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# Is Australia's news media bargaining code a blueprint for saving journalism?

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Imagine it's 2021 ...

A new dawn?



## Three questions

1. What is Australia's news media bargaining code?
2. Is it any good?
3. Can we do any better?



# 1. What is the news media bargaining code?

- Legislated in 2021
- ... after *intense* Google and Facebook resistance
- Final offer arbitration ... and more
- But, no 'designation' due to 'substantial contribution'
- Deals worth almost \$AU250m annually for Australia's news businesses
- Oddly, the deals were with:
  - Google News Showcase
  - Facebook News Tab
- Confidentiality clauses
- In February, Meta said it would not renew its deals, estimated at \$70m
- The government attacked Meta's 'dereliction of its commitment to the sustainability of Australian news media'



## Rumoured amounts of deals with Google p.a.

- Nine: \$30m
- ABC: \$12m
- Seven West: \$30
- News Corp: \$70m

Source: James Meese (2023), *Digital Platforms and the Press* (Chicago: Intellect Press) p. 68



## Dispelling myths. The news media bargaining code ...

- ... is **NOT** a link tax
- ... will **NOT** break the internet
- ... **DOES** support public interest journalism
- ... **DOES** support small news companies



## 2. Is the news media bargaining code any good?



## Foreign jurisdictions are emulating it



- Canada
- Brazil
- Indonesia
- US
- India ...

Source: Pixabay, Creative Commons licence



What do news media businesses directly impacted think of the code?



# Our interviews



Techboomers.com, Creative Commons

# Methodology



- From April to August 2023 we conducted eight semi-structured Zoom interviews with **news media businesses**
- The interviews were with:
  - News Corp
  - Nine Entertainment
  - The Guardian
  - ABC
  - SBS
  - The Conversation
  - Country Press Australia (negotiated deals for about 160 mastheads)
  - Minderoo Foundation (negotiated deals for 24 publishers)



Has the code been a success?





‘We've hired extra people ... it has definitely helped on that front. If we didn't have the revenue hit from these deals ... we'd still be growing but not certainly not by as much and, you know, there'd be more pressure on costs.’



Predictably SBS and The Conversation, who don't obtain deals with Meta, had reservations



‘Definitely, the code is predominantly dominated by the concerns of the bigger media outlets, and has been shaped by those media outlets. But it has achieved significant good across many media organisations. I don't think you can fail to acknowledge that.’



'I don't think it's the panacea. I think it's an important step. And I think it's an important recognition of the power of big tech, through the competition policy lens.



‘I do think there's more to be done. There are other policy interventions that are needed to support news media, because it's so important to have people who will hold power to account and if you don't have media diversity, you risk losing those connections to community. That's really important.’



Does the code foster *public interest* journalism?



‘The code itself doesn't necessarily advocate for that sort of journalism to get more prominence.’



‘It's very hard to tell if it's succeeded in improving the ecosystem for quality public interest journalism ... Rod Sims will point to the \$200 million. But the extent to which that money flowed through to actual journalism, and not just boosted the bottom line more generally, is incredibly opaque. And there's nothing really designed in the media bargaining code to make that more transparent. ’



‘The focus is on you innovating rather than being sustainable. And that then has an impact potentially on public interest journalism.’



‘A lot of the funds have digital transformation elements. So you know, publishers don't just get the money, we've got to do things for it ... If you're not putting your content online, it's pretty hard to say, well, give us a share of your funds .’



Should the code require more transparency?



‘We were happy with the process. Maybe there needs to be transparency into the future. I don't know. I wouldn't say that at this stage. Given the conditions, I think it was the perfect scenario. We were happy with what we got.’



‘I think that lack of transparency is something that should be called out. And even if it's provided to the ACCC in confidence. Government should be able to know whether this measure was effective or not.’



## If Meta bans news from its platforms

‘Absolutely massive impact if that's what happened. Yeah, I think you'd see a crisis in Australian media.’



### 3. Could we do any better?





### 3. Could we do any better?

- Yes
- The NMBC has boosted journalism, and public interest journalism
- Still, smaller players (under \$150k annual revenue) miss out, as do non-traditional media (eg YouTubers)
- It can be improved:
  - Lack of transparency is a flaw
  - More can be done to foster *public interest* journalism
  - Algorithms need to be a focus
- Is there a simpler, better solution?
- A public interest journalism levy on digital platforms!
- We'd call it a **qualified success**