

Australia to make Google and Facebook pay for news content

April 20 2020, by Rod McGuirk



Australia's Treasurer Josh Frydenberg, right, with Minister for Communications Paul Fletcher speaks in Canberra, Monday, April 20, 2020. Global digital platforms Google and Facebook will be forced to pay for news content in Australia, the government said on Monday as the coronavirus pandemic causes a collapse in advertising revenue. (Mick Tsikas/AAP Image via AP)

Global digital platforms Google and Facebook will be forced to pay for news content in Australia, the government said Monday, as the coronavirus pandemic causes a collapse in advertising revenue.

Treasurer Josh Frydenberg said the Australian Competition and Consumer Commission would release in late July draft rules for the platforms to pay fair compensation for the journalistic content siphoned from [news media](#).

Frydenberg said he believed that Australia could succeed where other countries, including France and Spain, had failed in making Google and Facebook pay.

"We won't bow to their threats," Frydenberg told reporters. "We understand the challenge that we face. This is a big mountain to climb. These are [big companies](#) that we are dealing with, but there is also so much at stake, so we're prepared for this fight."

The ACCC had attempted to negotiate a voluntary code by which the global giants would agree to pay [traditional media](#) for their content.

But the parties couldn't agree on "this key issue of payment for content," Frydenberg said.

Communications Minister Paul Fletcher said Australia would take a different approach to Europe, relying on competition law rather than copyright law.

Google and Facebook said they had been working to the ACCC November deadline to negotiate a voluntary code.

"We're disappointed by the government's announcement, especially as we've worked hard to meet their agreed deadline," Facebook Managing

Director for Australia and New Zealand Will Easton said in a statement.

"COVID-19 has impacted every business and industry across the country, including publishers, which is why we announced a new, global investment to support news organisations at a time when [advertising revenue](#) is declining," he added, referring to a \$100 million investment in the news industry announced in March.

Google said it had engaged with more than 25 Australian publishers to get their input on a voluntary code.

"We have sought to work constructively with industry, the ACCC and government to develop a code of conduct, and we will continue to do so in the revised process set out by the government today," a Google statement said.

ACCC Chairman Rod Sims played down the prospect of Google shutting down its Australian news platform rather than pay for content as it had done in Spain.

"Around 10% of search results are media stories. This will seriously affect the usefulness, for example, of Google Search, so I think we have to understand that there's value both ways here and I think it will be hard for Google and Facebook just to say we won't have any contact with news media at all," Sims told Australian Broadcasting Corp.

Michael Miller, Executive Chairman Australasia of News Corp. Australia, the nation's largest newspaper publisher, said, "We are looking for a fair payment and at the same time a substantial payment."

Frydenberg declined to estimate how much Google and Facebook would pay [news](#) media, other than to say it would amount to millions of dollars.

Google was netting 47% of online advertising spending excluding classified ads in Australia, and Facebook was claiming 24%, he said.

Media companies have stopped printing dozens of newspaper mastheads across Australia because the pandemic shutdown has caused advertisers to stop spending.

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