



News Media Canada

Médias d'Info Canada

Who We Are:

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

The Challenge We're Facing:

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

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

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

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

Under this Australian model:

- The government enables the country's newspapers to band together in a collective bargaining unit to negotiate compensation for the use of their content and intellectual property. It is only through this collective approach that the

immense monopoly power of the web giants can be countered, and the digital playing field levelled.

- A long-term code-of-conduct is put in place to ensure that the web monopolies don't try to use new algorithms and other proprietary technology to expand their market domination and entrench anti-competitive practices.
- The enforcement has real teeth. The web giants are subject to fines in the hundreds of millions of dollars for a single infraction. Penalties of this scale are the only effective ways to rein in companies of this unprecedented size and power.
- ***No new government funding or consumer taxes or user fees are required for this solution.***

For more information, please visit our website to read our latest report at <https://nmc-mic.ca/levelling-the-digital-playing-field/>, along with these additional resources:

1. Fact sheet on the importance of newspaper advertising: <https://nmc-mic.ca/2019/08/19/local-newspapers-engaged-and-connected-fact-sheet/> .
2. White paper on Google's practices: <https://nmc-mic.ca/2020/09/17/how-google-abuses-its-position-as-a-dominant-platform-to-strong-arm-news-publishers/> .