

Submission to the Inquiry on the Influence and Impacts of Social Media on Australian Society

For the Joint Select Committee on
Social Media and Australian Society

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percapita
FIGHTING INEQUALITY IN AUSTRALIA

The Centre of the
**Public
Square**
A Per Capita initiative

SUBMISSION TO THE INQUIRY ON THE INFLUENCE AND IMPACTS OF SOCIAL MEDIA ON AUSTRALIAN SOCIETY FOR THE JOINT SELECT COMMITTEE ON SOCIAL MEDIA AND AUSTRALIAN SOCIETY

The Centre of the Public Square (CPS) at Per Capita thanks the Joint Select Committee on Social Media and Australian Society and welcomes the opportunity to provide a submission on this important inquiry.

Per Capita is an independent think tank, dedicated to fighting inequality in Australia. We work to build a new vision for Australia, based on fairness, shared prosperity, and social justice. The Centre of the Public Square works to create equity and fairness for Australians online by holding technology companies to account and building better models of citizen collaboration for the Australian public.

This submission outlines our recommendations on how to hold social media companies to account, while providing viable alternatives for Australians. In particular, we will address the following points from the Inquiry's terms of reference:

- (b) the decision of Meta to abandon deals under the News Media Bargaining Code;
- (c) the important role of Australian journalism, news and public interest media in countering mis and disinformation on digital platforms;
- (d) the algorithms, recommender systems and corporate decision making of digital platforms in influencing what Australians see, and the impacts of this on mental health;

Summary

Digital platforms are not the right hosts of our civic lives. By design, they are built to amplify division and conflict, as the most sensational and provocative content maintains audience attention on the platforms. Digital platforms like YouTube, Facebook, X and TikTok are also underpinned by commercial models which, above all else, seek to monetise our attentions and interactions, trapping Australians in algorithmically-induced content 'holes' that foster addiction, neuroses and unhealthy habits.

The platforms' build, design and operational models therefore, are the antithesis of what healthy civic participation requires - shared spaces to facilitate considered debate and deliberation, consensus and bridge building, respect and representation for all citizens, a healthy public square powered by facts, reason and truth.

Digital platforms have usurped critical areas of our civic lives. Most significantly for this inquiry - the news media and public interest journalism, as well as the forums and spaces we use for public and political participation.

We recommend therefore, that:

- 1) **We continue with the work of holding digital platforms to account, building on the News Media Bargaining Code**, and continuing with the significant recommendations from the ACCC's Digital Platforms Inquiry such as privacy reform, more funding for journalism and more

2) **That we have a central body or digital ministry in Cabinet** that coordinates these significant digital regulations, as opposed to the currently disjointed approach

3) **That Australia invests in and funds alternatives to these digital platforms**, strengthening Australia's public digital infrastructure and providing Australians with alternative channels for their civic engagement.

Building on the News Media Bargaining Code

The News Media Bargaining Code was an effective tool in recognising the value of professionally and ethically created content in social media ecosystems.

The threat of designation prompted Facebook and Google to make deals estimated at around \$200 million with media companies.¹ Large publishers struck their own deals, smaller publishers secured a collective agreement with Google.

While we don't have line of sight in the terms of agreements, we know that this led to investment in journalists. The ABC credited the funds with hiring more regional and local journalists, and the SBS did the same², and commercial media were buoyed by the funds, as more recent reactions have shown.³

However, because of the nature of the 'deal' brokered to pass the legislation, the Code was built on shaky foundations with no platform actually designated, leading to essentially voluntary participation, as Meta has recently demonstrated by announcing that they will no longer continue with the deals.

The original terms of the Code as a mandatory designation for all large social media companies should be upheld, to make sure digital platforms are not able to rescind their commitments to public interest journalism.

The Code was part of the suite of 23 recommendations from the ACCC's Digital Platforms Inquiry.⁴ The Inquiry was a globally leading, significant reform project, but only a handful of the recommendations have been implemented, many have stalled, or become watered-down versions, and many not addressed at all.

The final report set out a range of recommendations that holistically held to account social media companies and digital platforms for their consumer and broader harms to society, not unlike the current Inquiry which we are addressing.

The recommendations from the ACCC Digital Platforms Inquiry should be addressed fully and implemented:

- Privacy reform, including reviews of the Privacy Act are still pending

¹ Sims 2022, 'Australian's News Media Bargaining Code led the world. It's time to finish what we started', The Conversation, <https://theconversation.com/australias-news-media-bargaining-code-led-the-world-its-time-to-finish-what-we-started-188586>

² Canales 2023, 'Tech giants could be forced to share secret news deals under Australia's media bargaining code' Guardian Australia, <https://www.theguardian.com/media/2023/dec/18/tech-giants-could-be-forced-to-share-secret-news-deals-under-australias-media-bargaining-code>

³ Jaspan 2024, 'Jobs on the line as media chiefs unite in stinging rebuke of Meta', Sydney Morning Herald, <https://www.smh.com.au/business/companies/jobs-on-the-line-as-media-chiefs-unite-in-stinging-rebuke-of-meta-20240621-p5jnl.html>

⁴ Australian Competition and Consumer Commission 2019, *Digital Platforms Inquiry – final report*

- Funding for public interest journalism, including local grants, assisting charitable donations, and stable funding have not been implemented
- Digital media literacy for schools and the broader community should be addressed
- Codes to counter misinformation should be mandatory, with stronger penalties and easier entry points for the public, so that the harms of social media platforms can be properly mitigated
- More dedicated resources to address digital regulation

A Digital Ministry to coordinate digital regulation

Federal Government responses to digital platforms are disjointed. While there have been some attempts at coordination, such as the Digital Platform Regulators Forum and the Data and Digital Ministers Meeting, the challenges presented by digital platforms and social media are vast, and requires significantly more investment and initiatives.

Digital issues are split between several ministries, including Public Service, Communications, Industry and Science, Home Affairs and Cyber Security, and more. We need a Cabinet level ministry with explicit responsibilities to address digital technology, economy and risks associated. This should be seen as an additional resource for current ministries, and not as a replacement of existing efforts.

There are some precedents with this with previous ministries including 'Digital Economy', 'Digital Transformation' and 'Innovation'.

Taiwan presents an interesting case study, with its 'Ministry for Digital Affairs'. The Ministry for Digital Affairs (or moda) is "responsible for driving Taiwan's digital development, will connect citizens and technology, improve industry and security, fulfill the goal of a smart country".⁵

The Ministry has broad remit to address Taiwan's digitalisation, cyber security, digital infrastructure, digital education and data management.

Importantly, the Ministry not only coordinates to develop regulation, it uses technology and digital communications infrastructure for citizen engagement and participation in policy making. There is an emphasis on creating systems and networks using technology to allow citizens to more proactively feed into government decision-making and policy-making, providing an environment using digital tools to engage the citizenry, giving a platform that's built for civic engagement as opposed to designed for addiction and division as current social media platforms are.

We need public digital infrastructure as alternative digital platforms

Harms caused by social media companies are now well-known and documented. The last few years have revealed that social media platforms facilitate disinformation that destabilises society

⁵ Taiwan Ministry for Digital Affairs, 'Smart Taiwan: A Model of Democracy', accessed July 2024, <https://moda.gov.tw/en/aboutus/introduction/404>

by causing distrust in institutions⁶, breaching our privacy⁷, employing invasive practices, producing products that harm our mental health⁸, and creating echo chambers which divide and enrage us, making us turn against one another.⁹

A large part of this is due to us allowing social media to infiltrate critical institutions like news media and public services, that provide critical services such as news dissemination¹⁰, information sharing during disasters¹¹, community consultations and public service provision.¹²

While regulating platforms is important, government also needs to be looking to alternate ways of connecting citizens and distributing news content.

Even if the public chooses to disconnect from current social media platforms, there is a cost in doing so, as it means losing contact with their networks, being cut off from important personal and professional conversations and missing out on critical news and information.

So even if most of us now acknowledge the harms social media produces, we are left with no viable alternatives to connect, converse and share.

There is an opportunity, therefore for the government to provide these alternatives spaces.

On the one hand, this means strengthening our public institutions, such as news media companies and public broadcasters, but it could also be an opportunity to reform these institutions and build ones that are more suited towards participation in civic life.

This could involve enhancing the remit of public and community media organisations, from one not just of broadcast, but also engagement, which most of them are already doing with their local communities.

By investing in community and public broadcast media to include digital initiatives which engage and consult with their audiences and local communities, these creates alternative channels that create safe environments to consult, communicate and collaborate on civic and public participation.

There are already existing networks to draw from – including community media, community broadcasting associations, and our public broadcasters like the ABC and the SBS.¹³

Government could also learn from the Taiwanese example, using digital technologies to create community spaces and forums designed to harvest public feedback and participation in a large-

⁶ Van Zoonen, Luomo-aho, Lievonen 2023, 'Trust but verify? Examining the role of trust in institutions in the spread of unverified information on social media, *Computers in Human Behaviour*, vol. 150.

⁷ ABC News 2023, 'Claims TikTok siphons personal data of non-users without consent examined by Australian Information Commissioner', <https://www.abc.net.au/news/2023-12-28/tiktok-personal-information-data-scraping-australian-authorities/103271042>

⁸ Walsh 2022, 'Study: Social media use linked to decline in mental health', MIT, <https://mitsloan.mit.edu/ideas-made-to-matter/study-social-media-use-linked-to-decline-mental-health>

⁹ Cinella et.al. 2021, 'The echo chamber effect on social media', *Proceedings of the National Academy of Sciences* journal, <https://www.pnas.org/doi/10.1073/pnas.2023301118>

¹⁰ Park et. al. 2023, *Digital News Report Australia 2023*, News and Media Research Centre, University of Canberra

¹¹ Karanasios 2022, *In disasters, people are abandoning official info for social media. Here's how to know what to trust*, University of Queensland

¹² Services Australia, *Social Media Services in Australia*, accessed April 2024, <https://www.servicesaustralia.gov.au/social-media-services-australia?context=64107>

¹³ Guiao and Lewis 2021, *The Public Square Project*, The Australia Institute's Centre for Responsible Technology, <https://australiainstitute.org.au/wp-content/uploads/2021/04/210428-public-square-paper-WEB.pdf>

scale manner, for matters of public interest and import, extending every citizen's participation to more than just during election cycle voting.

This should form part of the agenda of government service digitalisation – not just in government and public services like those facilitated through myGov, such as Medicare and taxation, but also as a forum for public participation and communication, as a way to facilitate feedback and input from the public.

By investing in purpose-built public spaces digitally, the way we do in the real world, Australians can have an online environment that is suited for safe, respectful public debate and deliberation, away from exploitative private platforms that cause harm.

Holding social media companies is not enough. We need to empower news organisations and community channels into creating a public square that protects democracy and accurate news and information, and also develop spaces for Australians to gather online that is safe and designed for respectful debate, deliberation and communication, ones that are about consensus building, cooperation and the pursuit of a healthy civic life.