Broadcasters, publishers ask Competition Bureau to investigate Meta over blocking Canadians' news access

By MARIE WOOLF
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OTTAWA - A coalition of broadcasters and publishers has asked the Competition Bureau to investigate Meta's decision to block Canadians' access to news on Facebook and Instagram, a decision the company made in response to the federal government's Online News Act.

In a joint letter to Commissioner of Competition Matthew Boswell, the group calls on the competition watchdog to use its powers to force Meta to reverse course, saying the tech giant has abused its dominant position and is guilty of anti-competitive conduct.

The group, made up of the CBC, the Canadian Association of Broadcasters and News Media Canada, says in the letter that Meta "has chosen to actively inflict harm to news organizations" by removing access to "this critical distribution channel." (The Globe and Mail is a member of News Media Canada, an advocacy and public policy association that represents hundreds of daily and community media outlets.)

"If Meta is allowed to proceed unchecked, it could inflict significant damage to Canadian news organizations' ability to offer quality news services to Canadians, which is critical to the functioning of a free and democratic society," the letter says.

Meta began restricting Canadians' access to news this month in response to the federal Online News Act, also known as Bill C-18. The legislation was designed to support the news industry, which must now compete with tech giants for advertising revenue, by making Meta and Google compensate publishers for using their news content.

Google has warned it could likewise remove Canadian news from its platforms in Canada, but not until the law takes effect, which is expected to happen at the end of the year.

Unlike Meta, Google is still in talks with the government on regulations that will shape how the law applies to online platforms.

Meta has said regulatory changes would not be enough to address its concerns.

Both companies had argued in federal committee hearings for changes to the Online News Act that would have limited the financial burdens it would place upon them, but the government passed the bill without their proposed changes. Exiting the news market would mean the companies would no longer be subject to the act.

"The Online News Act is based on the incorrect premise that Meta benefits unfairly from news content shared on our platforms, when the reverse is true. News outlets voluntarily share content on Facebook and Instagram to expand their audiences and help their bottom line," Meta said in a statement. "People in Canada can continue to access news online by going directly to news publishers' websites, downloading mobile news apps and subscribing to their preferred publishers."

In their letter to the Competition Bureau, the news organizations argue that social-media platforms are so dominant they are now a critical way for media outlets to reach people.

"Having positioned itself as an unavoidable intermediary or gatekeeper between news organizations and their audiences, Meta's blocking of news content removes a critical channel through which
Canadian news organizations distribute their news content," the letter says.

Marla Boltman, executive director of Friends of Canadian Broadcasting, a not-for-profit advocacy group, said she looks forward to the Competition Bureau "using its powers to protect Canadian consumers."

But Michael Geist, the University of Ottawa's Canada Research Chair in internet law, said in a Tuesday blog post that the complaint to the Competition Bureau about Meta is flawed. Social media, he said, is not the most important way people are referred to news.

"The Senate heard testimony that social media constituted between 17 and 30 per cent of referral traffic for news sites. That is valuable and its loss will have an impact, but it in no way can be credibly described as substantial control over access to news, much less the news industry," he said.

Prof. Geist told The Globe that Meta's withdrawal from news could still cost the news industry tens of millions of dollars.

The losses could include the cancellation of millions of dollars worth of existing voluntary deals between publishers and Meta, Prof. Geist said. The Globe is among several Canadian publishers that have made such deals.

Prof. Geist said publishers could also lose out on any further deals that would have resulted from the Online News Act, and any revenue they would have made from traffic sent to their websites by Facebook and Instagram.

While the bill was making its way through Parliament, the federal Heritage Department estimated that the Online News Act could raise around $215-million from tech giants for the news industry, around a third of which would have come from Meta.

According to reporting by Le Devoir, Rachel Curran, Meta's head of public policy in Canada, told specialists at a question-and-answer session last month on Meta's decision to restrict news access that she is "super optimistic" that the Canadian government will modify the bill so that Google and Meta can continue to support journalism and local news.