

Google Canada Submission

Regulations Respecting the Application of the Online News Act, the Duty to Notify and the Request for Exemptions

Introduction

Google's mission is to organize the world's information and make it universally accessible and useful. For twenty-five years, we've been helping Canadians find what they are searching for online, including relevant and authoritative news content, because we believe that a better-informed world makes better decisions.

Authoritative journalism and news is critically important to our democracies. The Internet and changing consumer behavior have disrupted the historical business models of major news publishers. We support the policy objective underlying the [Online News Act](#) (the "Act") and proposed [Regulations Respecting the Application of the Online News Act, the Duty to Notify and the Request for Exemptions](#) (the "Regulations"), namely to support a diverse, independent, and sustainable Canadian news ecosystem.

To this end, Google provides a [wide array](#) of products, partnerships and programs intended to support the news industry and a sustainable landscape for journalism. First and foremost, our products link people to Canadian news publishers' websites, sending them valuable referral traffic they can monetize. In 2022, Google sent more than **3.6 billion visits to Canadian news publishers** - at no charge - helping them make money with ads and new subscriptions. According to [Deloitte](#), this traffic **drove an estimated CAD\$250 million worth of value each year**. We offer tools such as [Subscribe with Google](#) and analytics products to enable publishers to easily convert users into paying subscribers, and underlying [advertising technology](#) to enable publishers to monetize their content. When publishers choose to use our advertising services, they reach more advertisers, and they keep a [vast majority](#) of the revenue that's generated. We pay out billions of dollars a year directly to the publishing partners in our ad network.

We also provide a variety of programs specific to news publishers. [Google News Showcase](#) - a content licensing program that pays publishers for curating certain news features in Google News and Discover - and includes over 150 Canadian publications. The [Google News Initiative](#) provides tools, training, and funding to help news organizations thrive in the digital age, including funding and support for innovation and equity projects, and extensive journalist training programs to strengthen digital skills in newsrooms. Taken together, these programs, partnerships, and products make Google one of the largest financial supporters of journalism in the world.

We have also been clear about our desire to continue increasing our support to the Canadian News ecosystem. Unfortunately, while well intended, the Act is built upon a fundamentally flawed premise, yielding an unworkable framework and process that the Regulations unfortunately do not remedy - and in certain instances, exacerbate.

The Act

A Fundamentally Flawed Premise

The premise informing the Act is that certain “digital news intermediaries” (“DNIs”) appropriate news content, profit from it, and do not properly compensate Canadian news businesses for this “use” due to an unequal bargaining relationship. Unfortunately these assumptions are not correct.

First, **Google does not appropriate news content**: it provides links to news sites (along with headlines and short snippets to provide context) in the same way it links to any type of website, and refers users to the source. Inclusion in products like Google Search and Google News is entirely optional for news businesses, and we offer both an opt-out protocol and a variety of tools to help publishers manage what appears on our platforms. Most publishers do not opt-out because they find the free referral traffic they receive to be very valuable. In 2022, Google sent more than **3.6 billion visits to Canadian news publishers**, driving an estimated **CAD\$250 million worth of value to publishers**.

Second, **Google does not earn or seek to earn meaningful revenue from news**. While news has tremendous social value, it is challenging to monetize, and this economic reality applies to Google just as it does news publishers. Specifically, while Google drives substantial traffic to news publishers, businesses prefer to advertise on Search queries that reflect interest in buying a product or service (whether shoes or vacations) rather than queries about breaking news. Furthermore, news represents a very small proportion of overall searches. In 2022, news queries accounted for less than 2% of Search queries in Canada, and were generally less monetizable than average queries. The revenue earned from clicks on the relatively small number of ads shown against those queries represented a small fraction of the value we provide to publishers in the form of referral traffic.

Third, the reason news businesses are not compensated by platforms linking to their content is not due to a bargaining power imbalance, but because there has never been a “link tax” on the Internet, given that the value of linking is primarily to the publisher of the linked content. **Free linking is the foundation of the open web**, and it is not only permissible, it is **essential to communication online**. According to the Supreme Court of Canada, linking is “indispensable” to the “Internet’s capacity to disseminate information” and integral to online services like search engines, social media, communications services, and electronic newsletters. There is no bargaining because **no one is compensated for merely providing links**, headlines and short snippets; this is reflected in both domestic and international copyright law, which expressly guarantee a right to quotation (which is what allows journalists, news publishers, and others to quote or cite sources without triggering a payment obligation). If linking to content constitutes “appropriation,” why doesn’t the Act require everyone who links to pay the publisher to whom they are linking?

By establishing linking to news sites as the basis for payment, the Act fails to recognize that the **public’s ability to freely find and share links to news content online is critical to free expression, access to information, press freedom, and an informed citizenry**. Put simply, it is foundational to how

Canadians enjoy the free and open web. Putting a price on free linking to news content is not in the interest of Canadians, nor is it an effective response to the complex challenges facing the evolving Canadian news ecosystem.

Furthermore, the Act created a regime that applies to at most two companies. With the withdrawal of Meta from linking to news content, it is now an Act aimed at a single company. We believe it is deeply discriminatory to require a single company to subsidize the costs of the Canadian news industry, especially as competing platforms will not be subject to the same obligations, and as many Canadian companies also benefit from a robust news sector.

An Unworkable Process

The Act compels Google (and now Google alone) to negotiate payment with certain publishers for merely “making news content available” (which includes linking to news sites), strips from Google the protection of internationally recognized and guaranteed copyright limitations and exceptions, and then imposes unfair, unworkable and unprecedented arbitration and exemption processes. This would radically change the legal landscape in which Google operates and put at risk our extensive investments into the Canadian news ecosystem.

By legislating payment for links to news sites, and not defining what that price might be, the Act subjects Google to potentially unlimited financial liability for merely facilitating access to news sites and providing publishers with valuable referral traffic. Putting a price on free linking to news content clearly amounts to a link tax even if the tax is not expressed on a per link basis. Regrettably, the Regulations fail to provide a clearly defined limit on contributions or clarify that such contributions would not be tied to “making available” the news content of news businesses.

The eligibility criteria for news businesses are vague, expansive and often inconsistent, allowing some businesses to benefit even if they do not produce news content or adhere to journalistic standards. Unfortunately, the Regulations fail to clarify the number and range of outlets that would require support or set clear eligibility criteria. Instead the Regulations expand the range of possible outlets that could demand compensation and do not require such outlets to adhere to a Code of Ethics. Further, the Regulations enable “news businesses” that do not even have an online presence to demand support by requiring agreements with collectives representing certain independent, indigenous or official language minority outlets regardless of whether they have an online presence or not, thereby allowing non-online outlets participating in such collectives an opportunity to compel payment. There is no basis for requiring Google to compensate non-online outlets with which it has no technical or business connection.

Additionally, the arbitration provisions, which require final offer arbitration, are heavily weighted against Google. The Act requires the arbitration panel to consider an alleged “bargaining power imbalance,” which given the flawed premise of the Act would always weigh against Google. They require an arbitration panel to dismiss any offer that “is not in the public interest because the offer would be highly likely to result in serious detriment to the provision of news content to persons in Canada” or “is inconsistent with the purposes of enhancing fairness in the Canadian digital news marketplace and

contributing to its sustainability," and automatically accept the other party's offer with no possibility of appeal. Assuming publishers' demands in arbitration will typically exceed Google's offers (else the parties would have reached agreement), and publishers will argue that Google's offers will result in less "provision of news content" and / or not adequately "contribut[e] to sustainability". Further, the Act provides fixed timelines for negotiation and dispute resolution that will incentivize news businesses to simply wait out the clock rather than negotiate in good faith. While we appreciate the effort to reduce the number of separate negotiations, by mandating agreements with all collectives representing certain outlets, the Regulations give these collectives a veto over the process, deepening our concerns.

Moreover, the exemption provisions are vague and broad, still requiring agreements with a vast array of news outlets and providing little clarity on what will meet the criteria. This creates a problematic process whereby Google would likely be forced into mandatory negotiation/arbitration even while applying to the regulator for an exemption. This is a fundamental difference between the Act and the Australian News Media Bargaining Code (the "Code"); while the Act applies unless Google successfully applies to Canadian Radio-television and Telecommunications Commission ("CRTC") for an exemption and the CRTC issues an exemption order after conducting hearings, the Code does not apply unless a platform has been designated by the Government, allowing them to incentivize both parties to quickly reach voluntary agreement (which is what occurred, hence why no company was ever designated under the Code). Regrettably, the Regulations fail to establish clear exemption criteria and directions to the Regulator, and add further confusion to the exemption process by expanding on inconsistent requirements between voluntary agreements necessary for exemption and the mandatory bargaining process. For instance, while the arbitration provisions require an arbitration panel to consider the benefits a Canadian news business receives from referral traffic, the Regulations expressly exclude this.

The Regulations

While the Regulations seek to "provide clarity about the application of the Act," they unfortunately create greater uncertainty, by attempting to transform the mandatory bargaining model set out in the Act into more of a levy model (under which Google would contribute a fixed percentage of related revenue to a fund, which would then disburse funding to eligible news businesses in accordance with established criteria). The result of this exercise is a hybrid model that captures the worst of both worlds, imposing the obligations of a levy without providing any of its certainty, and requiring Google to absorb all of the responsibilities and costs associated with negotiating agreements and disbursing funds while eliminating any flexibility in actual arrangements.

We outline the most critical issues in more detail below.

Unsupported & Uncapped Liability

Section 9 of the Regulations defines "sustainability" for the purpose of section 11(1)(a)(iv) of the Act, and establishes a threshold for exemption. Specifically, it sets out a formula that requires Google to contribute a *minimum* of 4% of its total estimated Canadian revenue to news businesses in order to be eligible for exemption.

Viable exemption criteria must establish a clear and firm limitation on total financial liability that is consistent with global precedents. Regrettably, the Regulations do not reflect this, and the proposed threshold exceeds even the Department of Canadian Heritage's [previously stated estimate](#) (i.e., CAD\$150M) and acknowledgement that Google should not be responsible for more than two-thirds of this total. This is well in excess of the economic value Google derives from news-seeking queries, and leaves one company single-handedly responsible for defraying an arbitrary and substantial portion of the costs of Canadian publishers. Neither the amount nor the structure appears workable.

First, the basis for the proposed minimum contribution of 4% of Google's total estimated Canadian revenues is unclear. As noted above, less than 2% of queries on Google Search in Canada are seeking news and those queries actually monetize at a lower rate than average. Further, news publishers already see meaningful direct value from those queries based on the free traffic that results in the links that they themselves choose to have appear on Search. Simply put, the 4% appears to be an arbitrary figure that overstates the commercial value of news-related links. The figure is even disconnected from the Act's purported objective of compelling DNIs to "compensate" news businesses for "making news content available" as it is not based on any notion of perceived "value" for this activity. The Government seeks to justify this by asserting that "the proposed contribution rate is aligned with contribution rates used in other sectors", citing the 5% contribution rate imposed upon broadcast distributors. However, linking to content at the discretion of a publisher (which can opt-out at any time and obtains the value of the referral traffic) is not at all akin to broadcast distribution (where the distributor is licensed by the CRTC to distribute programming and obtains the full benefit for itself). Furthermore, the broadcasting obligation applies to a more appropriately defined set of revenues, not total revenues, and so this is not an applicable comparison. If the intention was to emulate contribution rates from other sectors, then the percentage should apply to *news-related* revenues, not *total* revenues. The Government also asserts that the formula "would yield compensation figures broadly consistent with the outcomes from the Australian Bargaining Code," but the Government's own [estimates](#) of Google's expected contribution under the formula (i.e., CAD\$172M) significantly exceeds the previous publicly stated estimates. It is also significantly out of line with other relevant global precedents, including those from other markets such as Europe where we have contributed under regulation. The fact that the figure is neither related to actual benefits to Google nor in line with prevailing Canadian or global precedents is particularly concerning given it would be in addition to the Government's proposed Digital Services Tax.

Second, the formula establishes a **minimum** contribution requirement, and in no way caps Google's financial liability under the Act. Not only is the threshold minimum substantially disproportionate to the value of news links to Google, but in setting a minimum floor instead of a ceiling, the formula provides no assurances that total demands will not exceed even that inflated level. To the contrary, provisions of the Regulations would create tremendous pressure to increase the total contribution well beyond the baseline threshold. Requiring Google to have agreements in place with every collective representing certain news outlets would give each collective an effective veto over the process. Likewise, requiring that agreements include outlets that "provide services to **all markets and diverse populations**, including local and regional markets **in every province and territory**" (which require agreements with **all** large publishers serving those markets), would effectively give each of these categories or collectives a veto as well. And requiring that all agreements provide roughly equivalent compensation

would necessitate re-negotiation of every agreement if one collective or publisher holds out for a higher rate.

The Inevitable Risk of Hold-outs

Sections 10 to 12 of the Regulations define “significant portion” of news businesses for the purpose of sections 11(1)(a)(v), 11(1)(a)(vii) and 11(1)(a)(viii) of the Act. Specifically, they require that Google must reach an agreement with **every** collective representing 10 or more independent news businesses operating local news outlets, 5 or more indigenous news outlets, and 10 or more official language minority community news outlets to be eligible for exemption. Section 4 of the Regulations sets out an “open call” process requiring Google to invite news businesses to enter into agreements for a period of at least 60 days, and Section 13 clarifies that the resulting list of news businesses is to be used for the purposes of determining “significant portion”.

The exemption criteria fail to provide clear guidance on the range and number of news businesses to whom we would have to offer support (preferably expressed as a percentage of a fixed list of news businesses), and consider bona fide offers rather than completed deals to avoid creating a hold-out problem that undermines confidence in being able to obtain an exemption.

First, section 11(1)(a)(vi) of the Act provides that, to be eligible for exemption, Google would need to have agreements with *“a range of news outlets in both the non-profit and for-profit sectors and they were entered into with news businesses that reflect a diversity of business models that provide services to all markets and diverse populations, including local and regional markets in every province and territory, anglophone and francophone communities, and Black and other racialized communities.”* Consequently, the CRTC retains complete discretion in determining what agreements with which outlets will satisfy this requirement, which provides us no guidance or certainty as to what would be required until after an exemption application has been submitted, evaluated and decided upon. Furthermore, it is clear that Google would need to have an agreement with every major news business, including the CBC, to satisfy this requirement, which as mentioned above, effectively gives each major news business a veto over the entire process and creates a significant incentive for them to hold out for higher payments rather than negotiate in good faith. Given the extraordinary breadth of this requirement, which effectively encompasses news publications serving every market in Canada, it is critical that Regulations give CRTC clear direction as to what is necessary to achieve this requirement, specifically based on the making of good-faith offers totalling a defined and reasonable target amount.

Second, making it mandatory for Google to have a completed agreement with major publishers and every collective gives each an effective veto over the entire exemption process. If any one of these actors were to reject an offer, then it would become impossible for Google to obtain exemption, thereby forcing us into the unworkable mandatory bargaining and arbitration process. This means each of these actors would be able to make any demand it wishes, and Google would be unable to negotiate or compromise without putting its entire exemption at risk. Furthermore, due to the requirement that all agreements provide roughly equivalent compensation, determined on a per full-time equivalent journalist basis, any one major publisher or collective that demands a higher rate could thereby require every other agreement to be re-negotiated to reflect the increased compensation. This undercuts the

entire concept of a fixed contribution rate, as the actual minimum contribution required to obtain an exemption will be whatever the collectives determine it should be, reflecting the highest contribution amount any one of the collectives demanded.

Third, the scope of “news businesses” eligible for “compensation” in the Regulations is not limited to those that are online, and also includes print publishers and conventional broadcasters with no online presence (who thus have no nexus with Google’s services). Collectives representing outlets that are not online could deny Google an exemption if they are not compensated, and that compensation would include full-time equivalent journalists at news outlets with no online presence. This appears to reinforce the disconnect between the levy-oriented structure envisioned by the Regulations and the bargaining-oriented structure proposed by Act, and transforms the Act into a per-journalist subsidy from Google that applies even when there is no relationship between Google and the news outlet.

Limits on Forms of Qualifying Support

Under the Regulations, only “monetary and non-monetary consideration” provided to a news business or collective will be considered “compensation” for the purpose of exemption. Non-monetary support will be considered only if the value is agreed upon and specifically set out in an agreement, and “any value assigned to merely making news available online” (*i.e.*, the value of referral traffic, estimated at over CAD\$250M per year) is expressly excluded and cannot be considered in the exemption process.

But reasonable exemption criteria would need to allow for sufficient flexibility in support so that appropriate programs could be tailored to different types of news businesses. Specifically, “compensation” should include: 1) both deal and non-deal forms of support, to allow for the deployment of fund-type models administered by independent third parties; 2) not only “agreements”, but also bona fide offers extended and funding made available to news businesses, to ensure we are not penalized for news businesses refusing to engage or accept support; and 3) other forms of support and resources we make available to news businesses, including trainings, digital transformation, products and services offered, as well as a recognition of the substantial value of referral traffic. While the Regulations do include limited provision for non-monetary support, provided the value is agreed to and included in an agreement, they otherwise exclude all other forms of support.

Unfortunately, these requirements effectively exclude many forms of support Google provides to Canadian news businesses, excluding fund-type models and other forms of support. Further, as non-monetary support will be considered only if the value is agreed upon and included in an agreement, and as major players and collectives representing designated news outlets have an effective veto, this creates a strong incentive for them to simply deny inclusion of any non-monetary support in favour of direct monetary payments. Finally, the express exclusion of the value of referral traffic news businesses receive from Google ignores the actual value exchange that occurs between Google and news businesses, and the benefits news businesses obtain from Google. Furthermore, as noted above, this is inconsistent with the mandatory arbitration provisions, which require an arbitration panel to consider the benefits a Canadian news business receives from referral traffic. It is not clear why the value of traffic is excluded for exemption but included in arbitration.

Criteria That Look at Costs Expended But Not Value Received

Section 11(1)(a)(i) of the Act requires that agreements “provide for fair compensation to the news businesses for the news content that is made available by the intermediary” to be eligible for exemption, while section 6 of the Regulations requires that all agreements provide roughly equivalent compensation “relative to the number of full-time equivalent journalists paid by a news business or group of news businesses” to be considered to provide “fair compensation”.

Exemption criteria should not be based upon “compensation” for “making news content available” or other non-compensable uses (e.g., linking to news content). Further, should provide flexibility in terms of the forms of contributions and support that would qualify for exemption, and recognize existing Google News Showcase agreements and Google News Initiative support programs.

But under the Regulations, as any “agreement” must provide “fair compensation” for “news content that is made available by the intermediary” to be eligible, Google would still have to enter into agreements compensating news businesses for linking to their news content to obtain exemption. So instead of allowing Google and news businesses to freely enter into commercial agreements that present a viable value exchange for both parties, including through alternative means of contribution (as the Code does), the Regulations essentially restate the Act and require compensation for linking to obtain exemption. We would urge avoiding requiring payments for linking that violate basic tenets of the open web and international copyright norms, and instead suggest alternative ways to achieve the same policy objectives.

Further, as all “agreements” must provide roughly equivalent “compensation” to all news businesses on the basis of full-time equivalent journalists represented by the news business or collective, this means we would need to renegotiate or terminate existing Google News Showcase agreements and Google News Initiative support programs, which are not calibrated on a per journalist basis. We would need to structure any future agreement as a per full-time equivalent journalist subsidy, and lose any flexibility in designing alternative programs.

The exemption requirement that payments be made based on full-time journalists (essentially pegging a “full-time journalist” rate across Canada) also creates a serious inconsistency with the mandatory bargaining and arbitration process, where individualized arbitrations could result in substantially different payments to different publishers.

Also, as collectives representing designated news outlets and large publishers serving a significant number of markets have an effective veto over the exemption process, there will be significant upward pressure on the amount of the per full-time equivalent journalist subsidy, and any significant deviation between agreements would require all other agreements to be renegotiated to reflect the new rate. This creates a logistically unworkable process in which negotiated agreements can no longer be relied upon to discharge obligations.

Timing Problem

As noted above, by applying obligations to Google unless we successfully apply and obtain an exemption order from the CRTC, the Act creates a circumstance whereby Google could be compelled to participate in the mandatory bargaining/arbitration process even while pursuing and applying for exemption.

The Regulations should address this issue, provide clear guidance to the CRTC that an interim exemption order would need to be issued upon receipt of an exemption application, that such an order would remain while an exemption application is under consideration and for as long as required to ensure the requirements for exemption were satisfied.

Furthermore, the addition of a new mandatory “open call” process, whereby Google would need to solicit news businesses to enter into agreement for a minimum of 60 days as a condition for obtaining exemption, further complicates this process by adding new requirements in advance of an exemption application, delaying submission.

Accordingly, the timing problem remains, potentially putting Google in a position of having to suspend links to news content while it works towards an exemption.

Conclusion

In summary, to be viable, the exemption process must include the following criteria:

- **Liability Cap:** A clear and firm limitation on total financial liability consistent with global precedents and the Department of Canadian Heritage's estimates
- **Scope of News Businesses:** Clear guidance on the range and number of news businesses to whom we would have to offer support (preferably expressed as a percentage of a fixed list of news businesses). Clarity that only online publishers would be eligible
- **Scope of Qualifying Support:** Include 1) deal and non-deal forms of support, 2) monetary and non-monetary forms of support, including trainings, digital transformation, products and services offered, and a recognition of substantial value of referral traffic, and 3) bona fide offers extended and funding made available
- **“Compensation”:** Should not require “compensation” for “making news content available” or other non-compensable uses. Allow for flexibility and ensure existing programs qualify
- **Hold-outs:** Address incentives for news businesses to “hold-out” rather than engage in good faith negotiations
- **Timing Issues:** Ensure news businesses cannot initiate mandatory bargaining/arbitration while DNI pursuing exemption, including clear guidance to CRTC

While the Government has [publicly indicated](#) its confidence that [our concerns](#) can be resolved through the regulatory process, unfortunately the Regulations fail to sufficiently address the critical structural problems with the Act that regrettably were not dealt with during the legislative process. We continue to have serious concerns that the core issues ultimately may not be solvable through regulation and that legislative changes may be necessary.

We believe that the following amendments would help address the concerns listed above:

- **“Making Available” (ss 2(2), 24):** Limit “making news content available” to “displaying news content,” and clarify that copyright limitations and exceptions still apply. This would subject Google to the regime while avoiding payment for links (a “link tax”)
- **“Eligible News Business” (s. 27):** Limit to Qualified Canadian Journalism Organizations (QCJO) or equivalent. Require Eligible News Businesses (ENBs) to use compensation to support news content and membership in news media council, but eliminate requirements for two or more journalists. Clarify ENBs must have an online presence to qualify
- **“News Content” (s. 2(1)):** Limit to alphanumeric text of a journalistic nature, which aligns scope with the Broadcasting Act and focuses the regime on journalistic content
- **“Digital News Intermediary” (ss. 2(1), 6, 7):** Exclude audio-visual platforms and ads platforms. Add thresholds to “significant bargaining power imbalance” (SBPI) test for news-related revenue earned by Google and inbound traffic received from Google, or replace SBPI test with fixed traffic threshold aligned with political ads regulations and/or a news-related revenue threshold. Recommend proactive registration requirement for all platforms making news content available to Canadians, and then require CRTC to conduct subsequent analysis to determine whether platform was in scope as a covered “DNI” rather than require platforms to self-assess. This will establish more predictable, objective thresholds for inclusion, and avoids the CRTC making competition decisions
- **Exemption (s. 11):** Revise exemption criteria to set clear and objective requirements on what is required to obtain an exemption, including 1) inclusion of all arrangements, proposals, offers extended, funding made available and other resources and 2) bona fide offers to news publishers serving a specific percentage of Canadians. Exemptions should apply to all obligations, not just the obligation to bargain, and should last for a set time. The CRTC should set clear thresholds for exemption criteria, including the specific range of publishers that should be engaged with, and an actual, fixed cap on total liability, and be given clear guidance on issuing interim exemption order upon receipt of application. Any regulations must expressly address the hold-out and timing issues raised, and not permit any publisher or collective an effective veto over the process. This will add clarity to the exemption criteria and allow Google to know what is required to obtain exemption
- **“Undue Preference” (s. 51):** Clarify the “undue preference” language in Sections 3(3), section 51(b) and section 51 (c) to ensure that Google would not have to prohibit features that elevate information from trusted sources (including government information) or reduce low-quality information (including from eligible foreign state media outlets)
- **Dispute Resolution (ss. 19, 38, 39):** Establish a clear mediation process. revise dispute resolution to standard commercial arbitration with reasonable timelines, and remove directions to the arbitration panel. This will address issues with final offer arbitration when valuations are uncertain, and allows the panel to consider evidence without artificial limitations, while establishing clear timelines for resolution

- **Collective Bargaining (ss. 48):** Require CRTC to establish a Code of Conduct to govern collective bargaining (including governance rules, audit powers and transparency requirements) and require ENB collectives to adhere to the Code to qualify

Google has made significant contributions to the Canadian news ecosystem and is willing to do more. We, and others, believe there are [constructive approaches](#) to crafting a regime that supports a diverse, independent and sustainable Canadian news industry, and that in developing potential approaches the following principles should be considered:

- In order to ensure durability, the framework should ensure financial resources drawn from a broader class of activity than single companies whose business and technical operating models may change over time;
- In order to ensure independence, the framework should ensure that the method of distribution is not directed or governed by any one company or funding source, but rather in accordance with objective criteria developed by consensus;
- In order to ensure freedom of expression, access to information, press freedom and an informed citizenry, the framework should recognize the value of free distribution of links to connect Canadian citizens to diverse news sources;
- In order to support diversity, the framework should be driven by thoughtful criteria that can support the creation of quality journalism for the local communities journalists serve and enable the emergence of new voices, which would seem critical in our fast-changing digital societies;
- In order to support innovation, the framework should support a range of publishers and business models, and be focussed on long-term sustainability. It cannot support certain classes of publishers over others, or offer a significant competitive advantage to certain publishers;
- In order to support long term growth, the framework should support the digital transformation of legacy providers.

We hope that the Government will consider these principles in assessing how best to address the challenges with the Act through revised Regulations or legislative amendments.