What to know about Bill C-18, the new law that will affect how you get news in Canada

In response to the Online News Act, Google says it will remove news links to Canadian news on its platforms in Canada

Samantha Edwards

The federal government's online news act Bill C-18 became law on June 22. The law will require tech companies like Google and Meta to compensate Canadian news organizations for the content that appears on their platforms. The Liberals argued that Bill C-18 would help the Canadian news industry, which has seen massive drops in advertising revenue over the past decade.

The bill has been sharply criticized by the tech giants. In response to the passing of the bill, Google said on June 29 that the search engine will remove news links when Bill C-18 comes into effect. Meta also said it would be pulling all news content from Facebook and Instagram in Canada. Both companies had previously warned it would remove content if the bill became law.

In the wake of Meta blocking news content, Heritage Minister Pablo Rodriguez says the federal government will stop advertising on Facebook and Instagram.

Here is what you need to know about Bill C-18, whom it will affect and how tech companies are reacting.

What is Bill C-18?

Bill C-18 is legislation that would force tech companies such as Google and Meta to negotiate compensation deals with news organizations for posting or linking to their work. The federal government has said the bill will help the Canadian news industry, which has seen large amounts of advertising revenue migrate to Google and Facebook. The legislation would allow news outlets to reach private deals with the tech companies. If an agreement cannot be reached, news outlets would go to Canadian Radio-television and Telecommunications Commission (CRTC) for mediation. Facebook, Google and Apple have already signed partnerships with some news organizations, including The Globe and Mail, to pay for the rights to use their news articles.

The Parliamentary Budget Officer, an independent body that provides economic and financial analysis to MPs and senators, reported that the bill would give the Canadian news industry a cash injection of around $329-million.

What is the bill's status?

The bill became law on June 22 after receiving royal assent and passing through the Senate on June 22. The law is expected to take effect by the end of the year.

The Liberal government first introduced the legislation on April 5, 2022. Heritage Minister Pablo Rodriguez, who tabled the bill in the House of Commons, said it seeks to address the "market imbalance" that exists between news outlets and tech companies. In December, 2022, the House of Commons approved the bill.

Mr. Rodriguez said on July 10 that the federal government is drafting regulations to its online news legislation to address Google's key concerns in a bid to stop the tech giant from blocking searches for Canadian news in this country. The regulations would set a cap on how much Google and Facebook would have to contribute to Canada's news industry.

How have the tech companies responded?

The tech companies have been vocal about their concerns with the legislation. Google, for example, has said the bill would have a "profound effect" on how you get news in Canada.

Apple, which has not yet commented publicly on the bill, has previously argued that the bill would infringe on its rights under copyright law and conventions. The company said in a statement that it is "working constructively with the government to address their concerns."
Both Google and Meta, Facebook and Instagram's parent company, have criticized the proposed legislation.

**Meta**

Meta, which owns Facebook and Instagram, said both platforms would block access to news before the act takes effect. The move comes as a blow to the government, which had hoped Bill C-18 would lead to the tech giant entering into more deals with news outlets for posting and linking to their work. In a statement on June 22, Meta said it was "confirming that news availability will be ended on Facebook and Instagram for all users in Canada prior to the Online News Act (Bill C-18) taking effect."

In June, Meta started blocking news for up to five per cent of Canadians on Facebook and Instagram. There is precedent for the escalation. In Australia, where similar legislation was passed last year, Facebook temporarily blocked news feeds from international and domestic publications, and wiped out pages for Australian state governments and charities.

In response to Meta's announcement it would block news content, Heritage Minister Pablo Rodriguez said on July 5 the federal government will stop advertising on Facebook and Instagram. Mr. Rodriguez said Meta's described Meta's decision as "unreasonable" and "irresponsible." The Quebec government and City of Montreal also said they would stop advertising on the social media platforms.

News and telecommunications company Quebecor also announced on July 5 it would immediately withdraw advertising from Facebook and Instagram. Quebecor owns the telecommunications company Videotron, TVA Group, specialty channels and magazines, and the Journal de Montreal and Journal de Quebec newspapers.

**Google**

On June 29, Google said it will remove news links to Canadian news on its platforms in Canada when the law comes into effect by the end of the year. The company said it will also remove news links from Google News, a personalized aggregator, the mobile feature Google Discover, and Google News Showcase, a product used to license news from publishers.

Google had warned that the bill, as currently worded, could lead to a "link tax," which would force it to pay news organizations for links to articles and "fundamentally breaks the way search (and the internet) have always worked." Google Canada told the House of Commons heritage committee that the bill could benefit "bad actors" and lead to the regulatory system being "gamed and misused" by fringe news organizations.

Campbell Clark: Google threatens Canada, because it can

In February, Google began testing ways of blocking some Canadians' access to news websites. Google spokesman Shay Purdy said around 4 per cent of Canadi ans who use the search engine would be affected for five weeks. Prime Minister Justin Trudeau condemned Google, saying the move is troubling and a "terrible mistake." The company has used similar tactics in other jurisdictions.

Google's vice-president of news Richard Gingras told the heritage committee in April said that if Bill C-18 passes, Canada would be "the first country in the world to put a price on free links to web pages. Putting a price on links, as C-18 does, will naturally cause any company to reconsider how they use them."

Facebook and Google have submitted a slew of suggested amendments to the Senate transport and communications committee, including removing television, video, radio and podcasts from the bill's scope. Mr. Gingras told the committee he thought a "disproportionate allocation" of funds to the CBC and other broadcasters under Bill C-18 could mean that small news organizations will miss out.

**What have critics of the bill said?**

Critics of the bill have said the government's intended goal would not be achieved. Michael Geist, the University of Ottawa's Canada Research Chair in Internet Law, has said that by "mandating payments for links, the bill creates a real threat to the free flow of information online." He's also said that it would harm the competitiveness of independent media and could lead to trade retaliation with the United States.

A report from the PBO said of the around $329-million the bill would generate for news outlets, around $247-million would go to broadcasters such as the CBC, Bell, Shaw and Rogers. Newspapers and online media would get around $81,550,000 a year.

Mr. Geist also 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."

American trade associations, including the United States Chamber of Com-
merce and the National Foreign Trade Council, sent a joint letter to U.S. President Joe Biden raising trade concerns Bill C-18 would have on American companies. Prime Minister's Office officials confirmed that Bill C-18 would be among issues discussed during Mr. Biden's visit to Ottawa this week.

**What has happened in other countries when similar legislation took effect?**

Canada's Bill C-18 was inspired by similar legislation in Australia, which became law in March, 2021. The News Media Bargaining Code gave the Australian government power to make Meta and Google negotiate content supply deals with news outlets. According to a report from the treasury department, the tech firms have inked deals with 30 companies. These deals have amounted to more than 200-million Australian dollars for Australian news outlets, according to Rod Sims, the competition czar who helped initiate the bill.

**What other bills related to the internet has the government passed or is considering?**

**Bill C-11**

Bill C-11 is a new law that updates Canada's broadcast laws, giving the CRTC the power to regulate streaming platforms such as Netflix, YouTube, Amazon Prime and Spotify. The bill requires streaming platforms to promote Canadian content - including films, TV shows, music and music videos - and contribute financially to their production. The bill received royal assent in April.

**Bill C-21**

Introduced last June, Bill C-27 is a pri-

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