

WHAT THEY ARE SAYING:

Australia's News Media Bargaining Code

The News Media Bargaining Code is an Australian law designed to have companies that operate in the country pay local news publishers for content available on their digital services. The code came into effect in 2021 and many agreements between Meta, Google and publications in the country are up for renegotiation in the coming months. The following includes third-party pieces, news articles and research relevant to the codes, their impact on the online news ecosystem, and the mandate's negative consequences.

Truth on the Market, [“The View from Australia: A TOTM Q&A with Allan Fels”](#)

“There has been a particularly sharp decline in regional news availability. Our research has shown there are huge ‘news deserts’ in Australia. That is, large areas of the country where there is simply no reporting of local courts, local councils, community matters, community events, sports events, and all the things that bear on community cohesion. In the capital cities, there has also been a noticeable decline in the number of journalists employed in newspapers, radio, and TV. There is, in other words, a good public argument for supporting journalism. Whether Facebook and Google should contribute has become a political question and is right now a part of the political agenda.”

Marie Claire Australia, [“Meta Banning News On Instagram Will Disproportionately Impact Young Women”](#)

“Research from November 2023 conducted by the University of Canberra found that women are increasingly turning to social media for news... Pulling the news from Instagram could mean that when a lot of young Australians, particularly women, turn to social media to learn about what’s happening in the world, they’re less likely to consume credible, fact-checked news. It’ll lead to a rise of unverified content, opinion, and misinformation – which, as experts have pointed out, could undermine political discourse and democracy – in a year where nearly half the world’s population is going to the polls.”

Financial Times, [“Big Tech’s reckoning over paying for news”](#)

“Australia’s proposal may have helped to galvanise the debate but it is not the answer. The country’s consumer protection regulator has said the code is to address the “uneven bargaining position” between domestic news media businesses and the digital platforms. But the proposal is too blatant and arbitrary a manner of tipping the scales in favour of big media empires.”

Techdirt, [“Meta Has Had Enough Of Australia’s Link Tax Shakedown: Says It Will Not Renew Any Deals”](#)

“The fact is, these link taxes have been a disaster wherever they’ve been implemented, including Australia... Apparently the money flowing in is – as plenty of people predicted – going to the tippy top of the market, making folks like Rupert Murdoch even wealthier. But not doing much to help journalism.”

ProMarket, “Australia’s News Media and Digital Platforms Bargaining Code is Great Politics But Questionable Economics”

“Yes, tech companies play an important role in the media market through search, and social media in the case of Facebook. And yes, which articles rank highly in a news search have an impact on the profitability of media companies, and hence on their incentives to invest in high-quality journalism. But tech companies do not, in fact, make much money out of clicks on ads from news-related queries in Australia (Google reported that it made about A\$10 million in such revenue in 2019). Perhaps more importantly, the proposed bargaining code will force tech companies to give media organizations advance notice of changes to their algorithms—an extraordinary infringement on core intellectual property.”

Information Technology & Innovation Foundation, “Comments to the Australian Competition and Consumer Commission Regarding Its Draft Mandatory Bargaining Code for News Media and Digital Platforms”

“The draft Mandatory Bargaining Code for News Media and Digital Platforms is predicated around the false idea that news aggregators take advantage of news publishers. For example, in its explanatory materials, the ACCC states that there is a ‘fundamental bargaining power imbalance between Australian businesses and each of Google and Facebook’ that is ‘undermining the ability and incentives for Australian news businesses to produce news content.’ These statements suggest the ACCC does not correctly recognize the enormous benefit publishers derive from aggregators’ services.”

The Guardian (2021), “Australia’s proposed media code could break the world wide web, says the man who invented it”

“In a submission to an Australian Senate inquiry on the News Media and Digital Platforms Mandatory Bargaining Code bill, Berners-Lee said the ability of web users to link to other sites was ‘fundamental to the web’. Requiring digital platforms to pay to host that link, a world-first provision of the proposed Australian laws, would ‘block an important aspect of the value of web content’, the computer scientist said. Berners-Lee argued the proposal ‘would undermine the fundamental principle of the ability to link freely on the web and is inconsistent with how the web has been able to operate over the past three decades’.

Stratechery, “Australia’s News Media Bargaining Code, Breaking Down the Code, Australia’s Fake News”

“What is so frustrating about this regulation, though, and the rhetoric around it, is the blatant dishonesty about the reality of news in the zero marginal cost world of the Internet, and it is the sort of dishonesty that appears to be viral in its own right.”

Platformer, “Australia’s bad bargain with platforms”

“I appreciate that more countries are now taking an interest in how to shore up their ailing media companies. But it seems to me that any legislation ought to begin with the aim of creating sustainable media jobs, rather than simply parceling out payments to the country’s biggest publishers. For starters, Australia could invest directly in nonprofit public media, which has consistently been shown to have significant civic benefits. Or it could head down its current path, which is aimed at reducing the power of the tech giants, but — like so much regulation now under consideration around the world — will likely only entrench them further. For

journalism to become more sustainable in the long run, it can't rely on handouts from the biggest tech companies of the moment to the biggest publishers of the moment.”

Media Reform Coalition, “Making Big Tech pay for news: the Australian Media Bargaining Code will not solve the crisis in journalism”

“We know too well by now that Digital Lords’ business model favours a type of content that generates more attention (meaning more data and advertising revenues) with very scarce public interest-content being prioritised. Is this the solution that other jurisdictions should adopt to save journalism from its structural crisis? The privatisation of media policy with its opacity and limited market-based scope is never the optimal solution for media policy in the public interest.”

ZD Net, “Australia's news media bargaining code is a form of ransomware, and someone paid up”

“The news businesses get some money, though they're not really forced to spend it on more or better journalism. The platforms get to make the problem go away for a while without that much cost. The government gets to boast about putting Australians in charge...Money is being transferred from one kind of massive corporation to another, and our user data is being shared more widely, with no guarantee that any of it will lead to more or better journalism.”

Press Gazette, “Why Australia’s dishonest News Media Code is a bad way to tax Google and Facebook”

“It seems probable that designation is actually in the hands of Australia’s most powerful commercial news organisations, News Corp, Nine, and Seven West Media. It was these companies that campaigned heavily for legislation in the first place, and that struck rich deals with Google and Facebook quickly. There was also a significant deal for national broadcaster the ABC, and smaller deals for second-tier news media. My estimate is more than AU\$200m per annum in total for Australian news providers in cash and in-kind payments.”

Michael West Media, “Fake news or no news? The folly of the News Media Bargaining Code”

“Google is also not the only search engine. It may enjoy over 90% share of search traffic overall, but Yahoo and Bing keep toiling away, as does nerd favourite and ad-free DuckDuckGo. In Russia, Yandex is much bigger than Google, with a 71% share, and Baidu dominates in China. Google will not dominate forever, and we are just seeing the very early days of the AI revolution...The News Media Bargaining Code is a very poor solution whose singular effect was to squeeze some dollars out of a few companies to the benefit of (mostly) Australian mainstream media companies.”