

NEWS MEDIA BARGAINING (ADMINISTRATION) BILL 2026

SUBMISSION ON EXPOSURE DRAFT

Submission to

THE TREASURY

by

PUBLIC INTEREST PUBLISHERS ALLIANCE

May 2026

INTRODUCTION

This submission on the exposure draft of the News Media Bargaining (Administration) Bill is made by Public Interest Publishers Alliance (PIPA).

As Treasury is aware from our prior submission, PIPA represents the interests of a range of small Australian news publishers in respect of their engagement and negotiations with various digital platforms for the supply and use of news related content by those platforms. As such, PIPA is uniquely positioned to comment on the News Bargaining Incentive scheme (NBI) from the perspective of small, independent publishers in negotiating deals with digital platforms.

PIPA's publisher members work in rural communities, outer urban areas, with multicultural and LGBTQI+ communities, and many cover public interest journalism from the point of view of the arts, science, and the environment. Our members provide a training ground for young journalists across Australia, and we are filling important gaps in the media market that helps promote diversity and consumer choice.

PIPA and its members much support the government's commitment to implementing the NBI and are very supportive of this Bill as an important substantive step towards implementing the long-awaited scheme.

We are particularly grateful for the recognition of the important role played by small publishers in ensuring a diverse media landscape in Australia.

Additional background on PIPA and the small publisher sector in Australia was provided in our submission to the NBI Consultation process conducted by Treasury in December 2025. As such we have chosen not to repeat it here.

Further information on any of the contents of this submission can be obtained by contacting Mr Lawrence Gibbons (lawrence@altmedia.net.au) or Mr Nelson Yap (nyap@greenstretnews.com.au), co-chairs of PIPA (and publishers in their own right).

KEY SUBMISSIONS

We set out below the key matters that we would like to bring to the attention of the Treasury in respect of the exposure draft of the News Media Bargaining (Administration) Bill 2026 (the “Bill”).

Express application of Charge receipts to publishers

PIPA welcomes the commitment of the government, as expressed in the Consultation Paper on the proposed Statutory Payment Scheme, to “distribute all revenue raised by the Incentive” [page 6 of the Consultation Paper], which we understand to be a reference to the Charge (as defined in the Bill).

However, we note that this important commitment is not reflected in the Bill and that it is presently silent as to how the Charge funds are to be allocated for the benefit of news publishers.

We consider it important that the application of the Charge revenue be expressly addressed in legislation to assist the government to push back against suggestions from the platforms that it is merely a digital services tax.

If there are any limitations or constraints on the ability to include in this specific Bill an obligation as to how the Charge funds are to be allocated, then we consider that further companion legislation ought to be drafted and introduced at the same time as the Bill.

In either event, we consider that the legislation should contemporaneously, and in broad terms:

- Define the Scheme
- Oblige the allocation to the Scheme of an amount equivalent to the amount of the Charge collected,
- Note that the Scheme distribution terms are to be promulgated as soon as possible and ideally no later than 6 months from the start date of the legislation, and
- Exclude from participation in the Scheme in respect of a platform those publishers that have secured a qualifying agreement with that platform.

The incentives to deal with small publishers are not sufficient

Somewhat concerningly, we note from s20(1)(d) of the Bill that a platform could discharge its liability to pay the Charge by doing deals with as few as just four publishers.

The government's announced policies in relation to supporting the news sector (such as the News Media Assistance Program (NewsMAP) for example) clearly acknowledges the need to bolster media sustainability and the importance of ensuring a diverse range of voices in the Australian media landscape.

The small publisher sector is key to ensuring such diversity and should therefore be seen as a significant contributor to achieving those objectives.

If the legislation was to be enacted in its current form, small publishers (those with annual revenues of less than \$10m) will be at a significant disadvantage (even as against medium sized publishers). This will be so notwithstanding the provisions of s20(1)(b) to increase the 'credit' for both small to medium publishers (which, under the Bill, will now include those medium-sized publishers with up to \$50m annual revenues).

It is evident that there are many more small publishers than major publishers (thereby potentially increasing transaction costs for platforms). In addition, individual deal amounts for small publishers are likely to be substantially below those of both medium sized and major media companies.

Just by way of example, a deal with a small publisher could be as little as \$200,000 per annum compared to the millions (if not tens of millions) that deals with major news organisations may warrant.

At \$200,000 for a small publisher, a platform would get a credit of \$340,000 (at 170% under the proposed provisions) rather \$300,000 (at the standard 150% deduction). Whilst the platform would achieve an extra credit of \$40,000 for such a deal with a small publisher, its transaction costs of doing similar deals with an array of small publishers would likely dwarf the costs of a single multi-million dollar deal with a larger publisher. Even those

medium sized publishers with annual revenues up to \$50m can be expected to do larger deals with platforms than those whose annual revenues are less than \$10m.

These factors create a powerful disincentive for the platforms to negotiate with small publishers, instead preferring to conclude a small number of deals with medium to large publishers to minimise transaction costs.

In short, despite the obvious best intentions of the government, the proposed Bill may leave the small publishers with nothing – excluded from deals with platforms, and also without any recourse under the Scheme if the platforms fully discharge their liability with such deals.

We reiterate the need to adequately protect and encourage the growth of a vibrant small publisher sector by introducing two key changes.

Deduction rate

We have no issue with the proposal for 170% deduction rate for deals with medium sized publishers (i.e., those with annual revenues of between \$10m-\$50m).

However, to be effective for small publishers, the deduction rate for deals with smaller publishers would need to be materially higher and would need to be at least double the general rate (so at least 300% based on the general rate being set at 150%). Whilst this may appear on its face to be a substantial uplift, in real terms (given the likely deal sizes with small publishers) it is unlikely to result in an outsized offset. However, the offset is likely to be significant enough to mitigate the increased transactions costs of negotiating with an array of small publishers.

Minimum expenditure pool for small publishers

Whilst increasing the deduction rate for small publisher deals will create an important incentive, it will not be sufficient in our view. The dollar value of likely deals with small to medium publishers is always going to be dwarfed by the value of deals done with major publishers. In short, we are concerned that, even with an increased deduction rate, the transaction costs will

mitigate against deals being done with small (and even medium) sized publishers.

We would propose that no more than 75% of a platform's eligible expenditure could be allocated to deals with larger publishers (i.e., those with annual revenues more than \$50m).

We acknowledge the possibility that, even with these changes, one or more platforms may choose not to do deals with anyone other than larger organisations. However, with such deals being capped at 75%, the small to medium sector will be protected by the Charge and the Scheme.

Carry forward expenditure

We note that the Bill provides for a 'carry forward' benefit for platforms who incur eligible expenditure in a year over and above their liability – s20(2).

In short, we do not consider that there should be any 'carry forward' credits.

We consider that the NBI should be seen as a mechanism to encourage investment in, and the ongoing support of, the Australian news publishing sector. As such, the legislation should be viewed as determining a platform's minimum spend obligation in respect of Australian news content (not its maximum spend) and to encourage 'full value' deals with Australian news organisations. If they voluntarily spend in excess of their minimum obligation, that should simply be seen as vindication of the value that we deliver to the platforms.

This is particularly so given that the 'eligible expenditure' (as noted in paragraph 1.59 of the Explanatory Memorandum) is intended to include a share of advertising revenue received by a news organisation from a platform (such as sharing in YouTube channel revenue). Such revenue is, of course, speculative and unpredictable. However, it is clearly related to the usage of news content on the platform and scales directly with the revenue earned by the platform from making such content available. There is no need or justification for providing an additional benefit to the platforms (over and above their increased revenue) by allowing them to also offset fortuitous 'excess' payments against future news support liabilities.

If the government resolves to continue with such a policy despite these submissions, then we consider that there must be appropriate guardrails introduced. For example, any carry forward amount, if incurred in relation to large publishers, cannot be used:

- to reduce liability to small and medium sized publishers in subsequent years (including through Charge payments), or
- to otherwise circumvent the submitted cap of 75% to be allocated to larger publisher deals.