Facebook to block news access in Canada as Bill C-18 passes

By MARIE WOOLF
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OTTAWA - Facebook said Thursday it plans to follow through with its threat to end millions of Canadians' ability to access and share news on its platform, as the federal government's Online News Act gained royal assent.

Meta, which owns Facebook and Instagram, said both platforms will block access to news before the act takes effect, expected in six months time.

It made the announcement shortly after the Online News Act passed the Senate without changes the tech giant had been demanding for months.

Also Thursday, Heritage Minister Pablo Rodriguez held 11th-hour talks with Google executives in the United States to prevent a similar move from the search engine, which has said it is considering restricting the ability of Canadians to find news. The meeting, which was held virtually, came after one held earlier this week between the Prime Minister's Office and Google.

Mr. Rodriguez, who described Thursday's discussions as "very blunt" and "very open," said they were productive and would be followed by further talks within days.

In a statement, Meta said when the restrictions take effect, news outlets will still be able to post links and content on the platforms, but some will not be viewable in Canada.

Meta called the Online News Act "fundamentally flawed legislation" that ignores the value the platforms provide news publishers.

Facebook had previously warned it would block Canadians' ability to find and share news on its platform if the bill passed without significant changes. It is currently carrying out tests restricting the ability to post and share news for 1.1 million Canadians on its platform.

Mr. Rodriguez said in a CBC interview that his officials had met with Meta about the bill on Wednesday and his department "will continue to hold conversations with tech giants."

Unless the government strikes a deal with Meta to keep it on board, Canadians will not be able to view most news from Canadian media outlets on Facebook and Instagram by the end of the year.

Meta will also block some overseas publishers reporting on Canada such as The New York Times.

The Online News Act was designed to support the Canadian news industry, which has seen its advertising migrate to the Big-Tech platforms. The legislation would make Facebook and Google negotiate deals to compensate news outlets for posting or linking to their work.

Mr. Rodriguez reacted to the Meta announcement saying, in the CBC interview, that the government would not back down in the face of "threats from a company," adding that he was still open to talks with the company.

"If the Government can't stand up for Canadians against tech giants, who will?" he said in a statement. "Following royal assent of Bill C-18 [the Online News Act], the Government will engage in a regulatory and implementation process."

At hearings before a Senate committee last month, publishers estimated that if Facebook stopped Canadians seeing news or links to their work on the plat-
form, it could cost them millions of dollars.

Michael Geist, the University of Ottawa's Canada research chair in internet law, said Facebook's withdrawal from news in Canada would be "disastrous."

"Everybody loses," he said. "This is going to result in tens of millions of losses for Canada's media and Canadians losing access to services."

But some expressed optimism that the way the bill is implemented through regulations might yet keep Facebook and Google on board, urging the platforms to participate in consultations.

"Dominant search and social media platforms are valuable partners in the news media ecosystem, and we encourage all stakeholders to act in good faith as we work through the regulatory process," said Paul Deegan, president and chief executive of News Media Canada that represents the news industry.

CBC said it "would be unfortunate if the digital platforms used their dominance to deny Canadians access to news and information."

"We encourage Canadians to go directly to the websites they trust for their news," said Leon Mar, a CBC spokesperson.

Earlier this year, Mr. Rodriguez and Prime Minister Justin Trudeau sharply criticized Facebook and Google over their tests restricting more than a million Canadians' access to news in response to Bill C-18.

Mr. Trudeau said Google's actions were "extremely troubling" and a "terrible mistake." He called Facebook "deeply irresponsible and out of touch" for not wanting to compensate news organizations.

After the legislation passed the Senate Thursday, Marla Boltman, executive director of Friends of Canadian Broadcasting, said it would provide "much-needed support for Canadian journalism."

"We wholeheartedly applaud Parliament for getting this challenging bill across the finish line while staring down the barrel of Google and Facebook's threats to block news in Canada," she said.

"Our hope is that these foreign tech giants will now abandon their intimidation tactics and show the Canadian democratic process the respect it deserves."

Google has said it has not yet decided whether it will restrict the ability of Canadians to search for news on its platform.

Like Facebook, it has already struck deals with a number of news outlets, including The Globe and Mail. But it has said the legislation is vague about whether such deals would count under the C-18 framework, saying it has been seeking talks with the government to find a potential way out from blocking news.

"We're doing everything we can to avoid an outcome that no one wants," said Google spokesperson Shay Purdy. "We are continuing to urgently seek to work with the government on a path forward."

The government has the power to issue regulations, setting out how the Online News Act would be implemented, as does the regulator, the Canadian Radio-television and Telecommunications Commission.

"Following royal assent of Bill C-18, the Government will engage in a regulatory and implementation process," said Mr. Rodriguez's spokesperson Laura Scaffidi. "As part of this process, all details will be made public before any tech giant is designated under the Act."