

## Matters of Revenue: Meta Abandons Australia's Media Stable

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*It was praised to the heavens as a work of negotiated and practical genius when it was struck. The then Australian treasurer, **Josh Frydenberg**, had finally gotten those titans of Big Tech into line on how revenue would be shared with media outlets for using such platforms as supplied by Facebook and Google.*

Both companies initially balked at the [News Media Bargaining Code](#), which led to a very publicised spat between Facebook and the Morrison government. For a week in February 2021, users of Facebook in Australia were barred from sharing news. A number of government agencies, trade unions, media groups and charities found the restrictions oppressive.

Amendments were eventually made to the Code to make matters more palatable to the tech behemoths, notably on the arbitration mechanism and their algorithmic use of ranking news. Revenue sharing agreements with various media outlets were struck, most notably with members of the standard stable, including the Australian Broadcasting Corporation and News Corp. With a degree of perversity, traditional news publications could now receive revenue for using free sharing platforms, having failed to address their own stuttering revenue models. (The fall in advertising revenue has been particularly punishing.)

With a jackal's glee, Rupert Murdoch could claim to have made a fiendish pact with Facebook to prop up parts of his ailing News Corp empire, leaving Facebook's [approach to surveillance capitalism](#) unchecked and uncritiqued.

Such agreements on sharing news were always conditional on continued approval by Facebook, which is now operating under the rebrand of Meta. Various countries have

similarly tried to compel digital platforms to pay for news content that they permit, freely, to be shared. It is also clear that Meta is particularly keen to deprecate them and eventually let them lapse.

In February, a [statement](#) from Meta made it clear that these arrangements would not be renewed.

“The number of people using Facebook News in Australia and the US has dropped by over 80% last year. We know that people don’t come to Facebook for news and political content – they come to connect with people and discover new opportunities, passions and interests.”

Such jaw dropping observations would have surprised users who have foolishly made Facebook a central pitstop in their news journey – and what counts as “news” in the narrow, arid world of Meta CEO **Mark Zuckerberg**. But according to Meta, news made up less than 3% of what people saw on their Facebook feed in 2023.

Meta’s public declaration of intent threatens various media companies with significant loss. In Australia, Nine Entertainment, Seven West Media and News Corp [risk losing](#) between 5 and 9% of net profit.

The entire field of revenue sharing between the digital platforms and media groups has been opaque. *The Australian Financial Review* [managed to obtain](#) two summaries of agreements signed by the Australian Network Ten, owned by Paramount, and Facebook, shedding some light on negotiation strategies. For the social media giant, videos are all the rage, and one of the summaries notes the insistence by Facebook that Network Ten share 18,000 videos on its platform while threatening termination of its contract in the event it was taken to arbitration.

The Albanese government, through **Communications Minister Michelle Rowland** and **Assistant Treasurer Stephen Jones**, [described](#) Meta’s decision to halt paying news outlets “a dereliction of its commitment to the sustainability of Australian news media.” But to have assumed it ever had such a commitment was surely naïve to begin with.

Michael Miller, Executive chairman of News Corp Australia, [could not resist](#) his own flourish of disingenuous exaggeration. “If content providers were farmers Meta would steal their crops and demand their victims thank them for the privilege.” Meta’s refusal to pay for news would create “shockwaves for Australia, our democracy, economy and way of life”. The vital question here is what, exactly, are these agreements doing?

For one thing, the Bargaining Code, which never stipulated how the money would be used, has done nothing to enliven a media scape that remains imperially confined to a handful of providers. A conspiracy of convenience arose between one set of giants furnishing the digital platforms, with another of giants claiming to provide the news. Smaller outlets have had little say in these arrangements. Facebook, for instance, showed no interest in reaching revenue sharing arrangements with the SBS broadcaster or *The Conversation*. And to consider such representatives as News Corp sterling examples of democratic protection is a view not only misplaced but deserving of ridicule.

The ABC’s Managing Director, David Anderson, has at least [admitted](#) that funding obtained through its arrangements with Meta has been useful in supporting 60 journalists. News Corp,

Nine Entertainment and Seven News Media have been less than forthcoming, ever keen using the shield of commercial confidentiality. In terms of employees, Nine Entertainment reported a fall in the number of employees from 5254 at the end of the 2022 financial year to 4753 at the end of 2023. "It is likely," [suggests](#) Kim Wingerie in *Michael West Media*, "that the A\$50 million or more they receive annually from Meta and Google is used predominantly to prop up their net profit."

Meta's promise to abandon agreements reached with the media hacks is no reason to be gloomy. The company's loathing of privacy, its delight in commodifying the data of its users, and its insistence on tinkering with human behaviour, make it a continuing societal menace. Governments and news outlets would do far better in critiquing and challenging those aspects, rather than taking revenue that seems to silence the critical instinct.

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