



HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

44th PARLIAMENT, 1st SESSION

Standing Committee on Canadian Heritage

EVIDENCE

NUMBER 052

Friday, November 4, 2022

Chair: The Honourable Hedy Fry



Standing Committee on Canadian Heritage

Friday, November 4, 2022

• (1300)

[*Translation*]

The Chair (Hon. Hedy Fry (Vancouver Centre, Lib.)): I call this meeting to order.

Good afternoon, everyone. Welcome to meeting No. 52 of the House of Commons Standing Committee on Canadian Heritage.

I would like to acknowledge that this meeting is taking place on the traditional unceded territory of the Algonquin Anishinaabe people.

[*English*]

Pursuant to the order of reference adopted by the House on Tuesday, May 31, 2022, the committee is meeting on the study of Bill C-18, an act respecting online communications platforms that make news content available to persons in Canada.

Today's meeting is taking place in a hybrid format, pursuant to the House of Commons order of June 23, 2022. Some members are attending in person, and others are attending remotely using the Zoom application.

I want to make a few comments for the benefit of the witnesses and members.

Please wait until I recognize you by name before speaking. For those participating by video conference, click on the microphone icon at the bottom of your screen to activate your mike, and please mute yourself when you are not speaking.

For those on Zoom, you have the choice, at the bottom of your screen, of floor, English or French. There is a little round globe icon. That is your interpretation icon. For those in the room, obviously, you can use the earpiece and select your desired English or French channel.

As a reminder, all comments should be made through the chair.

I will ask the clerk to clarify and confirm that all witnesses have completed the required connections tests and that they are using House of Commons devices. We have had an accident with a non-House of Commons device used by a witness, and we don't want a repeat of that.

Can you confirm that for me, Madam Clerk?

The Clerk of the Committee (Ms. Aimée Belmore): Yes, Madam Chair. All the witnesses have done their equipment testing, and they're using House of Commons headsets.

The Chair: Thank you very much.

Now I want to welcome the witnesses.

For the benefit of the witnesses, I want you to know that you have five minutes to present. If there is more than one of you representing your organization, then one of you will speak. You can make that decision. We don't make it for you.

I will give you a 30-second literal shout-out when you have 30 seconds left so that you can wrap up. After that, we will go into a question and answer session.

Again, welcome to the witnesses. I will begin with Dadan Sivunivut. Jean LaRose is the president and chief executive officer. He is here by video conference.

We're going to begin with Monsieur LaRose.

The other people present are, from the National Ethnic Press and Media Council of Canada, Maria Saras-Voutsinas, executive director; from UNIFOR, Randy Kitt, media sector director; from the University of Ottawa, Dr. Michael Geist, Canada research chair in Internet and e-commerce law, faculty of law; and from McGill University, Dr. Taylor Owen, Beaverbrook chair in media, ethics and communication, associate professor and director of the Centre for Media, Technology and Democracy.

I will begin with Monsieur LaRose for five minutes, please.

Mr. Jean LaRose (President and Chief Executive Officer, Dadan Sivunivut): Thank you, Madam Chair.

Before I start my presentation and my time, *dadan* means “our peoples” in southern Tutchone, and *sivunivut* means “our future” in Inuktitut.

• (1305)

The Chair: Thank you very much.

Mr. Jean LaRose: My pleasure, Madam Chair.

The Chair: Please begin, for five minutes.

Mr. Jean LaRose: Good afternoon, Madam Chairperson and committee members.

Thank you for the invitation to discuss Bill C-18. I am Jean LaRose, president and chief executive officer of Dadan Sivunivut. I am Abenaki from the Odanak First Nation, and I thank the Algonquin nation for allowing us to meet on their unceded territory.

Dadan Sivunivut was created by APTN in 2019 to assume responsibility for APTN's non-television activities. Among other businesses, Dadan Sivunivut oversees First Peoples Radio, which operates radio stations in Ottawa and Toronto, and is active in IndigiNews, a digital news service based in western Canada that covers the ancestral and unceded homelands of the Halkomelem and Squamish-speaking peoples.

Dadan Sivunivut supports the objective of Bill C-18, which will provide ongoing support for news organizations to offset the impact of dominant digital intermediaries on Canadian journalism.

However, the bill needs to better reflect the unique place of indigenous news organizations based on Canada's commitment to implement the United Nations Declaration on the Rights of Indigenous Peoples. UNDRIP includes the express recognition of the rights of indigenous peoples to operate our own media in our own languages.

At the least, Bill C-18 should place indigenous news outlets on the same footing as non-indigenous local news services. Intentionally or not, the bill creates a kind of hierarchy of news services, and diverse news outlets, including those serving indigenous communities, are placed on a lower tier than other local news services.

Let me explain. As it stands now, subclause 11(1) of the bill requires that agreements with digital intermediaries must include "a significant portion of...local news businesses" and "contribute to the sustainability of those businesses". In comparison, with regard to indigenous news outlets, those agreements need to include only "a range of news outlets that reflect the diversity", which includes language, race, and indigenous communities. This is a much lower standard. The bill does not require that a significant portion of indigenous news outlets be included or that the agreements contribute to sustainability. It should.

We have proposed specific language to improve the bill that would address this issue. I will quickly take you through it.

Our proposed language would include a reference to UNDRIP in the recitals to the bill and a reference to indigenous storytelling as a component of indigenous news. We propose a specific definition for an indigenous news outlet: one that is controlled by indigenous peoples and produces news content for indigenous peoples.

We propose that, in subclause 11(1) of the bill, agreements reached by digital news intermediaries include a significant portion of indigenous news outlets and meaningfully support their sustainability.

We propose that the eligibility criteria for news outlets in clauses 27 and 31 of the bill also reflect the unique characteristics of indigenous news outlets and the core issues affecting indigenous rights and self-government in the same way that Canada's democratic institutions and practices are core matters for non-indigenous news services.

Lastly, we propose that the list of arbitrators to be maintained under clause 31 of the bill include indigenous persons.

These changes would help to make Bill C-18 meaningful for indigenous peoples and for our right to operate our own media in our own languages.

This is a critical time in Canada for indigenous peoples and for Canadians as we travel together on the road to reconciliation. We will face challenges, but we are hopeful that we will also earn the rewards of greater understanding and a revitalization of indigenous cultures and languages.

We support Bill C-18 with the changes we have proposed as one step on this road, but it is only a step.

We have also encouraged the government to provide direct support for indigenous media through independently administered, stable and meaningful funding. While I recognize that a fund is not what we are discussing today, I strongly believe that a fund, administered by an independent body and focused on supporting a new generation of indigenous journalists in indigenous media, as well as other diversity media, is a necessity. We should not lose sight of the high barriers that indigenous peoples face in conserving and promoting our cultures and languages. No one bill will be sufficient, though if it truly reflects indigenous rights and cultures, this one will help at a critical time.

I would be pleased to answer any questions you may have. Thank you.

The Chair: Thank you very much.

Now I go to the National Ethnic Press and Media Council of Canada and Maria Saras-Voutsinas for five minutes, please.

Ms. Maria Saras-Voutsinas (Executive Director, National Ethnic Press and Media Council of Canada): Thank you, Madam Chair.

Good afternoon. My name is Maria Saras-Voutsinas, and I'm here today representing the National Ethnic Press and Media Council of Canada.

Our organization's membership runs the full gamut of press and media, television, radio, hard copy, and online. Our members are communications entities with professionally trained journalists who publish primarily in a language that is neither English nor French. We publish dailies, weeklies, monthlies, and so forth in non-official languages. Our reach, given Canada's birth rate and immigration policies, is currently 23% of the potential user market. That demographic is the only growing one according to Statistics Canada.

You have heard from tech experts, digital giants, and mainstream media on the impact of the transition to digital consumption of communications and entertainment content. It continues to be a valuable exercise. None of it is new.

Governments are trying to balance the playing field and we applaud this initiative. We do not want you to leave our members behind; we are just as impacted as the mainstream media. We have always competed for advertising dollars to survive.

Advertisers, including governments, turn to digital platforms. For context, the government spent more on Facebook and Instagram advertising last year than all print publications combined, both mainstream and ethnic. To appreciate the impact, consider the testimony of one of the Meta executives before this committee. His company draws over \$200 million per annum from Canada, yet it produces no content.

We feel that Bill C-18 is asking those digital giants to recognize the virtual partnerships they have with content creators like our members, whose growth results in the increase of the reach of those platforms.

We would feel more confident if we knew the rules going in and not after the doors are closed on Bill C-18. That includes the conditions everyone must meet to be at the table. Our members can and will meet them.

We are also asking you to put in an amendment to Bill C-18 to allow owner-operator journalists to count toward the journalist minimum, so more ethnic and rural publishers can negotiate collectively.

The pandemic was, and is, an incredibly turbulent time for ethnic news publishers. Readership surged but advertising cratered. A number of publishers had a very tough decision to make between continuing to report the news to minority-language groups who needed vital pandemic information, or cutting their losses and shutting down. I'm very proud that the vast majority of our outlets decided that providing vital health information to their communities was paramount, and they published, even though it was at a loss.

Being able to bring news to your community, which sometimes may not have a strong grasp of English or French, brought our publishers a lot to provide. It helped new and established immigrant Canadians find a place for themselves and feel more connected to their community.

We think it is crucial for democracy that Canadians have access to news, including those who consume their news in non-official languages. There is an imbalance that needs to be addressed between large digital platforms and the local news outlets that produce the content that provides platforms with value.

We strongly believe that the framework of Bill C-18 can and will include support for ethnic publishers, who need the help now more than ever.

While we are encouraged to see that the digital giants have signed deals with select outlets in Canada, we are very troubled that none of those outlets have been with ethnic media. It is clear Meta and Google will not willingly partner with the ethnic press to ensure that compensation is equitable. That is why we're asking for Bill C-18, so that our membership may have a fair negotiation to be paid for their content.

I have heard from so many members of my own Greek community about what a difference having Canadian news in Greek has

meant to them. Many of those readers felt invested in our country, sought English and French classes and later became Canadian citizens. That is what the news can do: It can take people out of isolation and better explain their neighbours, their province, and their country, and that is good for democracy.

We have been working closely with our colleagues at News Media Canada and we agree on an approach that is fair and equitable and benefits both small and large publishers. We are one industry and proud to stand together to ensure that Canadians have access to reliable news in the language that they are most comfortable with.

Thank you all for your time, and I'm looking forward to the discussion.

• (1310)

The Chair: Thank you very much.

I now go to Unifor and Randy Kitt, for five minutes.

Mr. Randy Kitt (Media Sector Director, Unifor): Thank you, Madam Chair.

Unifor is Canada's largest private sector union, with more than 310,000 members. Our union represents more than 10,000 media workers, including journalists in the broadcast and print news industry.

Journalism is a public good in its role of holding power to account. Strengthening democracy and building community have never been more important. Social media has proven to divide us, pitting neighbour against neighbour. We are more polarized than ever, but a strong Canadian news media can build community.

I don't think I need to spend too much time on the problem, because I think we can all agree that the news industry, especially local news, is in crisis. The Public Policy Forum has done some great work documenting this decline in their updated report "The Shattered Mirror".

Advertising revenue for community newspapers has dropped 66% from 2011 to 2020. During that time, almost 300 papers either disappeared or merged with other publications. The list of dead newspapers reads like a roll call of regional and small-town Canada. Broadcasting has a similar story. News outlets are closing, consolidating and downsizing.

Unifor's own membership numbers confirm this trend. Between 2009 and 2022, The Toronto Star's membership declined from 610 to 178 members, a decrease of 70%. In broadcasting, between 2017 and 2021, employment decreased by 16%. This all results in less journalism and less news, with nothing to replace it.

Where has all the advertising gone? American web giants Google and Facebook have cornered the world's advertising market. Their market share dominance is an abuse of power, in which they dictate terms and price. It's important to note that they don't produce any news on their own, local or otherwise.

How do we solve the problem? To some, including me, the answer seems simple. Google and Facebook must pay their fair share and contribute to the creation of Canadian news, but how? Unifor first submitted that the best approach was a news fund, but Australia went in another direction and had success in creating legislation that compelled the platforms to negotiate with news outlets for fair compensation for their product.

Thus Bill C-18, the Canadian online news act, was born. Unifor supports the speedy passage of this bill, as it is almost too late for us to act. Without this support, more news outlets will close as they are already on the brink.

Unifor has three main concerns with the drafting of Bill C-18. One is inclusivity: No eligible news outlet should be left behind. Two is accountability: The money received by these deals needs to be earmarked for news creation. Three is transparency: The value of these deals needs to be public knowledge.

Although it is not perfect, and we have submitted some minor amendments to tweak the bill, Unifor believes that Bill C-18 strikes a good balance on these issues.

On the first, the bill acknowledges that diversity, along with inclusivity, must play a key role. Smaller outlets must be included, and the bill is also platform-agnostic to recognize broadcasters and podcasters. Unifor submits that all eligible news outlets should be included.

On the second, Unifor maintains that this money should go toward news creation. Hiring journalists to tell our stories and to hold power to account is the most important metric to measuring the success of this initiative.

On the third, transparency, the platforms have ensured that the value of deals negotiated thus far has been shrouded in non-disclosure agreements. Unifor submits that the value of deals negotiated should be made public. We do know, however, that this bill will allow the CRTC to give us annual aggregated numbers like those we currently receive in the broadcasting industry.

Unifor would also suggest that arbitrators have special access to the value of these deals and other relevant confidential information so they can make informed decisions in the arbitration process.

If only we had a quasi-judicial body that was arm's length from the government to handle the administration of this bill.... To be clear, Unifor has not always agreed with the CRTC's decisions, but Unifor applauds the decision to have the CRTC administer this bill, as we believe they are well suited to this work.

To sum up, the news industry is in crisis, and local news is essential to the public good in a functioning democracy. We know from the Australians that a bargaining code with an arbitration process can be successful, and we believe that Bill C-18 is an improvement on the Australian legislation.

Unifor supports speedy passage of this legislation with very minor adjustments. Let's not get sidetracked by noise. Let's get Bill C-18 passed to ensure a sustainable future for local news.

• (1315)

The Chair: You have 30 seconds.

Mr. Randy Kitt: Imagine a world without news. Imagine the void. Now imagine you can do something about it.

Thank you.

The Chair: Thank you very much.

Now I will move to Dr. Taylor Owen, Beaverbrook chair in media, ethics and communication.

Dr. Owen, please go ahead for five minutes.

Dr. Taylor Owen (Beaverbrook Chair in Media, Ethics and Communication, Associate Professor, and Director of the Centre for Media, Technology and Democracy, McGill University, As an Individual): Thank you so much for having me here today.

A lot has been said about Bill C-18 in the media and at this committee over the past months. I want to start by acknowledging the real and often existential stakes involved for the journalism businesses on all sides of this debate. I'm just an observer to this, but I value the views of all those who are ultimately materially impacted by the policy decisions that you're making here.

Some want no government intervention at all in the market of journalism, which is a view I respect but don't share. For me, journalism and, more broadly, the access to reliable information are a precondition for democratic society. In the face of clear market failures, they warrant careful public policy intervention.

With that said, let me make a few observations about this particular intervention.

First, I think we need to acknowledge the reality that platforms already have deals with publishers. These deals, with a select group of publishers chosen by the platforms, are for undisclosed sums of money and hidden behind NDAs. We simply have no idea whether publishers have been pressured or incentivized in their reporting in any way. I understand that some publishers who already have deals would rather stick to the devil they know, but the interest of public policy should be to make these deals more equitable and accountable to the Canadian public.

Second, it's very clear that no one policy will fix journalism. The effect that the Internet has had on the businesses and practices of journalism is wide-ranging and complex. This policy mechanism addresses one aspect of this challenge: the bargaining imbalance between publishers and platforms. A very asymmetry, I would argue, is demonstrated by the inequity of these current deals. However, analysis of the role of this policy must be done alongside other policies that support Canadian journalism. Most importantly, in my view, is the journalism labour tax credit.

Third, while many—including myself in the past—have suggested an alternative, centralized fund model, I think we need to acknowledge that it, too, has some fundamental challenges. It would require government to either create a dedicated tax on platforms—a link tax, if you will—or put general revenue into a fund of its creation and design. The former could be in breach of USMCA, and both are far more intrusive government interventions in journalism than the bargaining code.

Fourth, while this bill has been widely characterized as the Australian model, it is in fact, in my view, fundamentally different. The addition of specified exemption criteria is the central policy mechanism in this bill. The list of those terms, how platforms demonstrate they have met them, and how they are evaluated and audited are all absolutely critical to this policy working in the public interest. This bill also adds meaningful public accountability and transparency tools that the Australian bill lacked.

This brings me to my last point. The fact that this bill has improved materially on the Australian model has significantly increased the likelihood that other countries—such as the U.K., Germany, South Africa and maybe even the U.S.—will very soon adopt a similar model. It is this likelihood, not of Canadian implementation but of its global spread, that I think has shaped the character of the platforms' response to this bill.

Google has every right to lobby for their interests, but their strategy in this case has sought to divide news organizations, parliamentarians and Canadians. I hate that journalist friends from small and large organizations alike are being pitted against one another. Facebook's threat to turn off access to reliable information is, to me, revealing about their place in our democratic society. I hope that it is being treated with the seriousness it warrants at the highest levels of the Canadian and U.S. governments.

With all of this said, this bill is not perfect and it involves difficult trade-offs. I would suggest the committee ask four questions about it.

First, how can this bill make the terms of deals as maximally transparent as legally possible? I know there are real limits to what

can be shared publicly, but the regulator should report as much as possible and as regularly as possible.

Second, how can the bill be maximally inclusive while ensuring the journalistic integrity of recipients? Making the bill more restrictive, as Google has proposed, would exclude smaller publishers. Making the requirements too lenient could lead to the inclusion of non-journalistic sites.

Third, how can this bill ensure that platforms are incentivized to promote journalistic content and penalize harmful content, and not the inverse? Clarity around non-discrimination is a fairly easy fix.

Finally, I think it is reasonable to ask whether this bill is suitably flexible and amenable to future and certain changes in the economics both of the platforms and of the news industry. No journalism policy, in my view, should be designed to be permanent, but should instead aspire to be no longer necessary.

● (1320)

I'm happy to share more detailed amendments in the spirit of these four questions. Thank you for your time.

The Chair: Thank you very much, Dr. Owen.

I now move to Dr. Geist, Canada research chair in Internet and e-commerce law at the University of Ottawa.

Dr. Geist, you have five minutes, please.

Dr. Michael Geist (Canada Research Chair in Internet and E-Commerce Law, Faculty of Law, University of Ottawa, As an Individual): Thank you very much, Chair.

Good afternoon. My name is Michael Geist. I'm a law professor at the University of Ottawa, appearing in a personal capacity, representing only my own views.

Thanks to the committee for this unexpected opportunity to speak again about Bill C-18, particularly following some of the technical challenges I faced during a prior appearance.

I'd like to focus my remarks on why I think the bill mandates payment for links, and why I think that creates a threat to freedom of expression. Before doing so, let me highlight several additional concerns I'd be happy to address in further detail during the question period.

First, Bill C-18's eligibility criteria are deeply flawed. I think everyone's aware, and I think you've already heard, that the current rules may exclude some small news outlets. Beyond that, the dominance of broadcasters in the system, notably companies such as Bell and the CBC, I believe runs counter to the professed goal of the bill supporting local independent news. The Parliamentary Budget Officer estimates that more than 75% of the revenues will go to these companies. This is despite limited tangible connection between links and radio stations and that CBC news content, I think, is a public good for which facilitating access should be encouraged.

Second, many of the eligible news outlets will not be subject to journalistic standards under this bill. Unlike the QCJO model, which features detailed rules to ensure appropriate standards before tax support is available, Bill C-18 allows other news outlets, including foreign outlets, to qualify without similar standards, risking low-quality journalism.

Third, Bill C-18 violates copyright norms by suspending "limitations and exceptions" from the bargaining process in clause 24. This runs counter to the foundation of Canadian copyright law and may violate article 10(1) of the Berne Convention, which has a mandatory right of quotation that expressly includes news articles.

Fourth, Bill C-18 establishes final offer arbitration, yet still intervenes in the process by allowing the panel to reject final offers. That upends the entire purpose of the model, which is designed to encourage best offers by both sides.

Fifth, I think it's important to note that the government's existing policies with tax support may be working. Minister Rodriguez talked about over 400 news outlets having closed since 2008, but neglected to mention the same report found over 200 new news outlets opening in the same period, and that there have been no net new losses over nearly the last two years.

There are other concerns, but I want to use my remaining time to focus on what I think is the biggest issue—mandated payments for links.

The definition of facilitating "access to the news content" in subclause 2(2), upon which this system is based, includes a breathtakingly broad definition that clearly includes links, aggregation, and even indexing.

The inclusion of links is not in doubt. Minister Rodriguez has talked about the value of links. The Canadian Association of Broadcasters, when they appeared before this committee, talked about the value of links, saying "the whole purpose of why we're here and what we're talking about with Bill C-18" had to do with value of links. And even earlier this week, Mr. Coteau said that he found it astonishing that some argue that if you click on a Twitter link there is no value.

The Supreme Court of Canada has warned that creating liability for links could impair the way the Internet functions, yet payments for links are at the core of this bill. It doesn't matter if it is an aggregate charge for all links or a per-link fee; the harm is the same.

Bill C-18 not only requires payment for links, but it says that expression with links is not equal. Links to news content from sources

such as Bell or the CBC are viewed as compensable, but similar links to news content from small media outlets are not.

Further, the bill effectively says that whether compensation is due also depends on where the expression occurs, since it mandates that certain venues pay to allow their users to express themselves. Post a link to a Globe and Mail news article on Facebook, and the bill says there is value that should be compensated; post the same link on Twitter, as Mr. Coteau noted, and the bill says it doesn't.

Aside from the obvious unfairness, the broader implications of this policy, I think, are even more troubling. Once the law says that some platforms must pay to permit expression, the same principle can be applied to other policy objectives, and the entire foundation for sharing information online is placed at risk.

• (1325)

The Chair: You have 30 seconds.

Dr. Michael Geist: To be clear, helping journalism is important, but Bill C-18's dangerous approach ascribes value to links where there isn't any, regulates which platforms must pay in order to permit expression from their users and dictates which sources are entitled to compensation. There are better ways to do this, including the fund model that has been supported by some of today's panellists in the past.

I look forward to your questions.

• (1330)

The Chair: Thank you very much, Dr. Geist.

I now go to the question and answer segment.

The first round is a six-minute round. I would like to warn you that the six minutes include the question and the answer, so can everyone be as brief and to the point as possible?

I will begin this round with the Conservative Party, Kevin Waugh.

Kevin, you have six minutes, please.

Mr. Kevin Waugh (Saskatoon—Grasswood, CPC): Thank you, Madam Chair.

I want to thank all of the witnesses, not only today's but those from the weeks in which we have been discussing Bill C-18. This is the last day that we will have witnesses come to our committee. I want to thank those who have forwarded amendments, because today is the last day that we can have amendments ready, as in two weeks' time we will be going through the amendments here in the heritage committee.

I just want to clarify this and actually state it on the record, Madam Chair. I want to be clear here that over the last couple of months Conservatives have had a number of problems with Bill C-18 and we've expressed them.

I also want to say, Madam Chair, that we support the principle of requiring the web giants to pay more to compensate Canadian news media, particularly the struggling local newspapers throughout this country. That is why, on this side, we invited the Saskatchewan newspapers association. That's why we also had the Alberta news association come here, which said that 50% of their membership in Alberta would not qualify. I knew, because of my province, that up to 70% to 80% of my province would not qualify for Bill C-18.

I am going to quote Marie Woolf, who did a fabulous job yesterday in *The Globe and Mail* in pointing to one of the errors. The Davidson Leader newspaper sold a couple of years ago for one dollar. That's one dollar. She did a story with Dan Senick, who bought it. They have a subscription of 60% to the Davidson Leader newspaper. Everybody wants to find out who died, unfortunately, and the obits are number one in that newspaper. They also put that on Facebook, which should be paying for that. I just wanted to say that I was very happy with that article.

Everybody was quoted yesterday: the Liberals, the NDP and me. It's true: We're really worried about the state of local journalism in rural Canada, not just in Saskatchewan or Alberta but throughout this country.

Let's start. I think I'm going to start with the National Ethnic Press and Media Council.

It's the first time we've had you in front of us, Maria. This is a developing one. We know the Liberals want to have massive, robust immigration. You know, sometimes the local media in our country take a while to catch up to ethnic media who have people coming into this country.

How are you going to deal with Bill C-18? How is your industry going to catch up and make sure that new people coming into this country in fact get the message from your membership? Can you explain that?

Ms. Maria Saras-Voutsinas: Thank you for the question.

Well, as it stands, we have been around. We are considered legacy media. My members have been around for 25, 50 or over 70 years. Very specific community outreach has always been the case. We have newer members who are starting outlets as well and are getting mentorship from the older outlets that have been around forever.

We are there. We are on top of it. We have over 800 members across this country. It has been wonderful, and I'm proud to see that we have made it this far.

Mr. Kevin Waugh: Dr. Geist, I had flagged a long time ago, along with you, how the huge three of Bell, Rogers and the CBC public broadcaster have been taking a lot of the money. It was verified by the Parliamentary Budget Officer: Nearly 75% of the money that will become available through Google and Facebook/Meta will in fact go to the big industry players.

I am very concerned. My colleague Martin Shields and I have talked about the arbitration, and that these little newspapers in Canada really have no means of fighting when they get to the table—if they in fact do get to the table—with these giants. Could you give your thoughts on that? You have been very opinionated, I

would say, on the three, along with me. I just want you to back me up a little bit, if you don't mind.

• (1335)

Dr. Michael Geist: I have been vocal and I have to say that I actually thought the Parliamentary Budget Officer's data frankly took me by surprise. It wasn't included in the initial report. It only came a little while later in a link to an Excel spreadsheet. I think it took a lot of people by surprise to learn that slightly over three quarters of the money, by their estimate, would go to large broadcasters. I think a big chunk of that may well be from radio stations, which many of these broadcasters have. I must admit I don't see the clear link between radio stations and what someone may post to Facebook or what we see in Google News. Frankly, it just typically never even appears in that context, so it's not clear to me what's being compensated.

With respect to the CBC, I like the CBC. I've long been an advocate—

The Chair: You have 30 seconds, Kevin.

Dr. Michael Geist: I've long been an advocate to try to ensure that CBC content is as widely accessible and available as possible. It seems to me that intermediaries that help ensure that this takes place are exactly what we want to see happen. The public has already paid for this content, and to have the CBC effectively now compete with local media, not just for digital ad dollars but now compete as well for this pot of money, I think is harmful at the end of the day.

The Chair: Thank you very much.

Now we go to the Liberal member of Parliament, Tim Louis, for six minutes.

Tim, go ahead, please.

Mr. Tim Louis (Kitchener—Conestoga, Lib.): Thank you, Madam Speaker.

I'm going to yield my time to Ms. Hepfner.

The Chair: Certainly. Let me stop the clock here. I'm going to go back.

Lisa, you can begin for six minutes. Thank you.

Ms. Lisa Hepfner (Hamilton Mountain, Lib.): Thank you, Chair.

Thank you to the witnesses for their testimony today. It's much appreciated, as my colleagues have indicated.

I would like to direct my first questions to Randy Kitt of Unifor, a union I know represents many journalists across this country, including the employees of my former news employer. I would like to say that I am a big fan of the Local News Research Project, which you can find online. It was started in part by April Lindgren, whom I remember as a very excellent head of the press gallery at Queen's Park before she went to teach journalism at Ryerson. Since 2008, they've been tracking all of the news organizations across the country that have closed, and we've learned that's about 500 news organizations that have closed.

Mr. Kitt, I'm wondering if you can describe for this committee what that has meant in terms of journalism jobs and what the future of journalism in this country would look like without legislation like Bill C-18.

Mr. Randy Kitt: As I said in my original statement, it's almost too late. We look at the big papers like the Toronto Star, the Globe and Mail, the Toronto Sun. Before I got here, we looked at those numbers. The Toronto Star was I think 600 and change and is now down to 178 members. That's over 500 members who walked out the door in the last 10 years. I remember talking to the unit chairs in that publication about the day the paper died and the people walked out and all of those journalism jobs.... You look at 500 journalists walking out.

Sure, lots of new publications are starting up, maybe 200, but those are one and two people here and there popping up creating little tiny outlets. But when 500 people walk out the door in 10 years in one outlet.... And that's the same at the Globe, not 70% but 50% or 60%, and at the Toronto Sun similar numbers. Hundreds and hundreds of journalists are leaving the business. It's just devastating. So, yes, there are lots of new publications popping up, onesies and twosies over here and there, but it's not filling the void.

Ms. Lisa Hefner: What has that done to the quality and the amount of local news coverage in this country?

Mr. Randy Kitt: Journalism is extremely expensive, and investigative journalism is expensive. What we see is just less of it. The papers are smaller, and the news online is less. I think our newspapers are doing a tremendous job pivoting to the new digital realities, but there's just less. There's less investigative news; there are fewer stories. We talk about how there are so many small towns and cities that just don't have reporters at city hall. There are so many news deserts in this country.

I was looking at the broadcasting news in New Brunswick for the Bill C-11 hearing and going through the list of stations in New Brunswick. It turns out that most of their news comes from either Halifax or Toronto. Lethbridge has just announced that they're going to—

• (1340)

Ms. Lisa Hefner: Thank you, Mr. Kitt. I think you made your point. It's an excellent point. I appreciate it. I don't mean to cut you off. I just have very limited time.

Mr. Randy Kitt: I could go on and on.

Ms. Lisa Hefner: I'd like to move to Professor Taylor Owen.

You mentioned in your opening statement that many other countries, including G7 nations, the U.K., Indonesia, South Africa, New Zealand and the U.S.A. are looking to Canada and to our Bill C-18 when they're looking to craft their own legislation. Why do you believe there's such a growing international consensus, and why do you think Bill C-18 is becoming a model for all these other countries?

Dr. Taylor Owen: I think a lot of countries are looking at it because of the nature of these global platforms. A lot of countries are in the same position we are. Domestic journalism institutions in a wide range of countries are going through some of the same market challenges in their negotiations with platforms.

I think they are looking at Canada for two reasons.

One, they saw the outcome of the Australian model. We can debate the merits of that very particular articulation of this policy, but it did lead to a large amount of money flowing into publishers very quickly. It proved a really valuable stopgap to real decline in the sector in Australia.

More importantly, I think they are looking to Canada because we have iterated, and I would argue in substantive ways, on the Australian model. I really do think it's a different model. We're not going through a competition bureau. The Australian model is quite crude. It provides one tool and one desired outcome. The regulatory model that's being proposed here is a substantive iteration of that, and one that I think other countries are taking seriously. I would not be at all surprised in the next year to see more countries implement the same.

The Chair: You have 30 seconds, Lisa.

Ms. Lisa Hefner: I would like you to follow up on your comment about exemption criteria. You said these are the real levers that could really change the journalism market and the kind of journalism we have here. Can you explain that a little bit further?

Dr. Taylor Owen: In the Australian model—

The Chair: Please be brief, Dr. Owen.

Dr. Taylor Owen: I can come back to this.

The exemption process in the Australian model was very crude and blunt and did not allow for targeted direction and oversight over how those monies were used. The exemption criteria provide for those in the Canadian model.

The Chair: Thank you very much.

Now we go to the Bloc Québécois and Martin Champoux for six minutes.

Go ahead, please.

[*Translation*]

Mr. Martin Champoux (Drummond, BQ): Thank you, Madam Chair.

I'd also like to thank the witnesses for being with us today.

My first question is for Mr. LaRose.

I'd like to start by saying hello to you, Mr. LaRose. You're from Odanak, which is in the constituency next to my riding, Drummond. I'm pleased to meet you. Earlier this year, we also had the opportunity to speak with Monika Ille about issues related to APTN in the context of the broadcasting bill. It's a pleasure to have you with us today.

Mr. LaRose, I'm not saying that you're making an inappropriate request, but I'd like to know your reasons for asking that Bill C-18 specifically mention first nations news outlets. How would that change the purpose of Bill C-18? What would you get out of it that's not already in there?

Mr. Jean LaRose: Several Indigenous organizations across the country, including APTN, fully support my remarks today. Oftentimes, Native communities are more recent players in the news business, among others. Before the 1980s, no media outlets, except for one or two, reported any news about Indigenous communities. That didn't start happening until the mid-1980s. While these organizations have grown since then, they had no models to show them how to grow and expand, like the models that have been there to guide other organizations. There's—

• (1345)

Mr. Martin Champoux: I'm sorry to interrupt you, but Bill C-18 only aims to establish a framework for negotiations. Aren't you saying that we should have more flexible rules to allow Indigenous media outlets to negotiate, otherwise they would not be eligible?

Shouldn't we instead be making all the existing rules and criteria more flexible in general? I'm thinking, for example, of the at least two journalists rule. If we broaden the rules generally to make room for more media outlets in a new generation of news models, don't you think that would help organizations in the same way, without having to specify systems particular groups, although I'm not against that idea?

Mr. Jean LaRose: The organizations you're talking about, which have only one journalist, should absolutely be eligible, yes. Many of our small Indigenous publications are in that situation.

What we're trying to create here is an environment in which Indigenous news organizations are specifically recognized—it's really not the case right now. If you look at the content of the bill, you will notice that we're often placed in the background, lower in the hierarchy, in our opinion, just like some ethnic minority publications. We feel that's unfair.

When we talk about local news and media, that should include newspapers from various ethnic communities and Indigenous newspapers, so that we have the same bargaining power in arbitration and negotiation sessions with businesses like Meta and Google.

That's why we specifically emphasized that the needs of Indigenous communities and Indigenous journalists must be clearly defined.

Mr. Martin Champoux: I hear you loud and clear, Mr. LaRose. I don't know if this is going to be exactly the language you're looking for, but I feel we need to make sure that all groups are represented, including those who embody these new models of journalism. I totally agree with you.

I would still like to speak to Mr. Kitt from Unifor.

Mr. Kitt, in your opening remarks earlier, you stated, that no eligible news outlet should be left behind. Later, you came back to the issue and spoke of eligible news outlets.

In your view, based on what Mr. LaRose just said and what other groups have said as well, should more consideration be given to new models of journalism, where there aren't necessarily two or more journalists in the newsroom, for example, rather than automatically dismissing them because they don't fit the traditional journalism model? Should those businesses be left behind? What do you mean when you say eligible news outlets? Do you also think we should broaden the criteria and be a little more open to new ways of delivering the news?

[English]

Mr. Randy Kitt: Thank you for the question.

We do say “eligible news outlets”, and the QCJO is a known quantity of what makes an eligible news outlet.

This bill also gives the CRTC the ability to expand on that and include those who aren't eligible under the QCJO terms. That includes broadcasters and podcasters. I think he also just said recently that he is open to allowing smaller news outlets to join in. That means reducing the two-journalist criteria and looking at that.

We would be open to that.

[Translation]

Mr. Martin Champoux: Thank you, Mr. Kitt.

I have about 40 seconds left to ask Mr. Owen a question.

[English]

The Chair: Martin, you have 30 seconds.

[Translation]

Mr. Martin Champoux: Mr. Owen, you and others have talked about how you would like agreements to be publicly disclosed. We've heard a lot about it. However, in the business world, people don't generally share that kind of information in such a carefree manner. Agreements are usually quite confidential. That's precisely why there are agreements to that effect.

How would knowing the results of other negotiations serve the news organizations that have to negotiate? Won't that cause tension at some point?

I know it took a while to ask my question. Can you answer me in a few seconds?

[English]

The Chair: I wonder if Mr. Owen can answer that question when he gets another chance, because we're over time.

Peter Julian might be so kind as to do that.

Peter, you're next up for the NDP for six minutes, please.

• (1350)

Mr. Peter Julian (New Westminster—Burnaby, NDP): Thanks very much, Madam Chair.

Thanks to all of our witnesses for coming forward today.

Mr. Kitt, I would like to start with you.

Mr. Waugh took about about a third of his question period for a statement. I would like to preface my questions with a statement coming from the National Post. It's an editorial from this morning that talked about the threats by Meta to withdraw services, similar to what we saw in Australia.

The National Post editorial said, “the Conservative members of the [heritage] committee did a disservice to their constituents, and Canadian democracy as a whole, by giving far too much deference to a company using fear tactics to try to escape its obligations to the media companies it has spent years siphoning revenues from.”

Mr. Kitt, my question for you is, first, how important is it that we push back against these fear tactics? Second, you raised issues around inclusivity, accountability and transparency. The question I would ask on that side is to what extent the bill needs to be improved to ensure this is present—particularly the accountability and transparency—at all levels.

Mr. Randy Kitt: I think we saw Facebook try to flex its muscle in Australia, and we saw how that ended up for them. This is exactly why we're in this position, because these companies have so much marketplace power and it just shows the abuse of power that has to be stopped. Bill C-18, I think, is one step toward levelling the playing field.

As for inclusivity, I want to touch on Michael Geist's comment on why broadcasters should get contributions, because we applaud the government for making this bill platform-agnostic. Journalism is journalism, whether it's print, digital or in a podcast or a broadcast. It's simply a matter of bandwidth. Print journalism was affected first, and now that the Internet can easily handle video on all the networks, broadcast is equally effective. Facebook and Google profit from broadcast news, just the same as print journalism, so they should also be included.

Everybody loves to hate the big telcos, Bell, Rogers and Québecor, but they employ a lot of journalists. Those journalists tell our stories, so not including them would be a disservice. This is about fixing the entire ecosystem, and that includes players big and small.

Mr. Peter Julian: When you reference inclusivity, you're talking about a broadening of the definition so that local valid community news outlets can actually be part of this solution.

Mr. Randy Kitt: Exactly. I don't think Unifor is saying who should be included. The QCJO designation sets out the great standards, and the CRTC is also going to have some leeway to allow for inclusivity.

Mr. Peter Julian: Thanks so much, Mr. Kitt.

I'd like to move to Dr. Owen now.

The question is again on these threats from Meta that have been decried far and wide, and how important it is to push back against the threats.

My second question for you—and I think I have an accurate quote—is about your reference to ensuring that they don't increase false or misleading sources, and about how the bill has to ensure that. The quote I have from you is this: “Clarity around non-discrimination is a fairly easy fix.” Can you clarify what you see as the fix when we're looking at false or misleading sources, particularly from the far right, as we've seen with the rise of far-right disinformation? How do we ensure in the bill that we get that right?

Dr. Taylor Owen: Thank you for your questions.

On the easy fix, I think that in clause 51 a sentence can just be added about how the indexing and ranking of variable news through the usual course of search engine optimization should not be considered unreasonable advantage. I think it's a bit of a straw man there that we can fix quite easily.

On Facebook Australia, I know this committee has discussed what happened there in some detail, so I don't think it's worth re-counting, but I just want to correct one statement that was just made, which was that Facebook threatened to turn off news in Australia. I actually think they won in some respects. They got some fairly significant concessions in that bill, so I think it's worth just observing the power that they exerted and that the internally stated goals—which we now know about from the whistle-blowers' report—were achieved. It was an exertion of power, but it was also a meaningful outcome on their part.

Coming back to the question about exemption criteria, those are actually what differentiates the Canadian approach, I think, from the Australian one. When you have a very binary view of designation, as there was in Australia, there is a lot of leeway—

• (1355)

The Chair: You have 30 seconds.

Dr. Taylor Owen: —in the criteria that platforms could use to not be designated or exempted. That's going to be much more difficult here because there are specific criteria they have to meet, and they have to report against those criteria to the regulator. They will be adjudicated on that basis, perhaps even in a public hearing of some sort.

I think that protects us to a certain degree from that kind of behaviour, but I do think the threat is real and, in my view, egregious.

Mr. Peter Julian: Also—

The Chair: Thank you very much.

Peter, that's it. That was a nice try, though.

Now we're going to go to the second round, which is a five-minute round. Again, please try to be as clear and concise as possible with your questions and your answers. Thank you.

We're going to go to Marilyn Gladu for the Conservative Party.

You have five minutes. Please go ahead.

Ms. Marilyn Gladu (Sarnia—Lambton, CPC): Thank you, Chair.

Thank you to all the witnesses for being here today.

Obviously, the goal of Bill C-18 is to try to protect these smaller, local media outlets that have been under such attack and diminished, and I support that. I just don't think this bill is actually going to achieve it, especially when I hear that Bell, CBC and Rogers are going to end up with three quarters of the money.

I sort of liked Mr. Kitt's initial idea. He said he thought at the beginning that the government should levy a fee on the large ones and put it into a news fund. You could have the journalists across the country figure out who gets what.

Mr. Kitt, expanding on that, do you think that would be better than what we have today? If you don't agree, then how do we address making sure that all the small and local folks are included? Do you have to have two journalists, minimum? Do we drop the general news focus so that ethnic and diverse media can be included? What would you suggest?

Mr. Randy Kitt: As I think another witness said already, there's no one-stop solution to the fundamental problems that journalism is facing right now.

Yes, a news fund, I think, is a great idea. I think the Public Policy Forum is working on a proposal to expand the LJI news fund to also include philanthropy and other governments chipping in. That's a fund that folks could work from. That's coming up in two years.

On Bill C-18, we proposed, by the way, a hybrid model at one point. I think a news fund is a great idea. I think Bill C-18 addresses a lot of our issues. As I said, the CRTC will deal with eligibility. I think the government has given them a directive on that.

Bill C-18 is one step. We have to get this passed because these news outlets are bleeding money, and that's broadcast and print.

Ms. Marilyn Gladu: I do take your point, Mr. Kitt.

Can I ask just one question? Is the QCJO definition of a qualified journalism organization better to use than, for example, the list of journalistic organizations found in the Income Tax Act?

Mr. Randy Kitt: I'm no expert on those criteria, sorry.

Ms. Marilyn Gladu: Okay, thank you.

I'll go next to Mr. Owen.

Mr. Owen, did you have any consultations with the office or the department of the Minister of Heritage before you appeared in front of us today?

Dr. Taylor Owen: No, not about this in particular.

Ms. Marilyn Gladu: I was surprised to see your name on the list, because you have received direct funding from them. Over the last number of years, you've received thousands of dollars for your organization. Do you not think it's a bit of a conflict of interest for you to appear on the minister's bill?

Dr. Taylor Owen: I'm not sure I appreciate the tone of that, frankly.

My research institution at the university has received funding through the digital citizen initiative, as have hundreds of organizations across the country. If none of those organizations are capable of speaking to a bill on which they have academic expertise, then I think our public policy debate is greatly diminished in this country.

• (1400)

Ms. Marilyn Gladu: Thank you.

Maria, I liked the idea of changing the definition to make sure that we can include all the ethnic publishers coming in. Do you have a recommendation for wording that you'd like to see in the bill?

Ms. Maria Saras-Voutsinas: The thing to acknowledge is that the only difference between us and official-language media is that we traditionally write and report in a third language.

A very important thing to consider here is changing the owner-operator journalist to be part of that qualification. That is going to be huge. A lot of our outlets are mom-and-pops.

Ms. Marilyn Gladu: I appreciate that. I think that's good.

Mr. Geist, I'm concerned when I hear that there's a constitutional problem with the DNI definition that we have—

The Chair: You have 30 seconds, Marilyn.

Ms. Marilyn Gladu: —and now you've mentioned a copyright law and that we may be infringing on article 10(1) of the Berne Convention.

What will happen if the bill is passed without fixing those things?

The Chair: You have 30 seconds, Mr. Geist.

Dr. Michael Geist: I'll try to go quickly.

There's a lot to talk about with respect to copyright, which hasn't received, I think, the attention it deserves.

I think it's a real problem, especially for a bill that comes out of Heritage, which focuses so much on copyright, especially a journalism bill that depends upon fair dealing as part of what journalism is all about. To undermine that and essentially say that certain groups aren't entitled to exercise the limitations and exceptions that the Supreme Court of Canada has said are user rights.... Layer on top of that the clear requirement—

The Chair: Thank you, Mr. Geist.

You have now gone well over time. You may be able to answer that in another round when someone else asks a question.

We'll now go to the Liberals and Tim Louis for five minutes.

Mr. Tim Louis: Thank you, Madam Chair. I'll direct all my questions through you.

I want to thank the witnesses for being here in person and online.

I'll start with Ms. Saras-Voutsinas, the executive director of the National Ethnic Press and Media Council of Canada.

In my riding, our local newspapers did not stop during the pandemic. Ethnic press did not stop during the pandemic in my region and, indeed, across Canada. I wanted to take this opportunity to thank your members—all local news outlets across Canada—for providing that vital public health and public safety information during the pandemic.

You said in your opening testimony, “Readership surged but advertising cratered.” Also in your opening statement, you said that Facebook earns about \$200 million from Canadian ad revenue. That's what this legislation is trying to do. It's trying to level that playing field.

I wanted to see if I could clear this up. In your opening statement, I believe you said there were no deals made yet. How many members of your organization have made deals with the tech platforms?

Ms. Maria Saras-Voutsinas: As far as I'm aware, it's zero.

Mr. Tim Louis: Ultimately, what we're looking for is fair negotiations.

I wanted to refer to those small players and the collective bargaining framework that's in the bill. We heard testimony from one of the witnesses who said that smaller players “just don't have the bargaining power. They don't have the time, and they don't have the energy. They aren't big enough to support that kind of negotiation need.” However, we've also heard that similar legislation implemented in Australia showed strong benefits that happened quickly for the small news outlets.

Would you care to respond to those comments? Do you believe that this bill's provisions would lead these smaller players, to incur that heavier burden and help you with the obvious imbalance that exists without this legislation between the small publishers and the Internet giants?

Ms. Maria Saras-Voutsinas: Absolutely.

In Australia alone, I believe there were 24 ethnic and LGBTQ outlets that were able to strike deals, which is fantastic news for us. What we're looking for is a collective negotiation. That's why we've been working very closely with News Media Canada, so that we work out a way where at least 35% of newsroom salaries are covered by this bill.

Collectively, it just makes a lot more sense.

Mr. Tim Louis: You mentioned News Media Canada. The committee previously heard from News Media Canada—the trade association that represents a large number of small players across the country—that they are going to form a collective bargaining unit in which each member provides editorial expenses confidentially to a law firm. They'd negotiate collectively with the platforms, and any settlements from the collective negotiation would be shared among publishers on a pro rata basis.

Do you believe this is achievable? Is this a strong model?

• (1405)

Ms. Maria Saras-Voutsinas: I do. Absolutely. I definitely have faith in that process.

Mr. Tim Louis: That's fantastic.

Last week, we heard some witnesses—and even testimony from my colleagues across the aisle, the Conservative MPs—advocating for the possible establishment of a fund—a tax on tech giants, I imagine—that they would contribute to where they would be under no regulatory scrutiny.

My understanding is that the government already has a number of measures targeted to the smaller players, in addition to this legislation we're looking for. We have the Canada periodical fund. The local journalism initiative was also mentioned today.

Can you speak to the importance of these other streams of funding for your members, and how they would complement legislation like Bill C-18?

Ms. Maria Saras-Voutsinas: The other sources of funding have been a lifeline, especially the special measures for journalism fund. It was opened to free publications, which the majority of my members are in their communities. Again, they've all been a lifeline.

The local journalism initiative is another one. It was never meant to be a pandemic measure. However, it gave the smaller outlets an opportunity to hire journalists to come on board and to reach communities that, traditionally, they weren't able to reach due to not having the funding there.

They've been exceptional and a big reason why we've been able to make it to this point.

The Chair: You have 30 seconds.

Mr. Tim Louis: In 30 seconds, I won't be able to get an answer to a question, so I'll just say thank you again to everyone for being here on this important legislation.

Thank you, Madam Chair.

The Chair: Thank you very much.

We now go to Martin Champoux from the Bloc Québécois for two and a half minutes, please.

[*Translation*]

Mr. Denis Trudel (Longueuil—Saint-Hubert, BQ): Madam Chair, I'm going to speak instead of Mr. Champoux, if I may. I believe that Mr. Champoux is okay with it.

[*English*]

The Chair: You have two and a half minutes, please.

[*Translation*]

Mr. Denis Trudel: Thank you, Madam Chair.

I'd like to thank the witnesses for being here today to take part in this important debate we're having.

I have a fairly simple question for Mr. Owen.

When people criticize the web giants, we hear a lot of people say that they're attacking free speech. We saw it in Parliament when we were considering Bill C-11, and we discussed it a lot. Here we are doing it again with Bill C-18.

Mr. Owen, do you share that opinion? Is Bill C-18 an attack on free speech in Canada?

[English]

Dr. Taylor Owen: I don't want to speak to Bill C-11, as it's not the topic of this discussion, but I don't think that Bill C-18 is, no.

[Translation]

Mr. Denis Trudel: Thank you, Mr. Owen.

In an article for the daily *The Montreal Gazette*, you write that web platforms are not designed to give us quality news, but they're instead calibrated to attract as much attention as possible and maximize profits.

Do you believe that Bill C-18 could reverse that trend?

Google is saying that the bill will amplify and promote disinformation. Would you agree?

[English]

Dr. Taylor Owen: I'm sorry. I didn't hear the start. Was that directed to me?

The Chair: All right. I will pause.

[Translation]

Mr. Denis Trudel: I'll repeat it.

In an article for the daily *The Montreal Gazette*, you write that web platforms are not designed to give us quality news, but they're instead calibrated to attract as much attention as possible and maximize profits.

Do you feel that Bill C-18 will reverse this trend that you believe is happening on web platforms?

[English]

Dr. Taylor Owen: I don't think Bill C-18 is designed to, nor will it reverse the trend of how the financial model and design of platforms preference certain types of content over others. That, in and of itself, is its own dynamic that other policy mechanisms can get at, but that is not what this bill is designed to do.

Now, can it help redistribute some of the ad funding dollars that are acquired through the distribution of content—including journalistic content—by these platforms to the publishers that create journalism? Yes, I think it could do that.

• (1410)

The Chair: You have 30 seconds.

[Translation]

Mr. Denis Trudel: Okay, Madam Chair.

In the same article, Mr. Owen, you talk about the importance of having rules governing the digital giants' data and algorithms in order to establish a healthy relationship between the media and democracy.

In 30 seconds, can you tell us more about this issue?

[English]

Dr. Taylor Owen: Absolutely, but I actually think it's beyond the bounds of this bill. The opacity, the incentive structure and the design of the algorithmic systems that determine what we see and don't see on platforms should be the subject of a public policy conversation, but I don't think it is this one.

The Chair: Thank you very much.

Now we go to Peter Julian for two and a half minutes.

Mr. Peter Julian: Thank you very much, Madam Chair.

I did want to come back on the Conservative attempt to link people who are receiving legitimate funding from the federal government to somehow...something that should be brought to committee. We've had Conservative witnesses who get direct funding from big tech, and they are still able to testify despite that very clear conflict of interest.

I wanted to make that comment to start off, and then go to Ms. Saras-Voutsinas.

Thank you so much for being here today. Your organizational members do a huge service—we've seen this through the pandemic—in often reaching a wide variety. In my community, there are over 150 languages spoken, and many of the publications that are part of your organization have made a huge difference. I know that people have been struggling to keep alive those community newspapers that are in languages other than the official languages.

How important is it to have an owner-operator component so that people can access that funding even if the journalists are also owner-operators? If we don't put that component into the bill, what percentage of your publication members do you think would not be able to participate or may even shut down?

Ms. Maria Saras-Voutsinas: I believe a large number of my membership will not be able to meet the criteria. Unfortunately, we're at a point right now, just because of the lack of funding coming in and advertising revenue, where the owner-operators are the journalists.

A lot of these are family businesses as well, including my own. My father started our Greek Canadian newspaper 50 years ago. Because of the hand I was given, I am an owner-operator of the newspaper as well. It's literally night and day having that designation.

Mr. Peter Julian: Congratulations on your 50th anniversary, by the way. That's extraordinary.

Ms. Maria Saras-Voutsinas: Thank you. It is.

The Chair: Peter, you have 11 seconds left.

Mr. Peter Julian: If that definition is not changed, what percentage of your members would not be able to participate?

Ms. Maria Saras-Voutsinas: I would estimate it would be 75%. It will be that high.

The Chair: Thank you very much, Ms. Saras-Voutsinas.

Now I would like to move to the Conservatives for five minutes.

Martin Shields, go ahead, please.

Mr. Martin Shields (Bow River, CPC): Thank you, Madam Chair.

Dr. Geist, my father started a weekly newspaper. He was the owner-journalist. He would never have qualified for this.

Many weekly papers have told me that the fed advertising money is all gone to the foreigners. Our taxpayers' money is going to the foreign big guys. If they said they'd give it back to us, we'd be fine.

Yesterday, \$40 million more was given to the CBC, which already gets \$1.2 billion. None of that will go to the weekly newspapers in my ridings.

You talked about a lot of things, possibly. You didn't get a chance to talk about the copyright. That's a huge issue that we've kicked around in a number of committees here on the Hill.

Would you like to get into that one?

Dr. Michael Geist: I would. Thanks for that question.

The Chair: I would like to suggest, though, that we are dealing with Bill C-18 and not with copyright.

Can Mr. Geist answer quickly or succinctly on the topic that we're dealing with, please?

Thank you.

Dr. Michael Geist: Thank you, Madam Chair.

There's a full section on copyright in the bill. I'm referring specifically to clause 24 in the bill, which has the effect of removing limitations and exceptions from the prospect of negotiation.

The Chair: All right. Go ahead, then.

Dr. Michael Geist: Thank you.

I think it's important to recognize that we need to ask this question: What exactly is being compensated here?

I don't believe it can simply be that we're compensating because one set of companies have done well and another set of companies are struggling. We didn't ask Netflix to pay Blockbuster because they came up with a better model. What we're compensating is use. It talks about use here.

If what we were talking about was full publication of these works, then I think you could credibly say that if Facebook or Google are copying full text, we would like to see compensation for that. I actually believe that's what the agreements that they've reached with these publications are for. That's why they're commercial agreements—different from the agreements we see in this bill.

That's not what we're talking about here. We're not talking about full publication. We're talking about something as simple as a link.

A link, I would argue, from a copyright perspective, is certainly not an act of republication.

Even further than that, the kind of use that is being used with this link is clearly permitted under the Copyright Act. I'd argue, frankly, that it may not even fall there, in part because it is so de minimis. It doesn't even rise to the level of substantial use. If it does, though, this is clearly fair dealing. The Supreme Court of Canada has said that this is a user's right that is core to our copyright law.

For this legislation to say that those rules simply don't apply to a particular class of users, that scares me. What happens when you turn around and say that education isn't entitled to this? What happens when you say that other certain large publications aren't entitled to this and they should be compensating?

I think that we rely upon, and journalists rely upon, fair dealing. That insertion in the Copyright Act, which I should note does not appear in the Australian legislation, is a mistake that should be removed.

• (1415)

Mr. Martin Shields: Thank you.

You also mentioned the possibility of different ways to get into the financial aspects rather than link money. You didn't get an opportunity to say the ways you would do it, other than the way that they're talking about compensation now.

Dr. Michael Geist: We've had several people talk about the fund model. Quite frankly, the fund model is not the same as some of those existing funds. Those existing funds that we've already heard about are quite positive and they've had a positive effect, which is why you've seen over the last couple of years a balance, essentially, between new start-ups and entities that have been closing.

However, a fund model here would require the Facebooks and Googles to contribute. It could be on the basis of the revenues they are generating or it could be from general tax revenues. There are a number of ways that you can try to do that and remove the whole series of issues, because now you're funding journalism. You'll get rid of these eligibility criteria questions, because anybody is eligible to apply, as long as what they're doing is actively engaged in journalism.

You'll get rid of some of the other questions about why all this money is going to broadcasters. If broadcasters are producing the stuff and putting in applications to a fund, then they'll be able to get it. It levels the playing field for who has access, removes the questions around the lack of transparency on these deals and removes the influence that some of these companies have over those issues.

I think, frankly, it's a far better model that gets rid of many of the concerns that have been raised in this context, and it gets to the heart of what I hear the government is saying it wants to achieve, which is to support more journalism. The fund could help do that without some of the negative externalities that are coming out of this particular bill.

Mr. Martin Shields: That, I suppose—

The Chair: You have 30 seconds, Mr. Shields.

Mr. Martin Shields: The transparency issue you talked about is to have that as transparent as possible.

Dr. Michael Geist: We should be clear on transparency. Everyone talks about how this bill is more transparent. The deals are still not public under this legislation. There are aggregate numbers that are made available. I suppose there may be some benefit to that. The truth is that some of these companies are public companies anyway. We may be able to divine from some of their public statements the kinds of benefits they're getting from this.

This bill doesn't throw open the very deals that I keep hearing talked about at this committee. What an open system would do—

The Chair: Please wrap up your answer, Dr. Geist. You are over time.

Dr. Michael Geist: I will, Chair.

What a fund would do is create an open, transparent system in which we would see who the beneficiary is and, specifically, what kind of journalism is being funded.

The Chair: Thank you very much.

I now go to the Liberal member, who is Ms. Julie Dzerowicz, for five minutes.

Ms. Julie Dzerowicz (Davenport, Lib.): Thank you so much, Madam Chair.

It's such a pleasure for me to be at committee today.

I want to thank all the witnesses, as well, for being here today. It's very important for us to hear your testimony.

Ms. Saras-Voutsinas, thanks so much for being here. We haven't seen you since the finance committee. Thanks for all your unbelievable work.

Professor Geist and Professor Owen, I read both of your work. Everything that you guys write, I read. It's very thoughtful.

Professor Owen, I will start with you and continue the conversation that we just finished. In the past, I believe you've argued for and supported a fund model. I know many others have. If I heard your comments correctly, you have now evolved to supporting the bargaining framework.

Could you talk a bit more about why the bargaining framework is a more appropriate policy?

• (1420)

Dr. Taylor Owen: I'm not sure I'd go so far as to say it's more appropriate. At this moment, it's more feasible legally, practically and politically.

I agree with Professor Geist that there's an elegance to a fund model. I agree with a lot of things that he's argued about it. Many other academics have promoted it, as well, in other jurisdictions. I see a couple of challenges with it, though, in implementing it.

There are two ways you can put money into a fund. You could create a dedicated tax on platforms. I have learned—I'm not a

lawyer—that it could be very complicated legally to do a dedicated tax on a subset of companies in terms of existing trade agreements. If that's not possible, then it has to come from general revenue. If you build a fund coming from general revenue, then someone, somewhere in the government—like we did with the labour tax subsidy—needs to decide what money to put in and what the criteria for that money being given will be.

In my view, both of those things have a far more intrusive government role in the journalism sector than the fund. They're both far more intrusive. Given the context in which we're having the debate about this bill in particular, which I think is far less intrusive, I find it very unlikely that many of the people who are arguing for a fund and have been arguing for a fund through this debate would support that greater involvement of government in the journalism sector.

For those two reasons, I think it is fundamentally difficult.

That being said, I thought that jurisdictions were going to try it in all likelihood. There are models for this potentially being implemented internationally as a global type of fund for global journalism. That's interesting. I think that, as was mentioned earlier, it could be an additive thing so that for some—potentially for local journalism organizations—that model could be applied in other ways. I don't think they are mutually exclusive, necessarily.

Right now, it's incredibly difficult to imagine that fund being stood up in a meaningful way in Canada.

Ms. Julie Dzerowicz: Thanks so much, Professor. I wanted to make sure we heard your full response, because I think it was important for us to get all the details. I appreciate your going into depth on that.

You were talking a little bit earlier about how there are currently financial agreements between certain platforms and news publishers, and they're not transparent at all.

When I was doing a little bit of research, a little bit of reading up before I came to the committee today, I was noticing how some previous witnesses were highlighting that there was a bit of double-speak when it came to this. I think there are certain times when you have your online platforms talking about the financial agreements they've made behind closed doors with news publishers. They call those commercial licensing agreements, but when they are being mandated by law, as we are proposing through Bill C-18, they're calling it a link tax.

What are your thoughts on this?

Dr. Taylor Owen: What I'm most concerned about is that there are large amounts of money flowing from platforms to publishers in the Canadian media market under terms that are unknown to the public and unaccountable to government. In a market that is essential, in my view, for the functioning of a democratic society, the terms of those deals and that funding model need to be as accountable as possible. Does that mean they could be entirely transparent? Probably not, and I think there are legitimate reasons that they can't be entirely opened up. I do think the terms of those deals—

The Chair: Please wrap up your answer, Dr. Owen. Thank you.

Dr. Taylor Owen: —can be accountable to the public via reporting, can be given to an arbitrator so that deals are distributed more equitably and more fairly, and can be provided in an aggregate way to publishers as they enter into these negotiations so everybody gets a similar, fair deal.

Ms. Julie Dzerowicz: Thank you so much.

• (1425)

The Chair: Thank you very much. That time is up, Julie.

I'm going to go to a third round, but I just want to warn everyone that we can finish a third round if everyone is concise in their questions and their answers. I don't know if the clerk can tell me if we have a hard stop at three o'clock. I know that a lot of people have other things going on after three o'clock, so we do have a hard stop.

I'm going to begin the third round. I will go to the Conservatives and John Nater.

Welcome back, John. It's so nice to have you with us again. You can begin. You have five minutes, please.

Mr. John Nater (Perth—Wellington, CPC): Thank you, Madam Chair. It is wonderful to be back with the heritage committee this week.

I want to begin by echoing the opening comments of my Conservative colleague Kevin Waugh. Certainly, I think Kevin hit the nail on the head in terms of where we stand on this piece of legislation and our overall support for journalism and news media.

I just might add, since we have Mr. Kitt here from Unifor, that brother Kevin is a 39-year member of Unifor, certainly a long-time participant in the industry. It's really nice to have Kevin's expertise on this committee.

I want to start with Professor Geist. I will also give Professor Owen an opportunity to respond to my first question as well. It's about the idea of innovation within the news media industry. Certainly we've seen, particularly in the last few years, new, different and innovative models in terms of how Canadians receive the news and how different providers provide the news.

I'm curious to hear from both of you—I'll start with Professor Geist—about your thoughts on where innovation fits into Bill C-18 and how that may play a role in terms of new entrants into the news media and journalistic market.

I'll start with you, Professor Geist, and then I'll give Professor Owen a chance to respond as well.

Dr. Michael Geist: I think we have seen a huge amount of innovation in this sector. I've run a regular podcast. I've had some of the

entities that are servicing local communities engaged in this. Ms. Hepfner mentioned the local journalism project that April Lindgren is involved with. Through that project, she has identified hundreds of new start-ups that have occurred during the same period of time.

Frankly, I think it's unfortunate to belittle it as being just mom-and-pop shops for one and two people. In many instances, I think, these will be the future of servicing some of these communities. In fact, there are communities where it is one of the lead sources.

Some of those start-ups have said that this is not the approach they would like to see happen, in fact. They worry about the prospect of seeing news sharing curtailed. They see some of those large platforms more in the context of being partners as opposed to being adversarial. I do think that the innovation piece is important, so I worry when we see eligibility criteria that may exclude many of those kinds of innovative start-ups. I worry when we take a look at the PBO's estimates that almost all the money is going to well-established players.

At the end of the day, if we want to see that next generation of innovation, it's not just about supporting some of the legacy players, some of which may have struggled to adapt to this environment, but it's about those that have embraced it and are finding new ways to deliver. I think there's a lot of exciting stuff that is taking place. I worry about legislation that purports to level the playing field, but in fact does anything but.

Mr. John Nater: Thank you.

Professor Owen, go ahead.

Dr. Taylor Owen: Thanks for the chance to jump in here.

I couldn't agree more that the future of Canadian journalism is going to come from the network of small journalism organizations and journalist start-ups that are innovating the model of news. There's absolutely no doubt about that in my mind.

That being said, the idea that we should be pitting and positioning small publishers and independent publishers against the large publishers as if they have fundamentally different objectives, values and financial interests is, to me, a disappointing side effect of the implication of the debate we've been having about Bill C-18. I think we have to move beyond that.

Are there legitimate concerns that small publishers and independent publishers have raised about this bill? Of course.

I think that lowering the eligibility criteria to include owner-proprietors makes a ton of sense. The allocation of money is also a bit tricky because at the moment, if you have a baseline fair allocation that's prorated by FTE or prorated by the amount of journalism that's being done, the bigger players are going to get more. Now, is that 75% or 60%? I don't know the exact way that was measured and what we're including in that in the PBO estimate. However, of course, the big publishers, if they have a lot more journalists, are going to get a greater percentage of the money. Does that mean that getting a significant subsidy for a one-person or two-person operation isn't a meaningful contribution to that small operation, one that potentially allows them to innovate and continue to grow? I don't think those two things are mutually exclusive.

The final thing that's really important to note is that, right now, the status quo is important because, of those independent publishers, only a small fraction are getting deals right now. I think this scenario, particularly with the collective bargaining provisions and the provisions that allow for people to be added to collective agreements after the fact, would include a much wider range of small organizations, if not anybody who wanted it, just like QCJO does.

• (1430)

The Chair: Thank you very much.

Now I would like to go to the Liberals and Anthony Housefather.

Anthony, you have five minutes, please.

Mr. Anthony Housefather (Mount Royal, Lib.): Thank you, Madam Chair.

My first question is going to be for Dr. Geist and Professor Owen.

I'm a lawyer, and our amendments are due November 10. I am actually interested in the baseball arbitration part of this, both because I like baseball and because I think it's an important part of the equation.

Dr. Geist, you have written this, and I'm going to quote you so that I get it right:

Yet Section 39 gives the arbitration panel the right to reject an offer on several policy grounds. Why would such a provision be necessary in a final arbitration system that encourages submitting your best offer? It is only necessary if you fear one side will examine the evidence and proffer a low offer on the grounds that it does not believe that there has been a demonstration of compensable value.

I would agree with you, certainly, if this was a baseball-type arbitration where you were throwing out a salary number and the entire proposal was a salary number. However, the way I read clause 39—and this is where I want your take in terms of wording—it says this, and I'll just stick with (a) and (b):

(1) An arbitration panel must dismiss any offer that, in its opinion,

(a) allows a party to exercise undue influence over the amount of compensation to be paid or received;

(b) is not in the public interest because the offer would be highly likely to result in serious detriment to the provision of news content to persons in Canada;

Based on how Facebook came here last week, let's say, for example, that Facebook provided a number that is a high number and said, "However, as part of that high number, you are not allowed to write articles that are critical of Facebook, and you have to publish

glowing testimony about Mark Zuckerberg three times a month." To me, that is the reason you have clause 39. It's taking things that are extraneous to the actual offer, that certainly are not in the news media's best interests, and it definitely could allow Facebook to exercise influence over the other party.

So, can I come back to you and ask you this? Based on that type of approach, wouldn't this then be a reasonable thing to have there if it was limited to things like that?

Dr. Michael Geist: Thanks. That's a great question.

I'll say a couple of things.

First, there is a (c), which talks about fairness in the marketplace, and it's "or", so it's any of those criteria that apply. I think even more than that, if we are saying that we trust in the CRTC and then, by extension, trust in the arbitration panel that gets established, if their lowball offer was not just a lowball offer in terms of the financial compensation but lowball in the sense that they attached all kinds of what we might see as unacceptable conditions, as opposed to an offer on the other side that was seen as fairer and that doesn't have that, well, then, it seems to me to be a slam dunk. The panel will take a look at that, reject the Facebook offer and say, "We're going to take that other one." That's the whole point of this system and that ability to intervene.

Where I have a concern where this comes up is that I think the parties could look at this and say, "We don't see the value of links. If anything, we see the value of links going the other direction, so here's our offer." It's viewed as low, and it doesn't achieve the broader objectives that I know the government has for this legislation.

Mr. Anthony Housefather: I'm going to come to you next, Professor Owen.

Just coming back, your opinion would be that clause 38 in itself is sufficient for the panel to make a decision related to such a crazy.... Let's say it's a higher offer. Let's say it's not a lowball offer; let's say it's a very high offer. They are going to want to pay off the whole news media to write glowing things about them.

You would say that it is still enough under clause 38 and that clause 39 should not be there because clause 38 is sufficient. That's your position.

Dr. Michael Geist: Yes. Listen, as you know, I have issues with the legislation, but I think you could remove clause 39 and remain true to the final arbitration process.

Mr. Anthony Housefather: Professor Owen, can I ask you to comment on that?

The Chair: You have one minute.

• (1435)

Dr. Taylor Owen: I don't disagree with any of that. My broader belief is that the arbitration process should be maximally inclusive of the terms of deals that the publishers and platforms come to.

Mr. Anthony Housefather: Madam Chair, Mr. Morrice wants to ask a brief question. If I have 30 seconds, I'm going to give that to him.

The Chair: Yes, okay.

Mr. Morrice, be quick because your 30 seconds are winding down.

Mr. Mike Morrice (Kitchener Centre, GP): Thank you, Mr. Housefather.

Thank you, Chair.

I have a question for Dr. Geist or Dr. Owen.

In terms of the less than 25% that the PBO is saying is going to smaller newspapers, do you have a suggested amendment that would help to address that?

Dr. Michael Geist: Yes. My view would be that the CBC should be excluded from the process altogether. The legislation already recognizes the need for regulations to include them, so I would say, for example, that they would only be eligible if regulations are established, at a minimum. That is one way to try to address that part of it.

The Chair: Thank you, Dr. Geist.

Dr. Owen does not have any opportunity to answer that question because we have gone over time.

I would again ask witnesses and questioners to please be as concise as you can so everybody can have input. Thank you very much.

Now I'm going to the Bloc Québécois and Martin Champoux for two and a half minutes, please.

Go ahead, Martin.

[Translation]

Mr. Martin Champoux: Thank you, Madam Chair.

I'm going to go back to what I was discussing with Mr. Owen earlier, which is the transparency requested by several organizations. I'm talking about disclosure of the content of agreements. I understand that there are several benefits to this request. Mr. Owen had started talking about them earlier. I, for one, am not convinced that the big media companies and groups that have banded together to negotiate with the web giants would have much to gain from disclosing the content of their agreements.

Don't you think there's a competition issue in there that might make them a little skittish about disclosing that information?

[English]

Dr. Taylor Owen: It depends what they are being asked to share and with whom. If it's with the public, I think we have seen that there is clear hesitation to share the nature of these commercial arrangements between private actors. I think that's a very legitimate position for them to take at the moment.

The question for me on transparency.... Professor Geist is right. Transparency gets thrown around. It's this universal good. Let's just make it transparent, and then it will be okay. I don't think that's the case. I think there are very particular reasons and objectives for wanting different types of transparency in this policy.

I, for one, think that the public should have a maximum legal view into the nature of these deals. That's part of the reporting pro-

cess that I think should be more regular, more expansive and spelled out in legislation rather than left purely to regulation.

[Translation]

Mr. Martin Champoux: In your opinion, would it be possible or conceivable to designate a body to whom all facets of an agreement could be disclosed so it could judge whether it's fair compared to what is generally being done in the industry?

[English]

Dr. Taylor Owen: Yes, that's the second piece, I think, the second objective. The first is public accountability, so we should all, as the public who consumes this journalism, get some access into the nature of the funding agreements, but the arbitrator who is deciding the outcomes of these negotiations and these deals needs a far greater view into their detail. I don't think there are commercial prerogatives that would limit the sharing of that data to a regulator.

A third piece that I think is really important here is that the individual publishers themselves would benefit from a greater degree of transparency over the deals that others have received, because, when we talk about the independent publishers in particular right now, they are at a real disadvantage. Publishers who have not reached deals do not know what other companies have gotten, and it allows the publishers to be played off each other. Some degree of visibility into those deals will substantially increase the equity of what everyone enters into.

[Translation]

Mr. Martin Champoux: Thank you very much, Mr. Owen.

[English]

The Chair: Thank you very much.

Thank you, Martin.

I'm glad for one thing that we don't have to follow the John Nater formula on this particular committee hearing.

Now I'm going to go to Peter Julian for two and a half minutes.

Go ahead, please.

[Translation]

Mr. Peter Julian: Thank you very much, Madam Chair.

My next set of questions will be for Mr. LaRose. I've asked everyone these questions—well, almost everyone.

Why is it important not to give in to threats from the big tech companies over the implementation of Bill C-18?

Then there's the whole issue of definitions. I understand very well what you're suggesting when, with respect to first nations and Indigenous journalists or media sources, you're saying that the definition must be more in line with community needs.

Do you believe that Bill C-18 in its current form gives journalists from first nations and Indigenous communities the opportunity to engage in negotiations that could lead to more resources to enable them to practice journalism for those communities?

• (1440)

Mr. Jean LaRose: No, I don't believe it does. We are of the opinion that the bill is written in such a way that the opportunities for Indigenous communities are at a lower level than the opportunities given to local media. In our view, it's very important that we be considered in the same way, that we be considered journalism and media sources as equally important as local media.

In terms of the business model and sustainability, for example, those are not mentioned for Indigenous organizations, but they are for local media organizations.

In our opinion, the bill should put us on the same level, and should even give us the opportunity to have access to certain negotiations. I don't know of any Indigenous publications right now that are part of the 130 or so agreements reached to date with Google and Meta. In my view, the bill does nothing at all to address this imbalance.

Mr. Peter Julian: What you're saying is the amendments you're proposing are crucial.

Mr. Jean LaRose: We believe they are. So far, we've talked to several groups and we're absolutely not—

[English]

The Chair: Thank you, Mr. LaRose. Perhaps you can wrap up your answer.

Mr. Jean LaRose: I will, very quickly.

[Translation]

In my opinion, they are crucial, yes, because they haven't been included in any agreements to date.

[English]

The Chair: Thank you very much.

Now I will go to the Conservatives for five minutes.

Kevin Waugh, you have five minutes.

Mr. Kevin Waugh: Thank you, Madam Chair.

My questions will be for Randy Kitt of Unifor.

Tell me again why CBC, Bell and Rogers should be involved in Bill C-18? CBC got \$1.2 billion this year in funding, plus yesterday, in the fall economic statement, we heard that they're getting an additional \$42 million. The stock price today for Bell Media, which I worked for for 39 years, is \$61.35. For Rogers, the stock price today is \$41.73.

Why would we allow these three media conglomerates into this bill? You know and I know—because you're with Unifor, and I was with Unifor for decades—that Bell Media is shutting radio stations down by the month, and yet they could be on the receiving end of Bill C-18. So why is that fairer to the rest of the media in this country trying to compete with Bell, Rogers and CBC?

Mr. Randy Kitt: Thank you for the question.

I would ask why the broadcasters shouldn't be included. We applaud the government for making this bill platform-agnostic. Facebook and Google profit from broadcast news just the same as from print journalism.

Also, just to echo Professor Owen's comments, pitting the smaller journalist organizations against the bigger journalist organizations is counterproductive in this forum. We love to hate the big telcos, and we can look at their share prices, but we know that the issue right here is that Facebook and Google are paying for and compensating these outlets for news, big or small. The big players, whether they are broadcast or print, employ a lot of people. They make a lot of journalism, local and otherwise, and they should be compensated on scale for their efforts.

• (1445)

Mr. Kevin Waugh: Let me say this. I agree that Facebook and Google should be compensating other media in this country. I totally agree with you.

Tell me, why did Bell Media shut Prince Albert? It had 85 Unifor members in Prince Albert years ago. It is down to one reporter now. It shut down CKOS Yorkton. It's down to one reporter when it had over 40 people.

Now we're going to give them money. For what? Are they going to reopen Prince Albert and Yorkton, or is the head office in Montreal going to decide it will just take the money and decide where to put it?

I can tell you, and Unifor knows very well, that there will be no more jobs in Prince Albert. There will be no more additional jobs in Yorkton. I don't know what Bell Media is going to do with the money it will get from Facebook and Google, but as a long-time Unifor member, I'm going to tell you I don't see Prince Albert opening up a full newsroom, nor do I see Yorkton opening up.

You're responsible for this because Unifor is fighting for members. Can you not see what I've been saying in the last several months here with Bill C-18? This bill will destroy medium and small companies in this country.

Mr. Randy Kitt: I'm just going to quote here that, since 2012, private conventional TV has been a big money loser for nine years straight. They've lost.... In 2019, it was 7.0%; in 2020, it was 18.6%; and last year they lost 12.4%.

These losses are real to our members. We love to hate—I'm going to say it again—Bell, Rogers and Shaw, but they're not so rich that we should just assume they're going to continue to fund local news as they continue to lose money. I want to point out—

Mr. Kevin Waugh: They're not so rich? Hold on now. They own television networks in Canada. They own the Blue Jays baseball club and the Raptors. Are you telling me Maple Leaf Sports and Entertainment, owned by both Rogers and Bell, is suffering? Give me a break.

You don't believe what you just said, do you?

Mr. Randy Kitt: The numbers are there. They're losing money.

The Chair: You have 30 seconds.

Mr. Kevin Waugh: The last time I checked, the Maple Leafs, the Raptors and the Blue Jays, all three were doing very well, and—

Mr. Randy Kitt: The last time I checked, Facebook and Google were also doing very well, so—

Mr. Kevin Waugh: Yes. That's why we're here.

Mr. Randy Kitt: They're global monopolies that should—

Mr. Kevin Waugh: We want them to share the money.

The Chair: Kevin, can we allow Mr. Kitt to finish his answer?

Mr. Kitt, go ahead.

Mr. Randy Kitt: Thank you.

Facebook and Google are global monopolies. As big as Rogers and Bell are, Facebook and Google still have to pay their fair share to support Canadian media.

The Chair: Thank you very much. I think that's the end of that round.

We'll go now to the final questioner.

For the Liberals, we have Chris Bittle for five minutes

Mr. Chris Bittle (St. Catharines, Lib.): Thank you so much, Madam Chair.

I'd like to start with a comment.

We've been witnessing the Conservatives being cheerleaders for Facebook and being its PR team here in this committee. All of a sudden, today there's a slight change of tone that they support journalists, though now we hear that they do not support them if they work for CTV or if they work for Citytv. Mr. Waugh is agreeing with me...doesn't support journalists.

If you say one thing and mean something completely different, I guess I can't say what that is because it's unparliamentary, but this is truly shocking. The Conservatives continue to stand in the way. They don't care about journalism. They are ideologically opposed to legacy media in this country, despite the benefits and the importance it has in a democratic process.

We heard just a second ago about all of these newsrooms closing, and there's still a suggestion that they shouldn't get any money and that they shouldn't be benefiting from this legislation. Then, from another Conservative member, there was a suggestion that if someone received a grant, they should be disentitled to appear before this committee.

Dr. Geist received a SSHRC grant years ago. Does that disentitle him? No one from this side would ever suggest that. The Conservatives have no problem allowing witnesses who come here—one of whom lied to this committee—having received money from TikTok and Google. That's okay because they agree with them.

There has been witness after witness who has taken money from big tech and there have been no issue from the Conservative Party, which continues to cheerlead for big tech in this country. They are some of the largest foreign companies in the world. No other Conservative party in any country that I've been looking into, be it the United States or Australia, has been cheerleading the way the Conservative Party of Canada has. It's appalling.

I'll ask the first question of Mr. LaRose.

Across Canada we're seeing growing news deserts. I haven't seen any specific data on news loss in indigenous communities. I was wondering if you can tell us if that's the case.

• (1450)

Mr. Jean LaRose: Yes, certainly.

Some of the news organizations.... For example, at one of the organizations I represent, First Peoples Radio, we've had to lay off our reporters because of the loss of revenue from cutbacks in advertising and in other forms of support, which were minimal. We now have no reporters on staff. There are other, smaller publications that have tried to launch and haven't been able to maintain the course.

I don't have exact numbers because we really aren't structured in a way, as an organization, that would allow us to have such data handy, which is unfortunate because it would make for a stronger case here.

There have been other, smaller indigenous newspapers out west that have had to close because the advertising revenue had totally dried up and the federal advertising that they used to count on to survive dried up as well.

Mr. Chris Bittle: Thank you so much.

I would like to ask a question of Dr. Owen.

Is it fair to say that currently platforms are choosing winners and losers, especially as they set the terms of licensing agreements?

Dr. Taylor Owen: They're in negotiation of the terms of those agreements with the publishers that they have entered into agreements with, so I don't think they're necessarily setting those terms, but they're certainly choosing the organizations with which they enter into those agreements.

Mr. Chris Bittle: Can you speak to how Bill C-18 fundamentally changes this power imbalance by leaving the determination of fair value to the negotiation?

Dr. Taylor Owen: It does do that. It provides a regulatory oversight to that process itself, but it also allows any eligible news organization to benefit from similar kind of deals as their competitors, which in my view makes the journalism market more equitable while still providing that line of funding for journalism organizations from platforms.

To me, you continue to get the flow of funds and they get distributed more equitably across journalism organizations, which are competing against each other. We should want that market to be fair.

The Chair: You have 30 seconds.

Mr. Chris Bittle: Thanks so much, Madam Chair.

I don't think I can get another question in, so I would just use my last few seconds to say that I hope we really have turned a corner in this debate. We've heard a change of tone from the Conservatives and I hope that continues on. I hope there's some real action on helping journalists because that has been completely absent, except for a few words today.

Thank you, Madam Chair.

The Chair: Thank you very much, Mr. Bittle.

Now, this is the end of our round. It's going to be the end of the meeting. I want to thank the witnesses for coming and answering some pretty hard questions. I'm sorry if I pushed you to be concise, but we wanted to get as many questions and answers in as possible

to inform this committee. I want to thank you all very much for attending and for actually taking, as I said, some pretty difficult questions.

Before I adjourn, I just want to remind the committee that the deadline—as was unanimously approved by this committee—for amendments for Bill C-18 is at 5 p.m. on Thursday, November 10. That's just a reminder. We will move to clause-by-clause on Friday, November 18.

Thank you all very much.

This meeting is adjourned.

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