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DRAFT MANDATORY CODE OF CONDUCT GOVERNING DIGITAL PLATFORMS AND MEDIA BUSINESSES RELEASED FOR PUBLIC CONSULTATION

The Australian Competition and Consumer Commission (ACCC) has released a draft mandatory code of conduct to address bargaining power imbalances between digital platforms and media companies for four weeks of public consultation.

This follows the Government's announcement on 20 April 2020 that the ACCC had been directed to develop a mandatory code of conduct, with a draft to be released for consultation by 31 July 2020.

The development of a mandatory code of conduct is part of the Government's response to the ACCC's Digital Platforms Inquiry final report to promote competition, enhance consumer protection and support a sustainable Australian media landscape in the digital age.

In its final report the ACCC identified that Facebook and Google have each become unavoidable trading partners for Australian news media businesses in reaching audiences online, resulting in an imbalance in bargaining power.

The draft mandatory code outlines requirements covering bargaining arrangements between the parties, minimum standards relating to the presentation of news and a penalty regime.

Under the proposed bargaining arrangements, commercial media organisations will be able to enter into negotiations with relevant digital platforms to determine an appropriate payment for news content, with binding arbitration to follow should they be unable to reach agreement.

These bargaining arrangements will not be available to public broadcasters as they are principally funded by Government and not through advertising revenue. Public broadcasters will, however, benefit from the minimum standards for non-remuneration matters set out in the draft mandatory code.

The Government is delivering a regulatory framework that is fit for purpose and better protects and informs Australian consumers, addresses bargaining power imbalances between digital platforms and media companies, and ensures privacy settings remain appropriate in the digital age.

Information on the public consultation process will be available via www.accc.gov.au

Ends.

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