



As U.S. Fight Brews, Canada Shows People Turn To Broadcasters When News Leaves Facebook.

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Broadcasters and news providers are pushing for laws allowing them to negotiate with dominant digital platforms like Facebook and Google for fair terms and conditions when their content is picked up. In Canada, a law that requires online companies to negotiate licensing agreements to pay news publishers was passed last year. That led Meta to pull the plug on news. Facebook and Instagram users in Canada are no longer able to view or share news content, including news articles and audio-visual content posted by radio stations. But a surprise silver lining may offer hope for U.S. broadcasters and news providers.

Just released data from Media Technology Monitor finds the most popular source among Canadians for online news is now Canadian broadcasters. Following Meta taking news down last year, MTM says nearly three in ten (29%) online Canadians say they are using the websites or apps of Canadian news organizations more. “While Canadians are mentioning traditional outlets like TV and radio as being used more for news content, 18 to 34 year olds are looking more to YouTube and other social networking platforms to get their content,” it says in a new report. There is also a high rate of awareness of what is happening. MTM says three-quarters (78%) of online Canadians are aware that Meta is blocking news on Facebook and Instagram, although people who use those sites are less aware of what is occurring – a natural outgrowth of both no longer featuring news. Critics of the social media giant can also point to MTM data showing that more than one third (35%) of online Canadians feel that they will consume less Canadian news as a result of the Meta ban, with women and 18 to 34 years olds most likely to feel that way.

Broadcasters on both sides of the border have slammed Meta for holding news “hostage.” The National Association of Broadcasters and Canadian Association of Broadcasters support legislation they say enables news providers to negotiate with tech giants. “These retaliatory tactics demonstrate Meta’s monopolistic dominance over the advertising marketplace and its ability to dictate how radio and TV broadcasters, newspapers and others can reach audiences online,” the trade groups said in a joint statement last year. But Meta has argued that it is news outlets that have benefited from the distribution channel, and that by making news available on its platforms it has generated about \$175 million per year worth of free marketing for news outlets. “We know the people using our platforms don’t come to us for news,” it said in a blog post after it pulled news down in Canada.

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What is happening in Canada may serve as a preview of what is to come in the U.S. A similar bill, the Journalism Competition and Preservation Act (S. 1094), is currently pending in Congress.

Meanwhile in California, the state legislature is taking matters into its own hands. A proposal that would require big tech companies to pay publishers – including local radio stations – a “journalism usage fee” each time they use local news content and sell advertising alongside it was approved by the state’s Assembly last June. The California Journalism Preservation Act (AB 886) would require news publishers to invest 70% of the profits from the usage fee in journalism jobs. It has picked up the support of the California Broadcasters Association and other trade groups who see the issue as critical to the survival of local journalism.

But Google has described it the creation of a “link tax” and warned California’s bill would put the news ecosystem “at risk,” threatening that it would result in “significant changes” to how it directs web traffic in the state.

The proposal is already having an impact. Google last month began a testing process that it says is designed to prepare for CJPA implications. It involves removing links to California news websites to measure the impact of the legislation would have. It has also paused all further investments in the California news ecosystem, including new partnerships through Google News Showcase, its product and licensing program for news organizations. The planned expansions of the Google News Initiative will also be delayed indefinitely.

Google VP Jaffer Zaidi wrote in a blog post that CJPA would “favor media conglomerates and hedge funds” and not support publishers of all sizes to grow their audiences. “CJPA would also put small publishers at a disadvantage and limit consumers’ access to a diverse local media ecosystem,” Zaidi says. He also pointed out that more people are getting their news from short-form video, topical newsletters, social media, and curated podcasts.