



News Media Canada
Médias d'Info Canada

Pre-Budget Consultation in advance of the 2024 Federal Budget

**Submission to the House of Commons Standing
Committee on Finance by News Media Canada**

August 2, 2023

Recommendations

1. To incent more long-term newsroom investment: Increase the Canadian Journalism Labour Tax Credit from 25 per cent to 35 per cent – based on a salary cap of \$85,000 per eligible newsroom employee – and do not deduct monies received via the Canadian Periodical Fund.
2. To keep scarce advertising dollars in Canada: Establish tax measures to incent businesses to advertise with private sector Canadian news outlets, and bring fairness to the [different tax treatment](#) of advertising purchased from foreign websites.
3. To enhance reporting in underserved communities: Extend the Local Journalism Initiative for another five years at \$25 million per annum.
4. To support domestic news media: Earmark 25 per cent of the Government of Canada's domestic advertising spend toward trusted Canadian news sources and eliminate commercial advertising, including branded content, associated with CBC/Radio-Canada's news and public affairs properties.
5. To ensure fairness for online publishers and advertisers and Canadian consumers: Provide the Competition Bureau with the tools and resources it needs to address dominance in the online display advertising market.

On behalf of News Media Canada, our member publishers, and the journalists we employ, who inform Canadians across the country, we are pleased to participate in the Pre-Budget Consultations in advance of the 2024 Budget.

We are pleased that Parliament passed C-18 (the Online News Act). While C-18 is an important step in beginning to level the playing field between Big Tech platforms and news publishers, it is not a silver bullet. The financial situation for most news publishers is extremely challenging, and it will remain so for many in the short to medium term.

The recommendations outlined above are concrete steps the Government can take to address this. Given the precarious state of news publishing industry, these necessary steps should be addressed in the Fall Economic Statement, rather than waiting until Budget 2024.

Thank you for your consideration, and we would be pleased to appear before the Committee as part of your Pre-Budget Consultation.

Sincerely,

Original signed by Dave Adsett

Dave Adsett
Chair

Original Signed by Paul Deegan

Paul Deegan
President and CEO