



# IMPLEMENTING THE *ONLINE NEWS ACT* PROPOSED GIC REGULATIONS

August 2023

*Online News Act* received Royal Assent June 22, 2023

Lac Laberge, Territoire du Yukon, Canada. Shutterstock

# Online News Act Overview

- The *Online News Act* seeks to enhance fairness and contribute to the sustainability of the Canadian news marketplace.

**Establishes a Bargaining Framework**



**Incentivizes Voluntary Commercial Agreements**



# Purpose of Proposed Regulatory Framework

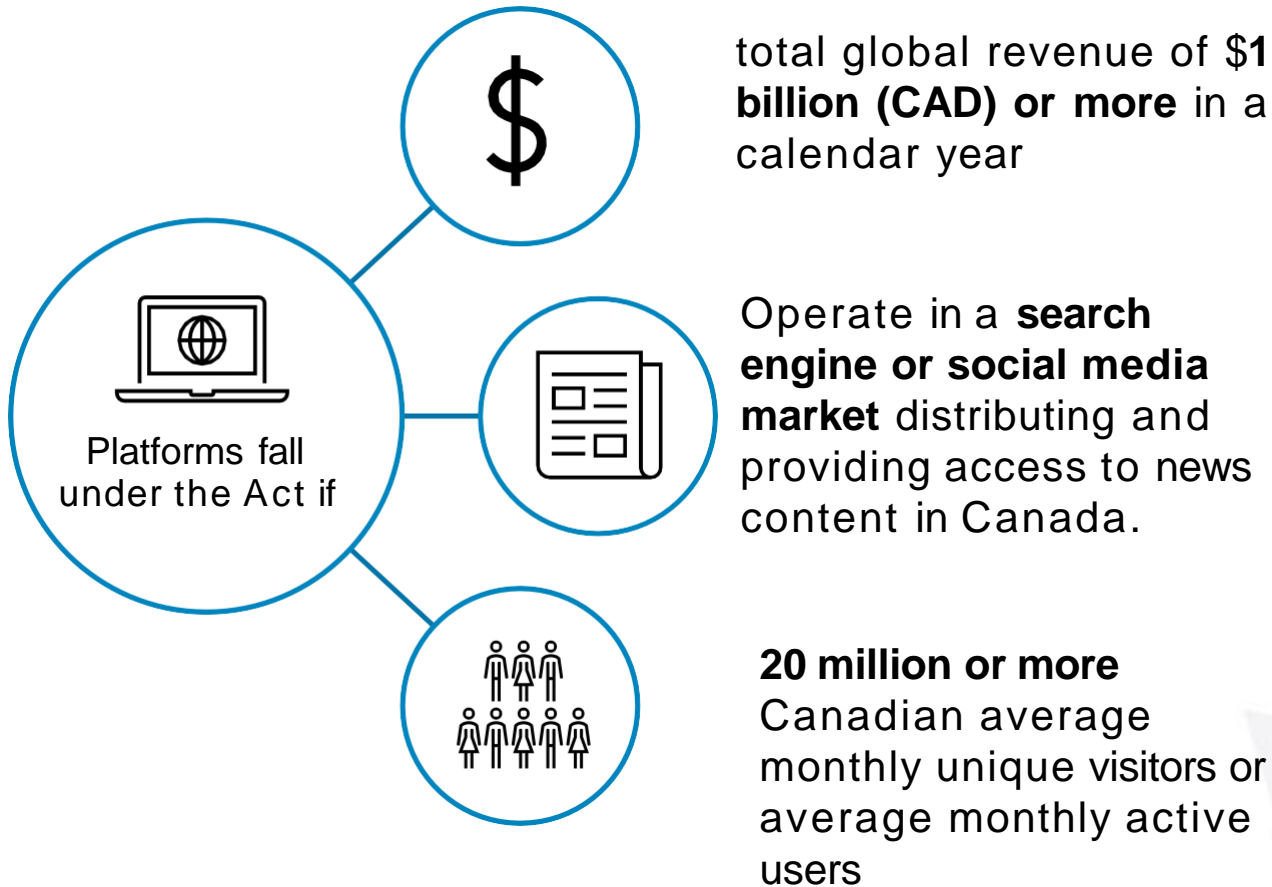
**Provide clarity for participants**

To which platforms does the Act apply?

**Provide certainty on how to obtain an exemption**

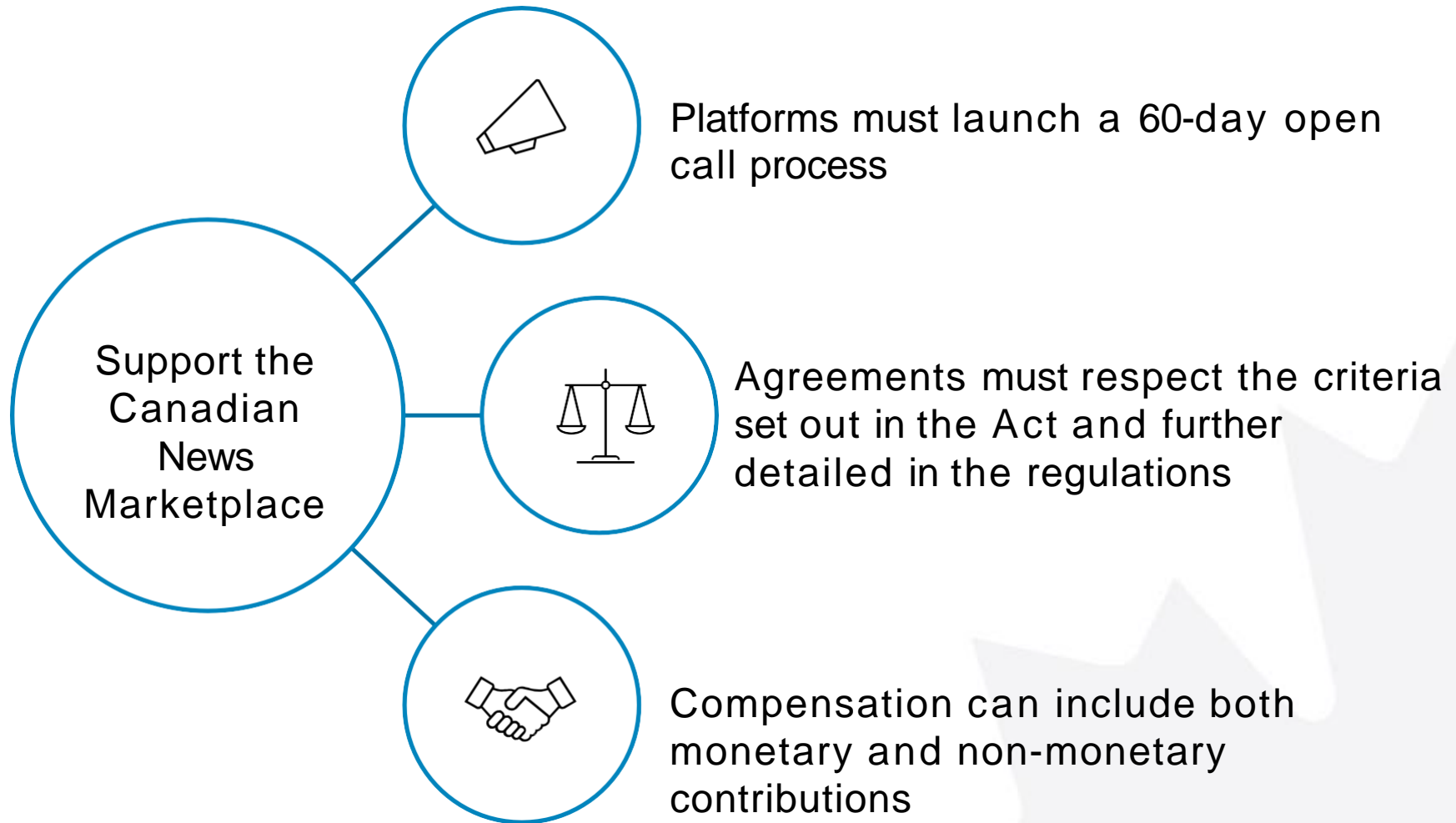
What is required to obtain an exemption?

# Application of the Act



Platforms have **30 calendar days** to notify the CRTC upon meeting these criteria

# Obtaining an Exemption



# Obtaining an Exemption (cont'd)

- Total compensation must exceed the amount determined by the formula
- Prior agreements between intermediaries and news businesses can be considered

$(\text{Intermediary Global Revenue}) \times (\text{Canadian Share of Global GDP}) \times (\text{Contribution Rate [4\%]})$

Proxy for “Intermediary’s Canadian revenue”

# Obtaining an Exemption (cont'd)

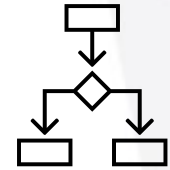
**Fair Agreements** must be within 20% of average relative compensation



Agreements must commit to **the production of news content.**



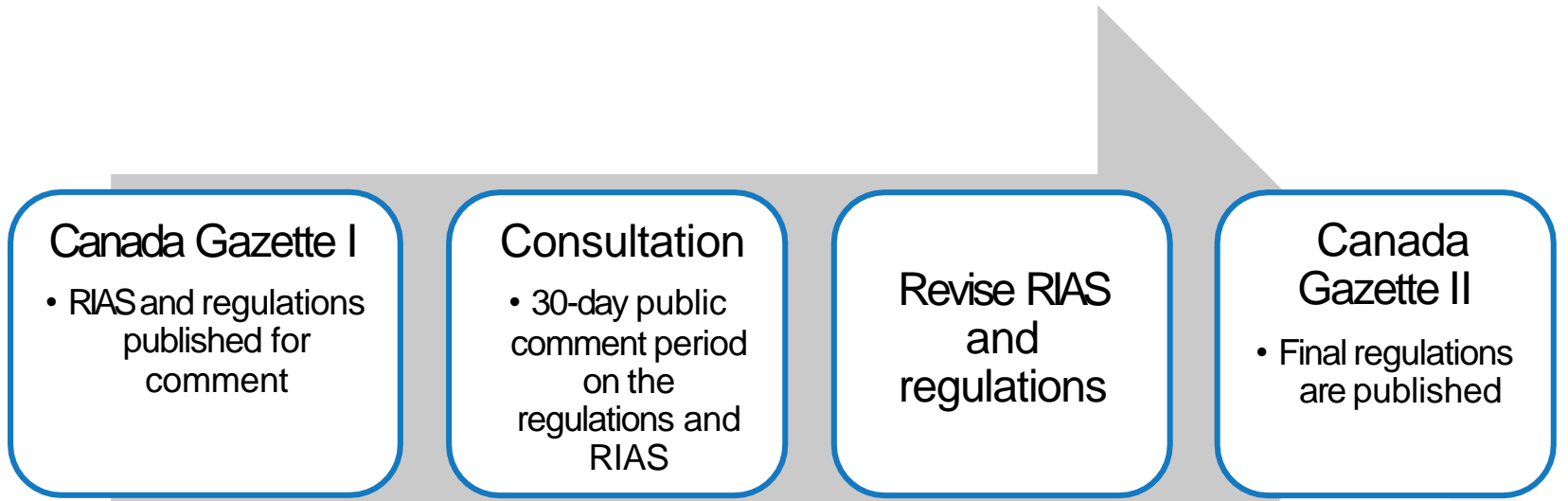
Agreements must **protect journalistic independence** and the editorial process.



Agreements must include collectives of certain size representing **independent local, Indigenous and official language minority community news businesses.**



# Next Steps



- Consultation to include Regulatory Impact Analysis Statement (RIAS) which communicates impact of the regulations.
- Comments received will be published.



# Annex 1: News, Information & Democracy

- Digital platforms have come to play an integral role in Canada's news ecosystem, shifting the way Canadians access news sources.



**69%**  
of  
Canadians  
**access  
news online**



**11%**  
of Canadians **pay for  
the news they  
access online**



**Online ad revenues**  
were **\$14B** in  
2022, of which  
**Google and Meta**  
have a combined  
**80%** share

**474** news outlets **have closed** from 2008 to 2023

- The production of and access to trusted news & information are key to supporting a healthy democracy and are central objectives of the *Online News Act*.

# Annex 2: Providing Feedback

- Feedback will be provided via the Online Regulatory Consultation System (ORCS)  
[Comment on proposed regulations - Canada.ca \(gazette.gc.ca\)](https://www.gazette.gc.ca)

## 1 Comment on proposed regulations

Learn how to comment on the most recently published proposed regulations. Find open consultations as well as closed consultations with published comments.

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## 2

### Steps to submit your comments



You may also submit your comments by email to the individual identified in the regulatory text by the due date.

## 3

### REGULATORY IMPACT ANALYSIS STATEMENT

*(This statement is not part of the Regulations.)*

#### General Comment

##### ▼ Add a comment for the General Comment section

Note: In order to increase the transparency of the regulatory process, all comments submitted to Canada Gazette, Part I, will be posted online after the comment period closes. Please provide your comment with 20000 characters or less.

##### General Comment comment (Use no more than 20000 characters)

Please enter your comment here.

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Please go to the bottom of the page when you are ready to submit all your comments

## 4

##### ▼ Add a comment for the PROPOSED REGULATORY TEXT section

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