



Written by [Angeline Tan](#) on December 10, 2022

New Zealand Mulls Over Law to Make Facebook and Google Pay for News

The New Zealand government announced that it will introduce a law mandating that big online digital companies like Alphabet's Google and Meta Platforms pay New Zealand media companies for the local news content that appears on their feeds.

Minister of Broadcasting Willie Jackson declared in a statement that the legislation will be based on similar laws in neighboring Australia and Canada, and expressed hopes that the law would motivate the digital platforms to strike deals with local news outlets.



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"New Zealand news media, particularly small regional and community newspapers, are struggling to remain financially viable as more advertising moves online," Jackson said. "It is critical that those benefiting from their news content actually pay for it."

The proposed legislation will proceed to a vote in Parliament, where the governing Labour Party's majority is expected to pass it.

In 2021, Australia unveiled a law called the News Media and Digital Platforms Mandatory Bargaining Code, empowering the government to mandate that internet companies make content supply deals with media outlets.

A review released by the Australian government last week found that it largely worked and indicated that the law, which followed discussions with the big tech firms and gave rise to a temporary shutdown of Facebook news feeds in the country, may have to be applied to other online platforms.

Since the new law took effect, the tech firms have negotiated over 30 deals with media outlets, paying them for content that generated clicks and advertising dollars, based on a Treasury Department report.

"At least some of these agreements have enabled news businesses to, in particular, employ additional journalists and make other valuable investments to assist their operations," said the report. "While views on the success or otherwise of the Code will invariably differ, we consider it reasonable to conclude that the Code has been a success to date."

The report mostly suggested that the government take into account novel ways of evaluating the administration and effectiveness of the law, and did not suggest amending the law itself.

However, it pointed out that the law lacked "a formal mechanism to extend the Code to other platforms," and proposed that the government order the competition regulator, which spearheaded the design of the law, to "prepare reports on this question."

"The review shows the Code has been successfully balancing bargaining power between news media and digital platforms," said Assistant Treasurer Stephen Jones. "Digital platforms must continue to negotiate in good faith with news businesses to ensure they are fairly remunerated for the news content



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they create.”

Google’s director of government affairs and public policy in Australia, Lucinda Longcroft, revealed that the company has “furthered our significant contribution to the Australian news industry” by inking deals representing 200 mastheads across the country, and that “the majority of these outlets are regional or local.”

Meta declined to comment.

On the global stage, it is becoming more challenging for many tech companies to transverse national boundaries. In July 2022, Alibaba, the Chinese technology platform giant, [applied for a primary listing on the stock exchange in Hong Kong](#), with the expectation of new U.S. financial rules necessitating more auditing of sensitive data than Beijing is willing to permit. Around 200 Chinese firms may eventually delist in the U.S. due to the regulation. Observers have said that such a phenomenon reflects the bipolar or tripolar world that is morphing in the tech world, with the United States, the European Union (EU), and China heading in different directions.

Moreover, the economic and political elite in America are not optimistic that the world will revert to having a single, unified World Wide Web. The globalist Council on Foreign Relations (CFR) think tank recently released a task-force report titled *Confronting Reality in Cyberspace: Foreign Policy for a Fragmented Internet*. This report announced that “the era of the global Internet is over,” and that “Washington will be unable to stop or reverse the trend towards fragmentation.”

The CFR task force, comprised of technologists, chief executives, public sector officials, and intelligence officers, encouraged politicians to establish digital trade among “trusted partners” (which sounds akin to “friend-shoring”), address U.S.-EU data transfer issues, and rely on Europe’s General Data Protection Regulation law as the benchmark of a shared privacy policy.



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