Australia's Law on Tech Platforms and News Publishers

Why in news?

A new law in Australia seeks to make technology platforms such as Google and Facebook pay news publishers for use of their content.

What is the law all about?

- It is named the News Media and Digital Platforms Mandatory Bargaining Code Bill 2020.
- It mandates a bargaining code that aims to force Google and Facebook to compensate media companies for using their content.
- It mandates that these platforms negotiate with publishers of news regarding payment for their content.

What was the response?

- Google moved to sign a deal with Rupert Murdoch's News Corp.
- However, Facebook, which has 17 million users in Australia, retaliated with a news blackout.
- It blocked all news links on its platform.
- In the process, it also ended up silencing some emergency services.
- Reportedly, it also removed posts from Australia's Bureau of Meteorology, state health departments, fire and rescue services, charities, and emergency and crisis services.

Why is the law significant?

- The legislation sets a precedent in regulating social media across geographies.
- The law is based on the realisation of a severe power imbalance between giant Internet platforms and news media.
- It marks a rare intervention by any government in platform-publisher relationships.
- The law seeks to level the playing field.
- The power imbalance is not just an Australian reality, though. It is everywhere.
- This imbalance has only intensified over the past decade or so.
    - Platforms have gained so much power that they have become de facto

gateways to the net.
    - They have also grown massively to become some of the richest companies.
- Unfortunately, during this same period, there has been a precipitous decline in the fortunes of the news media.
- News media notably provides the journalistic resources on the ground to keep a population, especially in a democracy, well informed.
- But journalism houses have struggled to stay afloat in recent years.
- Their long, successful offline business models are becoming less viable.
- As a result, across the world, many have gone out of business.
- Hundreds and thousands of journalists have also lost their jobs.

How is it a precedent move?

- In launching the Bill, the Australian Government has shown that it realises that the cost of not intervening in this unequal battle is high.
- At stake is the sustainability of the news media industry.
- Countries, outside of the European Union, have often adopted a laissez-faire approach to administering tech giants.
- But this may change now.
- France has already given shape to new European Union copyright rules, forcing Google to negotiate licensing deals with its publishers.
- Other governments might take the cue from Australia's law, making platforms pay for news.

What is the case with India?

- There are 300 million users of online news sites, portals and aggregators in India.
- This makes up approximately 46% of Internet users and 77% of smartphone users in India at the end of 2019.
- With 282 million unique visitors, India is the second largest online news consuming nation after China.
- In India, digital advertising spends in 2019 grew 24% year-on-year to Rs 27,900 crore.
- This is expected to grow to Rs 51,340 crore by 2022.
- Policymakers in India have so far focused on the dominance of intermediaries such as Google and Facebook.
- These are positioned in a way that service providers cannot reach customers except through these platforms.
- A substantial discussion on the impact of intermediary platforms on the health of news media outlets is yet to begin in any meaningful way in India.

Source: The Indian Express, The Hindu

