

## Leveling the Playing Field for Canada's News Media Ecosystem

"It is about fairness: those who benefit from the Canadian ecosystem must also contribute to it, whether they operate in the broadcasting sector or are involved in news content sharing."

"This means ensuring that our online environment does not unduly disadvantage Canadian news publishers and allows them to continue to do their essential work which is to empower and inform our communities, in times of crisis and beyond, for the benefit of our democracy ..."

*The Hon. Stephen Guilbeault, Minister of Canadian Heritage*

### Who We Are

Formerly Newspapers Canada, **News Media Canada** represents hundreds of trusted newspapers in every province and territory – community and multicultural papers included. We are the voice of the print and digital media industry in Canada.

### The Challenge We Are Facing

From the very inception of newspapers in Canada, the best journalism in Canada has been supported and sustained by advertising revenues. Yet virtually all our digital media outlets now face an existential threat because of the anti-competitive practices of web giants Facebook and Google.

- These two global giants control 80% of all advertising revenues.
- They use their monopoly control not just to divert advertising from newspapers, but also to divert millions in advertising revenues that they place on newspaper sites.
- Even when advertisers pay specifically to advertise on newspaper sites, Google and Facebook use their market dominance to keep the lion's share of the advertising revenues which should go to the owners of the sites.
- They accumulate data on newspaper site readers and advertisers for their own purposes – and to solidify and strengthen their monopolistic positions.

**There is a way to sustain and foster a flourishing news media ecosystem in Canada once again, one that includes multicultural outlets, local newspapers in regional markets and in-depth coverage of the stories that matter to all Canadians.**

### A call to action ...

We're calling upon the Government of Canada to implement a series of measures based on the approach the Australian government has chosen to take in order to address these monopolistic practices effectively.

Under this Australian model:

- The government enables the country's newspapers to band together in a collective bargaining unit to negotiate compensation for the use of their content and intellectual property. It is only through this collective approach that the immense monopoly power of the web giants can be countered, and the digital playing field levelled.
- A long-term code-of-conduct is put in place to ensure that the web monopolies don't try to use new algorithms and other proprietary technology to expand their market domination and entrench anti-competitive practices.
- The enforcement has real teeth. The web giants are subject to fines in the hundreds of millions of dollars for a single infraction. Penalties of this scale are the only effective ways to rein in companies of this unprecedented size and power.
- **No new government funding or consumer taxes or user fees are required for this solution.**

"There is a fundamental bargaining power imbalance between news media businesses and the major digital platforms, partly because news businesses have no option but to deal with the platforms, and have had little ability to negotiate over payment for their content or other issues ... news content brings significant benefits to the digital platforms, far beyond the limited direct revenue generated from advertising shown against a news item. News media businesses should be paid a fair amount in return for these benefits."

*Rod Sims, Chairman of the Australian Competition and Consumer Commission*

"Certain tech platforms ... have acquired a monopoly position today which gives them a footprint no other company has on the economy, so they need to see specific regulations applied ... A company which has 1.4 billion citizens on its social networks can't be treated like just any other company, with the same rules. A company that is the only search engine or messaging platform can't have just the same rules as any other private company."

*Cedric O, Minister of Digital Affairs, Government of France*

For more information, please visit [www.levellingthedigitalplayingfield.ca](http://www.levellingthedigitalplayingfield.ca). Read the latest report by [clicking here](#), along with these additional resources at the links below:

1. [Fact sheet on the importance of newspaper advertising](#)
2. [White paper on Google's practices](#)