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Government gives up on tackling Google and Facebook

The federal government has missed an opportunity to deal with unregulated behemoths, Google and Facebook, says the union and industry advocate for Australian media workers.

The Media, Entertainment & Arts Alliance says today's inadequate response to the Australian Competition and Consumer Commission's extensive and considered two year review into these digital platforms' impact on the Australian community means proper regulation and accountability of these giants will not occur in the foreseeable future.

The ACCC's world-first, meticulous review provided masses of evidence about the negative impact major digital companies have had on consumers, communities and market rivals.

MEAA chief executive Paul Murphy said it was perverse that a major inquiry directed at reining in dominant digital companies has resulted in them receiving a virtual clean bill of health.

Facebook has a market capitalisation of about \$US600 billion; Google's market cap is \$US930 billion as at December 2019.

"The Australian newspaper market was valued at \$4.6 billion in 2010," Mr Murphy said.

"Despite digital transformation and thousands of jobs lost, the sector is now worth about \$2.5 billion. Commercial television networks are losing hundreds of millions of dollars in revenue each year – all while Australia's population increases.

"These trends seem locked in: the costs are further cuts to quality media, greater reliance on untested (and sometimes dangerous) content and a loss of capacity to produce local and national news that serves our democracy.

"Australia has missed a golden opportunity to create rules that are fair to all."

Setting up 'special units' to monitor the already known impact of major digital platforms will fail to establish a level playing field for all news carrying bodies where all play by the same rules. This will remain a pipe dream.

Voluntary Codes of Conduct are a proven failure in all market sectors. To propose voluntary codes to deal with fake news, growing internet manipulation and to 'address bargaining power imbalances' will not achieve any tangible outcomes.

There is no timeframe for the 'staged process to reform media regulation'. Media reform has been reviewed up hill and down dale for decades, yet all we see is inaction.

Although MEAA welcomes unspecified enhancements to assist regional and small publishers and the establishment of a new Digital Platforms Branch in the ACCC, the Government's overall response represents an indifference towards solving problems that will now continue to erode Australian culture, jobs and welfare.

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What MEAA supported in its submission to the ACCC review (April 2018)

1. That digital platforms of scale be classified as media companies for regulatory purposes.
2. In the absence of Australian publishers and content creators being reasonably compensated for use of media content, an access-per-user fee or percentage of revenue charge be levied on digital platforms of scale, such funding to be retained for a contestable *Public Interest Journalism Fund*.
3. That an effective 'good faith' requirement be included in collective bargaining authorisations under section 88 of the *Competition and Consumer Act* to enable Australian media companies to engage in mutually satisfactory commercial negotiations.
4. Inserting a mandatory 'public interest' test into section 50 of the *Competition and Consumer Act (Mergers and acquisitions)*.
5. Fast-tracking the Productivity Commission's recommendations for a new Comprehensive Right for consumers to control their data and creation of a new *Data Sharing and Release Act*.
6. That the Government consider increasing maximum penalties for 'mass' privacy/data breaches.
7. That consumers be provided with plain language information about the extent of algorithm use and advised of safeguards.

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The Media, Entertainment & Arts Alliance - the people who inform and entertain