

Murdoch's News Corp calls for Google breakup

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News organisations accuse tech giants such as Google and Facebook of gaining huge commercial benefit from expensive to create content, while paying nothing and syphoning off advertising

Rupert Murdoch's News Corp has called for Google to be broken up in Australia, the latest salvo in a battle between the corporate media giants.

In a petition to Australian regulators, News Corp's local subsidiary complained that "Google enjoys overwhelming market power in both online search and ad tech services."

Going a step further, the company accused Google of "abusing its dominant position to the detriment of consumers, advertisers and publishers."

Earlier this week US presidential hopeful—and former federal consumer watchdog—Elizabeth Warren became the latest in a line of commentators to argue that firms such as Amazon, Google and Facebook hold "too much power" in society.

News Corp echoed her argument that Google's businesses should be split, or failing that, search and advertising businesses should be firewalled off from each other.

"While News Corp Australia recognises that divestment is a very serious step ... divestment is necessary in the case of Google, due to the unparalleled power that it currently exerts over news publishers and advertisers alike."

Australian watchdogs are seen as unlikely to recommend that Google be split, but the petition represents an intensification of the worldwide fight between Australian-born Murdoch and Google and Facebook.

News organisations accuse the tech giants of gaining huge commercial benefit from expensive to create content, while paying nothing and syphoning off advertising.

The Australian Competition and Consumer Commission is one of several regulators across the world investigating the effect that digital platforms have on competition in the media, advertising and advertising

services markets.

News organisations in Australia have struggled in recent years with falling revenue and shrinking staff, as giants like Google and Facebook dominate the digital economy.

The downturn has prompted a string of mergers that have left the market with only three or four major media companies.

Local newspapers, once the lifeblood of communities across this vast country, run on a skeletal staff or have been forced to close.

Murdoch's News Corp is a dominant player, owning a slew of Australian newspapers and the largest television news channel, and is the majority owner of the Foxtel pay television operations.

Murdoch's vast political influence has frequently come under fire from former prime ministers on both sides of Australian politics and is widely seen as pushing the tone of public debate to the right.

News Corp Australia is a subsidiary of US-based News Corp, which owns the Wall Street Journal and newspapers in Britain. Murdoch and his family also control the media-entertainment conglomerate 21st Century Fox, owner of the Fox News Channel.

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