

## MEMBERSHIP UPDATE –

# What the Major Parties Say About Media Industry Issues

Elections often end up in a discussion about “what’s in your wallet?”

If you work in the media, this federal election doubles down on pocketbook issues. It’s more like “what about my job?”

Unifor invited the Liberals, Conservatives, New Democrats, Greens and Bloc Quebecois to lay out their Media platforms. We were looking for responses on the five top issues as posted on [www.mediaactionplan.ca](http://www.mediaactionplan.ca)

- Ongoing financial support for journalism, both written and broadcast news.
- Close the Loophole in the Income Tax Act exempting Canadian advertisers from corporate income tax when they seek online audiences through Google, Facebook and other U.S.-based new sites (instead of Canadian ones).
- Force foreign Internet TV companies such as Netflix, Amazon, Disney and DAZN to match the Canadian content spending obligations of our domestic TV broadcasters.
- Require the online divisions of Bell, Rogers, Shaw, Telus, and Videotron - which have rapidly become Internet TV distributors - to join cable distributors in making standard financial contributions to Canadian filmmaking and independent local TV.
- Protect the funding of the CBC/Radio Canada.

The incumbent Liberals can rely on achievements such as the federal aid to written journalism in 2019 and the \$150M shot in the arm to the CBC at the beginning of their mandate.

The NDP and the Greens commit to taking the next step the Liberals still resist: push back against Google and Facebook’s domination of the online advertising market by closing the loophole in section 19.1 of the Income Tax Act.



## MEMBERSHIP UPDATE continued...

Despite neglecting Canadian TV during their mandate, the Liberals now join the Greens and the NDP in regulating Netflix, DAZN and the other Internet TV companies that are threatening to put Canadian TV out of business.

All of the parties take a pass on updating the 5 per cent “Canadian context tax” paid by domestic cable TV companies to include revenues from their Internet Data divisions.

Finally, the Greens and the NDP commit to a major funding boost to the CBC. The Liberals have committed no new funds, while the Conservatives also say nothing.

The Bloc has little to say about many of these issues, possibly because the Quebec provincial government has moved aggressively on many of these issues which in English Canada are left to the federal government. If the Bloc ever achieved the main plank in their media platform — to create a separate CRTC (QRTC?) for their nation-province — Quebecers might be able to fix a lot of industry problems that the Liberals and the federal CRTC have dawdled over for the last four years.

Lastly (only because they withheld their platform until October 11th) the Conservatives offer few concrete media policies, one way or another.

The Conservatives do join the Liberals, Bloc and NDP in committing to a “Google tax,” i.e. a minimum tax on corporate profits collected as a 3 per cent VAT on Big Tech. The NDP and the Liberals model their tax policies on France, which covers companies such as Google, Facebook, Amazon, Apple, Netflix and DAZN. The Conservatives base their tax on the United Kingdom which covers social media platforms and online sales transactions, but exempts subscription video services like Netflix, DAZN, Apple, Disney etc.

In all of the party platforms, the substantial tax revenue collected from the “Google tax” only meets demands for tax fairness and much needed government income: no party is earmarking the new money for expenditures on media policy.

For ease of comparison, have a look at the attached spreadsheet.



	<b>News journalism</b>	<b>Close the tax loopholes for advertising in foreign media</b>	<b>Regulate foreign Internet TV companies like Canadian media companies</b>	<b>Require Canadian Internet TV companies to contribute to CanCon, same as Cable TV companies</b>	<b>Protect and Maintain CBC/Radio Canada</b>	<b>Other</b>
<b>Liberals</b>	<ul style="list-style-type: none"> <li>Passed Bill C-97 boosting federal aid to written news journalism by \$645M over five years.</li> <li>Direct the CBC to make digital services available to journalism start-ups and community papers.</li> </ul>	No.	<ul style="list-style-type: none"> <li>In first year, will require Internet TV streamers to contribute to Canadian content and promote Cdn content in their catalogue.</li> <li>Will impose sales tax on Netflix and other foreign streaming companies.</li> </ul>	No.	<ul style="list-style-type: none"> <li>No additional funding beyond the \$150M added in 2016.</li> <li>Would mandate CBC to strengthen local news.</li> </ul>	Will impose a 3% revenue tax on Google, Facebook and Amazon, Netflix, and DAZN. No specific commitment to where that tax revenue would be spent.
<b>CPC</b>	Not specified: but opposed federal aid in Bill C-97.	No.	Not specified. In 2017 the CPC opposed this <i>recommendation by the Liberal-majority Parliamentary Heritage Committee.</i>	Not specified. In 2017 opposed this recommendation by Liberal-majority Parliamentary Heritage Committee.	Not specified. In 2017 Andrew Scheer proposed abolishing CBC News but has not repeated this pledge.	Will impose a 3% revenue tax on Google, Facebook and Amazon” but not Netflix or DAZN. No specific commitment to where that tax revenue would be spent.
<b>NDP</b>	<ul style="list-style-type: none"> <li>Bill C-97 is a band-aid solution: more support, financed by tax revenues gained from closing the advertising tax loophole.</li> <li>Aid should include local TV news.</li> </ul>	In favour of closing the online advertising tax loophole.	Foreign TV companies like Netflix must contribute to Canadian content and local news just like domestic broadcasters and cable companies.	No specific commitment but NDP supports long term goal of maintaining the Canada Media Fund as cable company funding decreases.	Increase CBC/Radio Canada funding by approximately 50%.	Will impose a 3% revenue tax on Google, Facebook and Amazon, Netflix, and DAZN. No specific commitment to where that tax revenue would be spent.
<b>Green</b>	No platform. During C-97 debate Elizabeth May expressed support for federal aid with some caveats (statement available).	In favour of closing the online advertising tax loophole.	In favour of requiring contributions to Canadian content and local news.	No.	Triple the \$1.1 billion federal funding to CBC/Radio Canada by \$315M each year and fix governance problem.	<ul style="list-style-type: none"> <li>Increase funding to the arts.</li> <li>Proposing several measures for curbing market abuses by Google, Facebook and Apple.</li> </ul>
<b>Bloc Quebecois</b>	<ul style="list-style-type: none"> <li>Collect sales tax on foreign online media and use it to fund aid to written media.</li> <li>Study how to help video journalism.</li> </ul>	No.	Follow France and impose a 3% revenue tax on web giants Facebook, Google, Spotify, Netflix, Apple, Amazon, etc.	No.	No.	<ul style="list-style-type: none"> <li>In favour of a separate CRTC for Quebec media.</li> <li>More financial support for the arts in Quebec.</li> </ul>