

Effect of news media bargaining code on journalism employment

Job advertisement numbers increased 46% compared to the pre-pandemic average after the mandatory bargaining code was introduced.

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SEEK kindly provided the data used in this briefing note.

Introduction

In Australia, news media businesses and digital platforms had failed to agree on issues including the sharing of data, ranking and display of news content and the monetisation and the sharing of revenue generated from news. This was, at least in part, attributed to bargaining power imbalances between Australian news media businesses and digital platforms. The Australian Government asked the Australian Competition and Consumer Commission (ACCC) to develop a mandatory news media and digital platforms bargaining code that would address these imbalances.¹

The code was legislated in February 2021 and came into effect the next month. Some deals were struck in anticipation of the code, before the legislation passed.² By November 2022, Google had reached 23 commercial arrangements representing 183 mastheads and Meta (Facebook's parent company) had reached commercial arrangements with 13 news businesses, although not with major news platforms like

¹ ACCC (n.d.) *News media bargaining code*, <https://www.accc.gov.au/by-industry/digital-platforms-and-services/news-media-bargaining-code/news-media-bargaining-code>; Frydenberg and Fletcher (2020) *ACCC mandatory code of conduct to govern the commercial relationship between digital platforms and media companies*, <https://ministers.treasury.gov.au/ministers/josh-frydenberg-2018/media-releases/accc-mandatory-code-conduct-govern-commercial>

² Mason and Kehoe (2021) *Nine signs Google deal, Guardian and ABC near completion*, <https://www.afr.com/companies/media-and-marketing/nine-and-google-strike-30m-news-deal-20210217-p5737j>

SBS or The Conversation.³ All agreements have occurred outside of the code, which exists as a backstop when agreement cannot otherwise be reached.

The code's effect on employment in journalism

Because agreements have been confidential, it is difficult to directly calculate what contribution the code has made to journalism employment. Two participants have provided some information: the ABC attributes an additional 50 journalist roles to deals with Facebook and Google⁴ and the Guardian Australia reportedly added 50 journalists, bringing its news room to 150.⁵

In the absence of data from other major news organisations, data on journalism job advertisements is a potential proxy. SEEK is one of Australia's most popular online job markets. It has provided to the authors a monthly index of job ads in the "Journalism and Writing" category that is used here as a measure of journalism jobs.

Job ads are a measure of the "flow" of new employees (both new positions and new people in existing positions). They do not measure the total "stock" of people working as journalists. SEEK's index does not identify the number of job ads published, but is a comparison with the number that were published in May 2013. Thus, 100 represents the number of job ads in May 2013 and the number at any point in time is a relative change against that initial number. For reference, at the time of writing in April 2023 there were 140 jobs in the Journalism & Writing category on SEEK (and the vast majority were for journalist/media roles, not other writing roles).⁶

Figure 1 below is based on the SEEK index and shows a clear recovery from the low in April 2020 to a peak in June 2022.

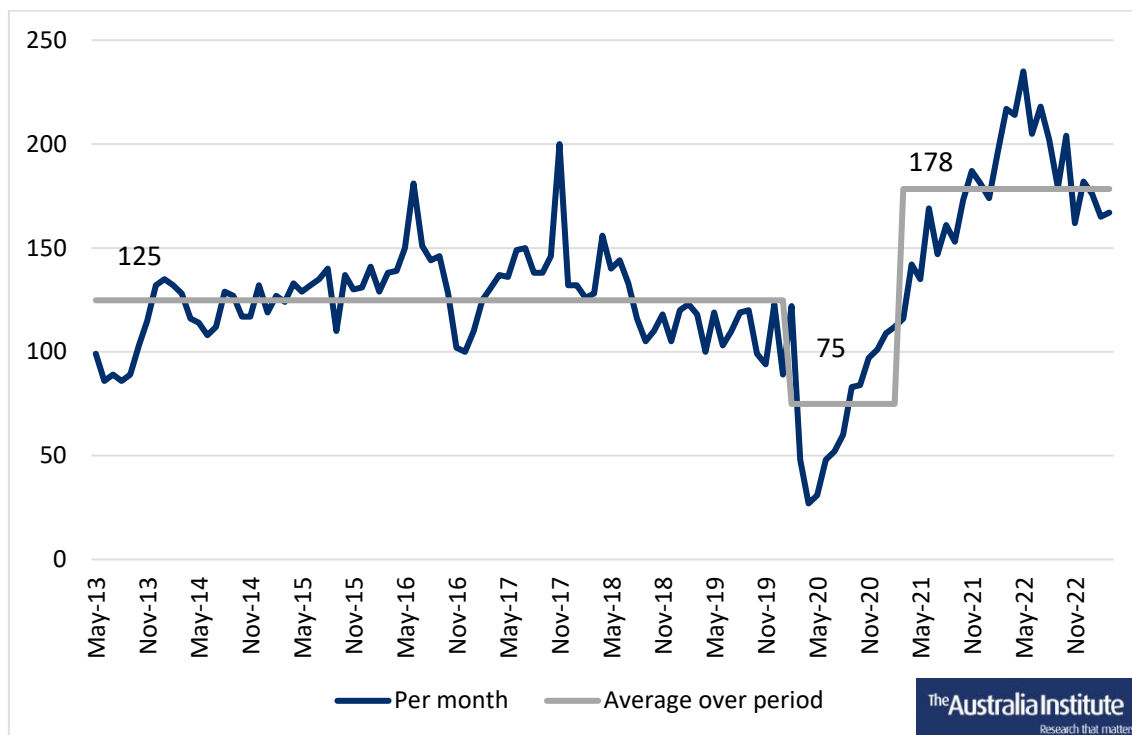
³ The Treasury (2022) *News media and digital platforms mandatory bargaining code: The code's first year of operation*, pp 5–6

⁴ ABC (2021) *ABC to add more than 50 journalists in Regional Australia*, <https://about.abc.net.au/press-releases/abc-to-add-more-than-50-journalists-in-regional-australia/>

⁵ Schiffrin (2022) *Australia's news media bargaining code pries \$140 million from Google and Facebook*, <https://www.poynter.org/business-work/2022/australias-news-media-bargaining-code-pries-140-million-from-google-and-facebook/>

⁶ Noting that a job ad may run for less than or more than a month, so this will not exactly correspond to the number of ads in a given month.

Figure 1: Journalism and writing job ads, May 2013 to March 2023 (indexed)



Source: Data provided by SEEK to the authors on request.

Figure 1 shows that the index averaged a score of 125 from commencement until the COVID pandemic began in January 2020. The impact of the pandemic, and the recovery from it, makes measuring the impact of the media bargaining code difficult. Journalism and writing job ads declined sharply with the onset of the pandemic, but recovered sharply from May 2020. SEEK’s index averages 75 through the year February 2020 to February 2021 when the code was legislated.

The average index score for the period following the introduction of the bargaining code (178) is higher than that of the pre-COVID period (125). This increase of 58 index points represents a 46% increase in the index score, likely indicating a similar magnitude increase in job advertisements.

Conclusion

In the absence of data from major Australian media participants, it is not possible to directly calculate how many additional journalists Australia has thanks to the mandatory bargaining code. The number of ads for journalist jobs is a proxy. On SEEK, one of Australia’s largest online job markets, there have been 46% more ads for journalist jobs during the period the bargaining code has been in place than there were before the code was introduced.