other	*	-	1	-	-
Can't say	1	2	1	2	1
TOTAL	100	100	100	100	100

*Less than 1%.

Electors

Analysis by Federal Voting Intention

	May	L-NP	ALP	Greens	One Nation#	Others	Can't say
	2017						
	%	%	%	%	%	%	%
Internet	48	39	50	64	40	37	53
TV	25	31	26	13	25	27	21
Newspapers	13	13	13	10	25	13	11
Radio	13	16	10	10	10	18	14
Magazines	*	*	1	-	-	-	-
Other	*	-	-	2	-	-	-
Can't say	1	1	*	1	-	5	1
TOTAL	100	100	100	100	100	100	100

*Less than 1%. #These figures should be treated with caution as there were less than 50 respondents in these columns.

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100% Ownership of Fairfax Media?

Respondents were then told: "Two overseas owned institutions have made bids to buy 100% of Fairfax who publish the Sydney Morning Herald and The Age" and asked "In your opinion should an overseas owned institution be allowed to buy 100% of Fairfax or not?"

	Total all people aged 14+		Main source of Information					
	May 2017		Internet	TV	Newspapers	Radio	Magazines#	Other/ Can't say#
	%		%	%	%	%	%	%
Yes, 100%	17		20	9	14	21	32	-
No, not	78		73	86	83	78	68	100
Can't say	5		7	5	3	1	-	-
TOTAL	100		100	100	100	100	100	100

*Less than 1%. #These figures should be treated with caution as there were less than 50 respondents in these columns.

	Total all people aged 14+		Analysis by Region			
	May 2017		Sydney	Melbourne	Other Capitals	Rest of Australia
	%		%	%	%	%
Yes, 100%	17		13	12	23	17
No, not	78		78	83	74	79
Can't say	5		9	5	3	4
TOTAL	100		100	100	100	100

*Less than 1%.

	Total all people aged 14+		Analysis by Sex and Age						
	May 2017		Men	Women	14-24	25-34	35-49	50-64	65+
	%		%	%	%	%	%	%	%
Yes, 100%	17		25	8	15	25	19	14	10
No, not	78		70	86	77	72	74	83	85
Can't say	5		5	6	8	3	7	3	5
TOTAL	100		100	100	100	100	100	100	100

*Less than 1%.

	Electors		Analysis by Federal Voting Intention					
	May 2017		L-NP	ALP	Greens	One Nation#	Others	Can't say
	%		%	%	%	%	%	%
Yes, 100%	16		21	9	16	16	16	19
No, not	79		77	86	80	69	79	73
Can't say	5		2	5	4	15	5	8
TOTAL	100		100	100	100	100	100	100

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Partial Ownership of Fairfax Media?

Those who said 'No' or 'Can't say' to 100% ownership were then asked: "Should an overseas owned institution be allowed to buy 5% or more of Fairfax or not?" and also "How much?"

	Total all people aged 14+		Main source of Information					
	May 2017		Internet	TV	Newspapers	Radio	Magazines#	Other/ Can't say#
	%		%	%	%	%	%	%
Yes; about 5%	7		5	12	8	5	18	15
Yes; about 10%	11		11	9	10	13	-	-
Yes; about 25%	12		12	13	8	12	50	-
Yes; less than 50%	23		23	22	28	25	-	24
Total Yes, but less than 50%	53		51	56	54	55	68	39
Yes; 100%	17		20	9	14	21	32	-
Total say Yes at least some overseas ownership of Fairfax	70		71	65	68	76	100	39
No, not	24		21	30	27	21	-	48
Can't say	6		8	5	5	3	-	13
TOTAL	100		100	100	100	100	100	100

*Less than 1%. #These figures should be treated with caution as there were less than 50 respondents in these columns.

	Total all people aged 14+		Analysis by Region			
	May 2017		Sydney	Melbourne	Other Capitals	Rest of Australia
	%		%	%	%	%
Yes; about 5%	7		9	6	6	8
Yes; about 10%	11		13	10	9	11
Yes; about 25%	12		13	10	14	10
Yes; less than 50%	23		23	26	23	22
Total Yes, but less than 50%	53		58	52	52	51
Yes; 100%	17		13	12	23	17
Total say Yes at least some overseas ownership of Fairfax	70		71	64	75	68
No, not	24		23	25	22	26
Can't say	6		6	11	3	6
TOTAL	100		100	100	100	100

*Less than 1%.

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Total all people
aged 14+

Analysis by Sex and Age

	May 2017	Analysis by Sex and Age						
		Men	Women	14-24	25-34	35-49	50-64	65+
	%	%	%	%	%	%	%	%
Yes; about 5%	7	6	9	8	10	4	7	10
Yes; about 10%	11	9	12	14	11	8	7	15
Yes; about 25%	12	12	12	12	9	12	13	12
Yes; less than 50%	23	28	20	24	23	29	22	19
Total Yes, but less than 50%	53	55	53	58	53	53	49	56
Yes; 100%	17	25	8	15	25	19	14	10
Total say Yes at least some overseas ownership of Fairfax	70	80	61	73	78	72	63	66
No, not	24	16	32	15	19	23	31	30
Can't say	6	4	7	12	3	5	6	4
TOTAL	100	100	100	100	100	100	100	100

*Less than 1%.

Electors

Analysis by Federal Voting Intention

	May 2017	Analysis by Federal Voting Intention					
		L-NP	ALP	Greens	One Nation#	Others	Can't say
	%	%	%	%	%	%	
Yes; about 5%	7	8	9	6	8	4	5
Yes; about 10%	10	10	10	9	14	15	8
Yes; about 25%	12	15	11	13	18	3	10
Yes; less than 50%	24	27	22	22	-	21	26
Total Yes, but less than 50%	53	60	52	50	40	43	49
Yes; 100%	16	21	9	16	16	15	19
Total say Yes at least some overseas ownership of Fairfax	69	81	61	66	56	58	68
No, not	25	17	32	28	35	35	25
Can't say	6	2	7	6	11	7	7
TOTAL	100	100	100	100	100	100	100

*Less than 1%. #These figures should be treated with caution as there were less than 50 respondents in these columns.

**For comments or more information about Roy Morgan Research's consumer products
and confectionary data, please contact:**

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About Roy Morgan Research

Roy Morgan Research is the largest independent Australian research company, with offices in each state of Australia, as well as in Indonesia, the United States and the United Kingdom. A full service research organisation specialising in omnibus and syndicated data, Roy Morgan Research has over 70 years' experience in collecting objective, independent information on consumers.

Margin of Error

The margin of error to be allowed for in any estimate depends mainly on the number of interviews on which it is based. Margin of error gives indications of the likely range within which estimates would be 95% likely to fall, expressed as the number of percentage points above or below the actual estimate. Allowance for design effects (such as stratification and weighting) should be made as appropriate.

Sample Size	Percentage Estimate			
	40%-60%	25% or 75%	10% or 90%	5% or 95%
5,000	±1.4	±1.2	±0.8	±0.6
7,500	±1.1	±1.0	±0.7	±0.5
10,000	±1.0	±0.9	±0.6	±0.4
20,000	±0.7	±0.6	±0.4	±0.3
50,000	±0.4	±0.4	±0.3	±0.2

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