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MEMO

To: The Standing Committee on Canadian Heritage

From: David Coletto, CEO Abacus Data

Date: October 14, 2022

Re: Survey results on Bill C-18

Members of the Committee,

I am writing to submit the results of my recent survey on Bill C-18 for your consideration as part of your study of the legislation.

Google Canada commissioned Abacus Data to design and execute a national public opinion survey exploring perceptions and views about Bill C-18, *the Online News Act* and to gauge public reaction to Google's concerns about the Bill.

This memo reports the key findings of the survey and my thoughts on its implications for Google and policy makers.

In designing this study, I was guided by three core questions:

1. To what extent has the Canadian public been following news or information about Bill C-18 and are familiar with it?
2. If awareness of Bill C-18 is limited, what values and outcomes are important to Canadians when it comes to regulating the internet and online news?
3. How do Canadians react to the specific concerns Google has raised about Bill C-18 and would they want Parliament to amend the legislation in response?

A Summary of What We Learned

We interviewed a nationally representative sample of 2,207 Canadian adults from August 19 to 26.

The survey found:

1. **The public is not following news or information about Bill C-18 closely** and their perceptions about the state of the news and journalism sector in Canada are quite different from those who advocate for Bill C-18. **But a lack of attention is not the same as indifference.**
2. **Canadians want balance** when it comes to the impacts of Bill C-18. They want to see local news protected but they also don't want search engines they rely on to work or perform differently than they do now.

For example, large majorities believe it is important that the legislation ensures eligible news outlets follow journalistic standards and ethics, that local news is protected and given the resources to continue to operate but they also want **search engines like Google Search continue to work and perform the way they do now**. Most also don't want to see misinformation treated as news.

3. When exposed to Google's concerns about Bill C-18 later in the survey, **a clear majority share those concerns and want Parliament to amend the bill to address them.**

Here are more details of what this survey found.

Key Findings

The Political Environment

Like other public opinion surveys conducted at the time, our survey finds a very competitive political environment in Canada. When asked how they would vote if an election was held at the time of the survey, the Conservatives and Liberals are statistically tied, with 34% of decided Canadians saying they would vote Conservative compared with 32% who would vote Liberal. Another 17% would vote NDP. These results are almost identical to the results of the 2021 Canadian election held in September 2021.

When it comes to several pieces of legislation or policy priorities being pursued by the federal government, few are paying close attention to Bill C-18, *the Online News Act* or Bill C-11, the *Online Streaming Act*. More say they are following news or information about the federal government's new bill to ban handguns in Canada than either of those bills.

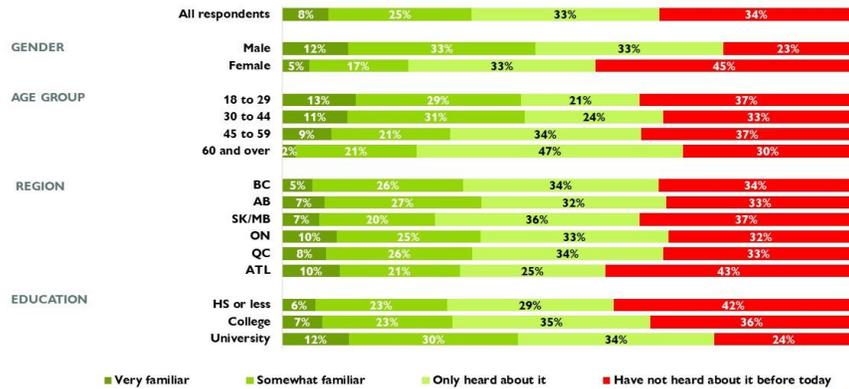
The lack of awareness or attention may be the result of limited media coverage of the legislation. However, low attention should not be construed as Canadians not caring about how the legislation would impact their day-to-day lives.

Familiarity with Bill C-18, the Online News Act

When it comes to Bill C-18 specifically, 2 in 3 Canadians say they have heard about the bill but only 33% say they are either very or somewhat familiar with it. In fact, only 8% of Canadians report being very familiar with Bill C-18.

Familiarity with Bill C-18 is somewhat higher among younger Canadians (those under 45) and among men, but we find little variation in familiarity across different regions of the country.

MOST CANADIANS HAVE HEARD OF BILL C-18, BUT FEW ARE FAMILIAR WITH IT



How familiar, if at all, are you with Bill C-18, the Online News Act, legislation that the federal government introduced to regulate the internet and support news organizations in Canada. It is currently being reviewed and debated in the House of Commons?

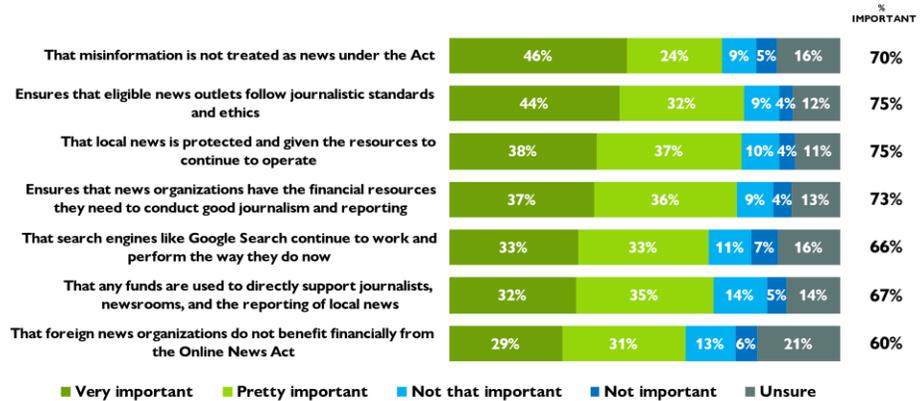
What Matters to Canadians

Canadians were asked how important several outcomes are to them personally when it comes to Bill C-18, *the Online News Act*. Most Canadians felt all the outcomes shared were at least pretty important but more Canadians felt it is important that Bill C-18:

- Ensures eligible news outlets follow journalistic standards and ethics (75%)
- Local news is protected and given the resources to continue to operate (75%)
- Search engines like Google Search continue to work and perform the way they do now (73%); and,
- Not treat misinformation as news (70%).

The desire for a balanced approach that both supports local news, protects the integrity of Google Search, and does not amplify misinformation is shared by a wide majority of Canadians across the political spectrum.

IMPORTANCE OF FOLLOWING ASPECTS, AS PART OF THE ONLINE NEWS ACT

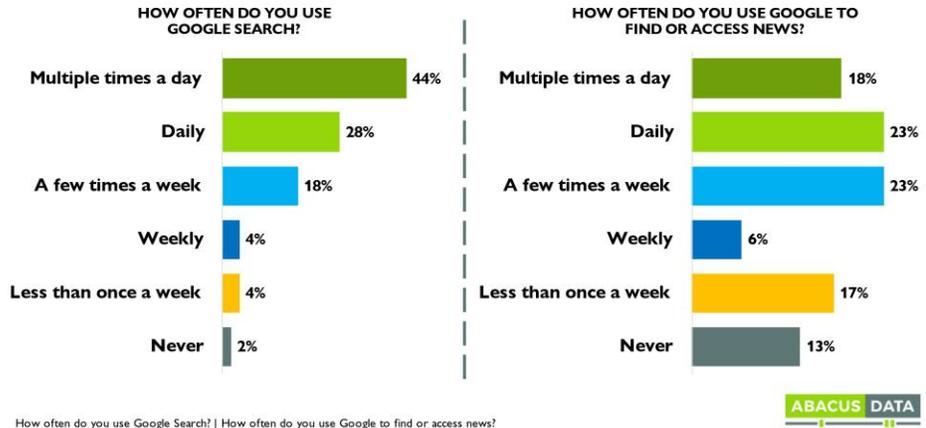


How important is it to you personally that the Online News Act does each of the following?

Google, News, and Canadian Opinion

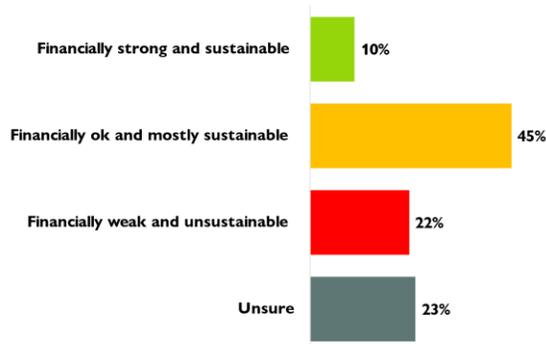
As context, it's important to note that according to our survey, 72% of Canadian adults report using Google Search at least once a day with 44% saying they use Google Search "multiple times a day" in our survey. Google is also an important source to find and access news. 64% say they use Google to find and access news at least a few times a week with 41% using it daily.

FREQUENCY OF USING GOOGLE SEARCH AND USING GOOGLE TO FIND OR ACCESS NEWS



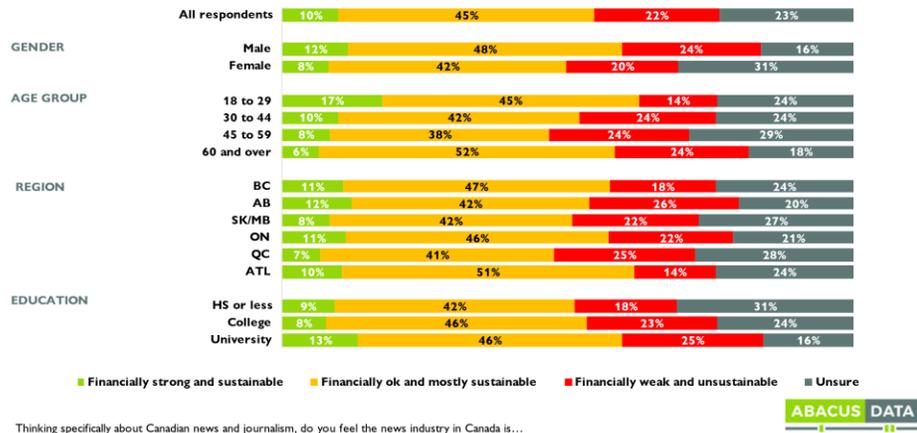
At the same time, less than 1 in 4 Canadians believe that the Canadian news industry is financially weak and unsustainable. In fact, a majority (55%) describe it as either “financially strong and sustainable” or “financially ok and mostly sustainable”.

VIEW ON CANADIAN NEWS AND JOURNALISM



Thinking specifically about Canadian news and journalism, do you feel the news industry in Canada is...

VIEW ON CANADIAN NEWS AND JOURNALISM

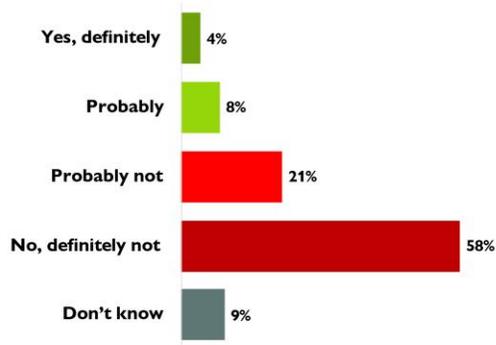


Canadians were also asked their views on several aspects of Bill C-18, especially around compensating news organizations for content that appears on social media platforms or in search results. Here’s what we found:

- Only 21% of Canadians believe that a social media platform should be required to pay the news organization a fee when someone shares an article on a Canadian news website on their social media account.
- Only 30% of Canadians believe that Google should have to pay a fee to news organizations if someone clicked on a link to a news website that showed up in a search result.
- And 79% of Canadians said they would definitely not (58%) or probably not (21%) pay a small fee to access a news article that appeared in a Google search result.

These results underscore the disconnect between the intent of Bill C-18 and the preferences of Canadians. Most people would not pay for access to the content and few think platforms should have to pay either.

IF CANADIANS WOULD BE WILLING TO PAY A SMALL AMOUNT TO ACCESS A PAGE LINK THROUGH GOOGLE



If you were searching for something on Google and a link to a news article appeared in your search, would you pay a small amount to be able to click through and get to the page through Google?

Reactions to Google's Concerns about Bill C-18

In the final section of the survey, Canadians were shown concerns raised by Google about Bill C-18 and asked to what extent those concerns worry them about C-18.

For example:

- 70% are at least somewhat worried that “the bill gives the Canadian Radio-Television and Telecommunications Commission (CRTC) unprecedented, sweeping new powers to regulate every aspect of the Canadian news industry even though these decisions are far outside of its expertise as a broadcast regulator.”
- 69% are worried that “the proposed law uses an extremely broad definition for “eligible news businesses” and doesn't require eligible news organizations to follow basic journalistic standards.”
- 69% are worried that the *Online News Act* would require companies like Google to pay news businesses simply so that they can help you find what you're looking for. This is what's known as a “link tax” and it fundamentally breaks the way search (and the internet) have always worked. Requiring payment for links risks limiting Canadians' access to the information they depend on.
- 65% are worried that “a section of the bill prohibits companies like Google from using ranking, or showing you the content most relevant to your search, first. It also could allow foreign state-owned media, or any other “eligible news business” to inflate their ranking in your search

results, preventing Google from presenting you with the most reliable and useful content, making Search (and the internet) less useful and less safe.”

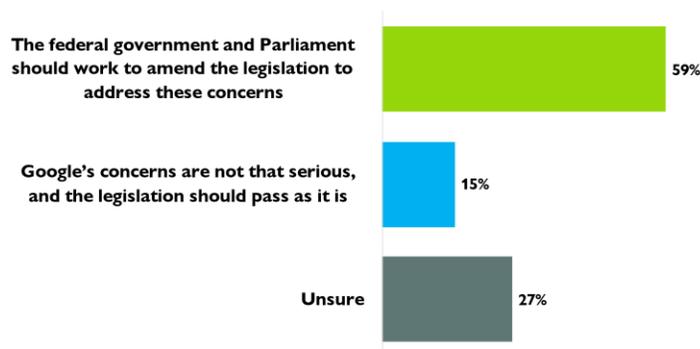
- 65% are worried that “the *Online News Act* would effectively subsidize any outlet that “explains current issues or events of public interest”. This means that any opinion or commentary blog with two or more people could be eligible to receive funds.”
- 60% are worried that “Foreign, state-owned outlets could be eligible, even if they are known sources of misinformation and propaganda, under the Act.”

More striking, is that these concerns are shared by people from across the political spectrum and among those who said earlier in the survey that they are familiar with the legislation.

After being informed of Google’s concerns with Bill C-18, Canadians were asked whether the federal government and Parliament should work to amend the legislation to address these concerns or whether Google’s concerns are not that serious, and the legislation should pass as is.

59% felt the bill should be amended while only 15% felt it should be passed as it is. Another 27% were unsure.

6 IN 10 CANADIANS FEEL THAT LEGISLATION SHOULD BE AMENDED TO ADDRESS GOOGLE'S CONCERNS



Based on the concerns raised by Google, do you feel the federal government and Parliament should work to amend the legislation to address these concerns or do you feel Google's concerns are not that serious and the legislation should pass as it is?

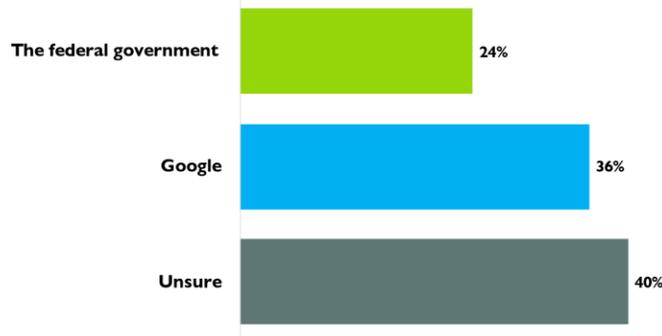
A majority of Liberal (62%), Conservative (63%), NDP (63%) and BQ (54%) supporters felt the bill should be amended. In contrast, 21% of Liberal supporters,

15% of Conservatives, 11% of NDP supporters, and 18% of BQ supporters felt the law should pass as it is.

Moreover, when Canadians are asked who they tend to believe more when it comes to the impacts of Bill C-18 on the user experience using Google Search and other Google products, 36% say they trust Google more, 24% say they trust the federal government more, while 40% say they are unsure who to trust more.

Even among Liberal supporters, 34% said they trust Google more while 33% sided with the federal government.

WHO CANADIANS BELIEVE MORE WHEN IT COMES TO THE IMPACTS OF THE LEGISLATION ON THE USER EXPERIENCE
FEDERAL GOVERNMENT VS GOOGLE



The federal government and supporters of the legislation say these concerns are unfounded and can be dealt with by the CRTC who will have the power to set regulations. Who do you tend to believe more when it comes to the impacts of this legislation on the user experience using Google Search and other Google products?

Implications and Conclusion

An objective of this study was to understand what would happen if more Canadians became aware and familiar with Bill C-18, the *Online News Act* and became aware of Google’s concerns with the Bill.

The results clearly indicate that while few Canadians are paying close attention to what is happening with the *Online News Act*, the issues with the Bill C-18 raised by Google resonate with Canadians and cause them to want legislators to amend the bill to address concerns they have with it – including Liberal supporters and those most familiar with the legislation.

Most Canadians use Google Search daily. It is an essential part of their life. They depend on Google to solve their problems, find information, and access news. But

there is little appetite to pay to access that content – whether personally or by the platforms.

If Bill C-18 fundamentally changes the user experience, if it helps to spread misinformation or supports organizations that don't follow core journalistic standards, Canadians will be dissatisfied and support for the legislation will quickly fall. Canadians want policy makers and technology companies to work together to ensure that local news is strong but not at the expense of the user experience.

Methodology

The survey was conducted with 2,207 Canadian adults from August 19 to 26, 2022. A random sample of panelists were invited to complete the survey from a set of partner panels based on the Lucid exchange platform. These partners are typically double opt-in survey panels, blended to manage out potential skews in the data from a single source.

The margin of error for a comparable probability-based random sample of the same size is +/- 2.1% 19 times out of 20.

The data were weighted according to census data to ensure that the sample matched Canada's population according to age, gender, educational attainment, and region. Totals may not add up to 100 due to rounding.

This survey was paid for by Google Canada.