

POLICY SPEAKING PODCAST

Episode 11: The News Media and COVID- 19

With Sean Speer, Senator Simons and David Skok

Edward Greenspon- Good afternoon, I'm Edward Greenspon; president and CEO of the Public Policy Forum. Today we're going to chat about news media, and what can be done about three things that have come together right now, the long term decline in a business model for original news produced by journalists, the added drop off, which is the new thing in ad revenues from COVID-19, and the fact that crisis times are when the community leans most heavily on reliable news. We all understand these challenges are not new, but they've been amplified by the COVID-19 crisis. I happened to write an Op-ed last week with some ideas of what could be done about this, I don't know of any ideas that aren't flawed in one way or another, mine included; then again, if news organizations can't afford journalists, that's not good for society either. I've asked three people to join me today to talk about this issue. The first is my guest co-host PPF Fellow and resident Sean Speer, who was also co-author of our recently released competitiveness paper, *New North Star Two* and a former economic adviser to Stephen Harper when he was Prime Minister. That is Stephen Harper was Prime Minister, I probably didn't write that sentence very well. Sean has not yet been Prime Minister, although it is perhaps in the cards. After our conversation, we'll be joined in the podcast by the former journalist and now Senator Paula Simons; and finally, by David Skok, founder of *The Logic*, a digital publication that specializes in coverage of technology companies' initiatives. Sean, why don't we get started? Thanks for joining me today.

Sean Speer- Thanks for having me on the program, Ed.

Edward Greenspon- You are our first returning guest because you were on a couple of weeks ago talking about the launch of *New North Star* and I thought maybe we would start there. How's that going?

Sean Speer- Well, so far, so good Ed. I'd be remissive if I didn't begin by thanking you and the team at the Public Policy Forum for supporting us on the release of *New North Star Two*. It's not all the time that a think tank releases a major report in the middle of a global pandemic but here we are, and the report has generated a lot of attention. Some good, some bad, but mostly good; particularly among those people who are thinking about how this experience is going to require changes to Canada's economic policy framework. I think that because we got the paper out when we did, means that it has a real potential to inform and shape the important policy discussion on; not just the immediate term

transition from the status quo to something like a new normal, but longer-term about how Canada is going to navigate this new world of intangible capital, and geopolitics.

Edward Greenspon- Well, Sean, you say that it's that we released it in a pandemic? One doesn't have the opportunity to make that decision very often but of course, your thesis and your argument is very connected with the kinds of discussion that is going on about policy post-pandemic. I don't want to go over the points that we talked about two weeks ago, but I do want to ask you, as a conservative; what is the discussion and debates like among movement conservatives? Not just a conservative leadership race, but much more broadly than that about what should come next after COVID-19.

Sean Speer- It's so interesting, isn't it Ed, that for the past 30 years or so; the Washington Consensus, as it might be broadly described, has tended to be associated with Conservatism in large part because the role that political figures like Ronald Reagan and Margaret Thatcher played in cultivating a new market-oriented consensus. As well, the role of public intellectuals like Milton Friedman and others who were so integral in contributing to a consensus across the political spectrum and across jurisdictions about the role of government, the economy, the inherent benefits of trade, and an emphasis on contingency as the real primary focus of economic policymaking. What makes it so interesting is that Conservatives have been associated with the Washington Consensus for so long; it seems to me, that there is a nascent discussion going on within conservatism, about the extent to which the Washington Consensus overreached. Like so many things, a good idea, when taken to an extreme can turn out bad, and so while it hasn't quite made its way to Canada; we're seeing increasingly the United States figures like Marco Rubio, the Senator for Florida, Josh Hawley, the Senator from Missouri, and others starting to talk about the role for industrial policy, the limits of what Danny Roderick calls "hyper globalization" and recognition that going forward, the government is going to have to play a greater role in shaping market outcomes. It seems to me, that as the Conservative Party of Canada goes through its leadership, it ought not to be just choosing the next titular head of the party. It ought to be going through a similar introspection and discussion about what principles and what ideas, are going to mark, the Conservative Party's agenda in the aftermath of this extraordinary crisis.

Edward Greenspon- I guess everybody's an interventionist now and perhaps everybody was becoming an interventionist going into the crisis already. It was striking to me, in the last election campaign in Canada, that almost all the policies put forward were policies about redistribution in one way or another. They weren't really what you've set out to do here, which is more growth-oriented/competitiveness-oriented policies. The debate has been much more about dividing up the pie as it exists, hasn't it?

Sean Speer- I think that's such a critical point, Ed, I'm glad you made it, that there's a distinction here between revisiting some of the inherent assumptions of what you might call neoliberalism and an emphasis on growth and productivity. That is to say; the opposite of neoliberalism isn't necessarily socialism or redistributionism, it is a more focused and intentional agenda around economic growth and around cultivating sectors and technologies and firms here in Canada that can drive productivity and participate in global supply chains. I would predict that the emphasis on growth that, as you say, seems to have

dissipated in recent years, will become even more important going forward. Not only are we going to have to dig ourselves out of the deficits and debt that we've accumulated during this extraordinary period, we still have the fiscal consequences of ageing demographics approaching us and the difference between 2% economic growth and 3% economic growth will mean the difference between fiscal sustainability for our governments and broad-based economic opportunity for populations. The extent to which the paper contributes to a renewed focus on economic growth, it seems to me that would be a good outcome.

Sean Speer- Now let me ask you a question because you are a polymath; you're someone who has a wide range of interests. You've mentioned how the current crisis we're living through is going to cause a reconceptualization of the role of government in the economy, which of course I agree with, but I saw recently post-secondary expert Alex Usher say that he's never seen the "Overton Window" larger before and I think that's broadly correct. What other areas do you think we're going to see a change in the way that we think about issues and change in the kind of goalposts of political debate in our country? What ideas were previously outside the mainstream, but may find themselves within the mainstream, given the experience we're going through?

Edward Greenspon- Well, I think I'll give you a brief answer because I have no inside knowledge, there is no inside knowledge. I'm going to use the "Overton Window" reference that you made to segue as well, to the conversation about the future of media and the future of news, which indeed, may be one of the remaining bastions where liberalism, the state, staying away from that particular pursuit is most acutely in contention, I suppose, because nobody wants the state to be running the news and the democracy; that's nobody's goal. I think we're seeing a whole bunch of issues that are in play and are changing the trajectory of previous issues, new issues, like supply chain security, clearly not something we've debated before. What a GIG economy would look like, and whether GIG workers were adequately protected. I think that's on a whole new trajectory as we move forward. I think there's a sense of shame in a lot of places about what's happened with workers in nursing homes and residents of nursing homes and there's a whole set of issues about whether our health care system has been up to it and whether income security systems have been up to it. I think there will also be a big discussion about what governments learn because the government has managed to act very quickly to respond to some situations, imperfectly, of course, you can't act you can never have perfectly, but particularly when you're going full tilt. I think there will be lessons on what have we learned about this. It shouldn't take us ten or twenty years to debate issues in this country before we get to a resolution. You did mention the "Overton Window" which is a concept that is, I think, a little bit obscure to some people. And as you know, Sean, it's a concept by what are the frames and limits of what one would call acceptable debate. The debate that makes it into the mainstream and there were gatekeepers around the window essentially. I was once the gatekeepers, as an editor, deciding, and 'Okay, this is News' and 'This isn't news' and 'This is something that people should have or not have'. One of the good things about the new digital world is that there's far greater access, there are fewer gatekeepers, and more people can get through that window and put their ideas forward. The downside of that is many of those ideas tend to be hateful or people resort to disinformation. They're not ideas, they are attempts to confuse people and confound people to divide them. I think that's one

of the debates at the core of this particularly in an info-demic, as some people call the pandemic on the information side, I think, the WHO initially said there's also an info-demic. There's a lot of false news going on, people are burning down 5g towers in some countries because that's the cause of COVID-19 somehow or another. Does that put a greater impetus to try to support the ecosystem of news that produces original news from reporters who work in a verifiable manner?

Sean Speer - Yeah.

Edward Greenspon- Again, as a conservative, you're describing conservative in a new framework. Is this something that makes you highly suspicious, highly sceptical?

Sean Speer- Well, as you know, the Conservative Party of Canada has resisted parts of the Trudeau government plan to support the sector but I mentioned earlier, Ed that American conservatives are grappling with some of these big fundamental questions in a way that we haven't seen quite yet imported to Canada. A good example is the question of the digital platforms and their relationship to the media companies. As you outlined in your Op-ed, that ran in several papers across the country; Australia, France and others are starting to think about whether digital platforms like Google and Facebook ought to be compensating news organizations for relying on their journalistic output. What's fascinating to me, Ed is that a bill before the American Congress that would, broadly speaking, permit American publishers to come together and negotiate collectively with the major digital platforms, has support from Mitch McConnell, the Republican Senate Majority Leader, and Rand Paul, a libertarian firebrand in the US Senate; to say nothing of the fact that Josh Hawley, who I mentioned earlier, has been at the forefront of asking big questions about these global tech giants. It seems to me, as you said earlier, some of these trends were already starting to express themselves prior to the crisis but I think they'll be hastened and accelerated after the crisis. It seems to me, it behoves people of good faith across the spectrum to be grappling with them and I hope that doesn't exclude the Conservative Party of Canada in particular, and Canadian conservatives in general.

Edward Greenspon- I'm going to open the conversation to our guests in one second, I'll just make an observation on what you said, Sean. Sometimes I think that two separate strands are wrapped around one another like a double helix in biology and one strand is the deterioration of the news system as we know it; in the financing for newsgathering for original newsgathering, and the other is the question of disinformation and hate that are polluting the system. That move around in a digital world, mostly, not exclusively, but mostly, and I think that policymakers are probably getting a little bit more comfortable with the second one. But the first one is still; although we do have Policy Canada, we'll talk about this in one moment with our guests, but I think that there is a great discomfort level. I think nobody wants to see the state too close to news gathering and that's a problem. With that, let's open the floor. Invite in Senator Paula Simons who worked for many years as a journalist and as a columnist for the *Edmonton Journal* in Alberta. She now sits as an independent senator representing Alberta in the senate of Canada and she's part of the Independent Senators Group. In a moment I'll also open to our second guest. David Skok, who is the founder of *The Logic*, which I mentioned is a

digital technology publication. David before that was associate editor and head of the editorial strategy at *The Toronto Star* and before that, he served as the managing editor and vice president of digital for *The Boston Globe*, where he led the organization's digital transformation. He was also the Co-creator/Director of *Digital Global News*, so he's got a lot of experience as does Paula Simons. Welcome to both of you. Paula, let me start with you for a moment. You've been in the news business for many years. You're now in the senate of Canada, and I suppose, in the policy and political business. How comfortable are you with both what's happening with news and what the possibilities are of what might be done about it?

Paula Simons- When you say, how comfortable am I with what's happening with news, if you mean the death-spiral of mainstream media, I'm very uncomfortable with that? COVID-19 has exacerbated and exposed weaknesses that those of us who've been in the business for a long time have known about for 20 years. I was a working journalist for 30 years with the *CBC* with *Post Media* and the news ecosystem has changed so dramatically throughout my career. It's an almost unrecognizable paradigm now. The problem with that is that we have far fewer reporters who are simultaneously being asked to feed a digital news cycle 24 hours a day, seven days a week with fewer resources than they've ever had. As a result, we are in a situation where people have disrespect and distrust of mainstream media, which is egged on by political and cultural forces, some of them well beyond Canada. At the same time, you have people casting aspersions on the accuracy of media and you have reporters who are working flat out trying their best not to become self-fulfilling prophecies of that same distrust. It is a crisis that didn't begin with the collapse of advertising revenue from things like classified ads. We are, I feel like, nearing the end of days and it horrifies me. Not just because I have many friends and people I deeply love who are still committed to the practice of journalism, but because I think it's devastating for democracy and public discourse if people don't have a place where they can reliably and routinely get accurate information about their communities.

Edward Greenspon- So Paula, what would you do about that? The government of Canada came forward with a program, in the 2019 budget, which still has not been fully affected. I don't think any money of the \$595 million in that program has gone out yet and I think you've described it already as a failed model and said that you're allergic to some of the ideas in it, tell us about that.

Paula Simons- Well having been a working journalist for 30 years (working journalist, it makes me sound like I was some kind of Clydesdale horse) but journalists, antithetical to them, it's in the DNA of the beast not to want to take government handouts because it is the journalist's job to hold the government to account. Anytime you find yourself in a situation where they're the patron, and you're the supplicant, it's a very difficult power balance, because you know deep in your bone marrow, that it's difficult to hold people to account if they're paying for your salary, so that's one problem. I think the other problem is the way that the system has been rolled out because, as I understand it, there are about 168 positions that have been funded even if something hasn't flowed yet. I was quite surprised when I went through them to see that of 168, five of those funded positions are with *The Toronto Star*. Now, this is supposed to be a program that supports struggling media organizations in underserved

communities. So, it's great to see funding going to little newspapers in little towns in Alberta, but I say to myself, 'Is Metro Toronto underserved?' 'Is *the Toronto Star*, a paper that should have five of these funded positions?' It seems to me that, *Maven Labs* did a really good piece that I read on the weekend in which they quoted one of the people who's in charge of handing out the money saying, they didn't want to give the money to startups because they would create more competition for newspapers. I thought, 'Wait a minute, we can't have a program whose primary function is to subsidize giant legacy media corporations at the expense of small upstarts and digital platforms that are probably the future of our craft'. I'm not interested in a program that funds buggy manufacturers.

Edward Greenspon- Let's clarify one point here, and then we're going to go to a start-up in a second, and he can say what he thinks about that. The government's confused people with several programs that they've launched and the program you're referring to is a local news program.

Paula Simons- The Local Journalism Initiative

Edward Greenspon- Yeah, to hire local news. Then there are other pieces of labour tax credit allowing journalism to come up, and a subscription tax credit so there are essentially four pieces of this. And I'd say, as the author of a major report that has influenced some of these decisions along the way, it was certainly never our intention that this would be a bailout for the newspaper industry. Our opening position was that democracy is imperiled by not having good flows of information and then, therefore, we need journalists and we need digital innovation, but it should be open. Whoever's producing original news should be able to have access to any funds that might be there as well, and government funds wouldn't have been our number one preference. Having said that, David Skok has been extraordinarily entrepreneurial over these last several years of launching a new publication in Canada. I might say that it's very gratifying to see that a new publication is doing well based on, I'm sure, business acumen, but also very good journalism, and very good original journalism. So, David, I know you have views on whether this is a good program, a bad program, how it can be a better program, or perhaps, in theory, it just can't ever be good. I wonder if you'd weigh in on that.

David Skok- Thank you, Ed. I think there are a lot of balls up in the air right now and try to compartmentalize all of them to come up with a sound framing is important. The first ball, I would say, is COVID-19 and I think any business, as we're seeing with the government wage subsidies and other initiatives that are coming out there, any business that is having to navigate through this crisis where their revenues have dropped dramatically and are getting government support should be getting that government support. I certainly don't see why publishers should be exempt from that policy. There should be no special treatment exempting them from that because they are as effective as everybody else. When we start to think about journalism subsidies on a broader lens, you mentioned your report Ed, I think my main concern at the time, and it hasn't changed and I was almost surprised over the weekend to hear or read some of the shock that people were feeling about it, is that the framing of the policy was always about supporting an industry, not creating or building new innovations. That's an understandable policy approach and a policy tool to use, I just always felt like it wasn't the right

approach exclusively. Where we got into trouble is, the policy was so prescriptive towards saving an industry that it became or has become a mutually exclusive arrangement where it's either: support the newspapers that are dying or support the innovators that are rising, but we can't do both. My challenge has always been 'Well, why can't we do both? Why does this have to be so mutually exclusive?' The next question in all of this and the thing that seems to be the hot button issue today is the taxing of tech giants and having those funds flow to the news organizations, I think they're separate topics. If you want to tax the tech giants figure that out; that is certainly a policy approach that you should be looking at as you consider anti-competitive behaviour and consider data and IP and how to have Canadian firms competing in their world. That is certainly something that should be approached and viewed through its own lenses and heritage in finance and anywhere else. However, the journalism question feels to me a bit removed from the taxing of tech giants' question. If you want to use government funding to support journalism, go for it. If you want to use government funds or government approach to tech giants, go for it; but the two positions, as it seems to me, are linked in a way that I'm not convinced they need to be.

Sean Speer- David, you've thought about these issues deeply and I know because I've benefited from your insights. One of the things that people who've not spent a lot of time inside newsrooms or thinking about the business model may not fully comprehend is the extent to which the challenges we're seeing in the sector are a function of a business model that requires modernization and a set of forces outside the control of publishers and the sector. Can you maybe just paint a picture? There are so many, as you say, balls in the air, so many challenges and issues facing the industry. It's hard to disaggregate what's really going on here. To what extent is this a function of the shrinking of ad revenues because of the dominance of companies like Google and Facebook versus other factors?

David Skok- There's no question that Google and Facebook have swallowed up the advertising revenues. The way I've always tried to look at it, and when I was in a position that I've been in over two decades of being in journalism in traditional newsrooms, I looked often at the cost structure because I think that's where you really see the disruption. In the case of *The Logic*, we started with \$300,000 of funding, and we're able to make that stretch because our cost structure was so low. The revenue challenges are real, but businesses should, in my view, be able to navigate the revenue challenges on their own. That's part of running a business and as a CEO that's my job. It's when the cost structure changes on you that I think you need to be cognizant.

Paula Simons- I think what people outside the media industry maybe don't understand is the catastrophic extent to which traditional revenue streams just dried up. In all the years I worked at the newspaper, I think like a lot of reporters, I was kind of condescending about the people who sold the classified ads because the classified ads were dull and boring. I hadn't realized that they weren't just a revenue stream, they were a revenue port. With the classified ad revenue dried up, it was cataclysmic. That's before you worry about the big national display ads and the kind of glossy ads that people think about. It was those little mom and pop ads that were the backbone and the lifeblood of daily newspapers like *The Edmonton Journal*, *The Calgary Herald*, *The Winnipeg Free Press*; when

that advertising revenue disappeared, and that was even before Google and Facebook stomped in, that was sites like Kijiji that ate that up, correct. That's the beginning of the collapse. Then there was the pursuit mad legacy media companies had of digital advertising. It couldn't compete in those platforms either and then, of course, they made this deal with the devil, and I signed up with Facebook and Twitter because we believed that if we got clicks and that we would give ourselves out to those to those aggregators and somehow that would be our salvation. Notice, I still say "we" it's only 18 months since I've been out of the newsroom. Every time people tried; when a door shut, people would open a window, and then the window would blow shut again, it became like a game of "whack-a-mole" to try and figure out where the next revenue source would come from. We all know how many Canadian use organizations invested bananas amounts of money in believing that iPads would save us, and they all did this, with the exception of that press, which is sort of kind of tiny bit made it work. That turned out to be another huge strategic error. You can only cut costs so far; I used to liken it to being on a life raft and you're cold and you're freezing on the life raft, so you cut off some logs and you burn them for fire and maybe someone will come and rescue you, but eventually, you will have used up all the logs. When there are five people left in a newsroom that used to have fifty, there's a finite amount of news content that you can put out that people want to read.

Edward Greenspon- Sean, you're going to weigh in as well.

Sean Speer- Let me take up Senator Simon's last point which builds on something David said, and I'll put it to all three of you. I've been trying to grapple with this question dispassionately, as an outsider. Is this a market failure, or is this just a case of an industry that has failed to innovate and ought to be destroyed through the process of creative destruction? Working through that question is a real challenge for me. David said that revenues are being adjusted because of a whole host of forces and that ultimately, the answer lies in changing the cost structures and assignments. As that there are limits on that, and ultimately, it'll be borne out in less information in the public domain, which can have implications for democracy. So, to what extent can this be solved for new cost structures? Or are there limits and is this a genuine case of market failure? If you go back to 'Public Policy 101', it says that there is a need for some kind of intervention, not a dumb intervention, obviously, a well-designed one, but an intervention, nonetheless.

David Skok- I think we're past the point, at least I am, of deciding whether there should be an intervention or not. I think we can all accept that an intervention is happening in some form or another and then it's a question of; what's the best way to intervene? I don't have any objections with that, I believe deeply in the role of journalism, I've devoted my life to it, and I'm committed to the idea that we need to support it. When it comes to just looking at newsrooms over the past 20 years, and some of the decisions in regards to the Senator's remarks, on the one hand, the first things that we cut in newsrooms back when things did start to go south, were the mid-level editors; the people who had the wisdom and the institutional knowledge to train a new generation of reporters and we also outsource copy editing and other elements that gave you quality. In doing that, we hurt our own respect, trust and value with our communities, which then made it harder to convince our communities to reinvest in

us and place that faith in us; so that to me, was a cardinal sin. The other thing was, the church and state notion of newsrooms, which I believe deeply in, what it is about is protecting the editorial decision-making process from being impacted from advertising revenue challenges, but somehow we, as an industry, kind of made it a blanket statement for everything; and the people on the other side of that wall were left to their own devices in just making revenue decisions or product decisions and strategy decisions from the reporters. I think that was a terrible mistake. I believe that the best way to create a successful journalism enterprise in 2020 is: by aligning your product strategy, your business strategy and your editorial strategy. What I mean by that is, you could put up a paywall today and say, 'pay for this product', but if the editorial strategy of that product is still aligned around clickbait and page-views; you're not going to generate a single dollar of revenue. All of this shot is a long-winded way of saying, I think we have to take some responsibility for the actions that we took over 20 years and not just look at Tech platforms and government to solve our challenges.

Paula Simons- Yeah, and there are problems with corporate concentration too and this is another great challenge. The government, in its wisdom, allowed the merger of *Post Media* and *The Sun*, which meant that in communities like Edmonton, Ottawa and Calgary; you lost those competitive voices. So, you have one newspaper put out under two mastheads with the same content. At the same time, you saw a consolidation of control in central cities, which meant that the newspapers were no longer responsive to the issues in their community, and the editorial positions of the newspapers no longer aligned with the positions of their communities. In doing so you get a greater alienation from the readership because they look at the newspaper and say, 'what about this newspaper is local? Where are the local writers? Where the local editorial positions?' If everything is centralized and everything is homogenized, there's no reason for people to think that their local newspaper is serving their local community interests. I understand why we allowed that consolidation to happen because the premise was that if you consolidated the assets, maybe you'd be able to compete against the Googles and the Facebook's, but instead, as David very correctly says, you devalue and debase your own currency.

Edward Greenspon- I think we have to imagine that not every decision was completely wrongheaded in its time and that, as you say, Paula, consolidating might have made sense as you're trying to control your costs in a world in which revenues keep declining. Which is not good for the product, being responsive to its readers and I imagine when we see the rebirth and rebirth will come from smaller start-up organizations, from the innovators that David has talked about, that rebirth, I think, will be more community based, more diverse in its ownership kinds of structures, including; nonprofits, including community foundations, perhaps some profits that will be niche profits. There will be a much more diverse kind of system that that will arise. The question is, will it have enough reporting power? Will it be able to support us enough, original news generation? That, to me, remains the open question. I agree with David, that it's certainly a false choice to say we're going to support the incumbents and not the innovators, or the innovators and not the incumbents. The point here is to support journalism that supports democracy. That's the point that supports democratic discourse and to stay out of the way of business models and platform models; let the people who are actually doing

the news do that. However, without sources of funds that aren't coming, to Sean's point, from the market there are only two sources of funds I can see that don't come from the marketplace. I don't see adequate funds coming from the marketplace; those two sources would be government and I think there is a public interest it's just a great complication in this world because of the need to separate state and press, and the other source of funds would be the distributors for which we have a precedent in Canada where cable and satellite paid 5% of their revenues every year that went to producers of content. Beyond those two, maybe some benevolent billionaires, but I think we're running out of those and not every billionaire is benevolent, unfortunately. I just don't see a way we can continue to finance news in the way in a manner. I throw that red meat at you, David.

David Skok- Well, we always have this conversation and forget about the *CBC*. The *CBC* has itself made it clear that it is more than a broadcaster and we don't need to have that debate about whether it should be or not. Certainly, as a player right now, and in the space, the *CBC* has traditionally been on a competitive level with its peers and in fact, the *CBC* could be a great amplifier of a lot of the quality work that is happening in places that don't have an audience. The biggest challenge that any small startup has when you go out and try to raise money as I have is, 'well, it sounds like you have the experience and you have a great idea and you have a great team; but if nobody's going to read it, why would I want to be a part of it?' That simple act of amplifying the work and not taking credit for it and not taking ad revenue from it, but just linking to us, I can't tell you how important and valuable that would be if the public broadcaster would take that step. The other thing I would say is, we don't talk about government from the traditional, I cover innovation and technology, and one of the big sparkplugs for growth for startups in government procurement. The government conversation seems to be always about 'how can we subsidize journalism?' Not, 'how can we pay for what we're already using?' Every government department in every province has briefing notes for this for their members and research papers, and there is no reason I see, why the government cannot procure the journalism that it finds a value for its readership as well.

Paula Simons- Oh, that makes me very itchy. My beloved former newspaper has already gotten itself into some hot water with that kind of logic. What I would say is, I'm speaking to you not just as a senator and a member of the Transportation Communications Committee past and probably future, I'm not speaking to you just as a former journalist, I'm speaking to you from somebody who is not in Toronto. David, what you're doing is fascinating, but it is a niche publication for a niche market. Toronto has *The Star* and *The Globe* and *The Post* and *The Sun* and is well served with local journalism. The problem is in cities like Victoria, Winnipeg, Halifax, Fredericton, and Edmonton, where; if there is no strong local newspaper and no strong local television, there is no other way to get the news. What we need to find isn't just a way to support a niche digital publication or a big cosmopolitan paper in a giant city, but how do you support the 'nuts and bolts', basic journalism that people need to know: 'Who do I vote for, for city council? Who do I vote for, for school trustee? How do I know whether my municipality is spending money wisely on flood abatement or bridge construction?' That's the kind of not very glorious, not very glamorous journalism that we need more of in this country. I have had the privilege this year of serving on the jury for the National Newspaper

Awards for their, award of awards, to the best journalism in the country. And our jury we unanimously agreed, that the most extraordinary work we saw this year came from *The London Free Press*, which is not a big paper; but was doing the kind of essential public interest journalism that a community the size of London, Ontario needed. How do we support those newspapers?

Edward Greenspon- Oh, and I would just add, as an alumni of The Lloydminster Times newsroom, I worked for a daily newspaper and we competed against a two- or three-times weekly newspaper and there was a local television and radio station. So, three newsrooms were operating in that town then of 15,000 people, now it's a town of 35,000 people, and there are, I believe, one, two or three times a week, publication left, I think, under the COVID-19 situation which has just been an extraordinary added blow on everything else. Advertising in many newsrooms is down and many news organizations down by 50% or more.

Paula Simons- This is because the collapse of the oil industry has hit Lloydminster like a tsunami. I speak to you as an Albertan and I can't begin to describe to you the double cataclysm that Alberta is suffering not just from the COVID-19 fleet, but the negative number oil price, which has been so destructive to communities in northern Alberta especially.

Edward Greenspon- Okay, let me put you on the spot as we get close to wrapping up. Do you support, in theory, the government helping an industry particularly in this COVID-19 scare? I mean, particularly the industry not David's opening point that it should qualify for the wage subsidies and programs like that the \$595 million program. Can it be fixed in a way that would be acceptable to you and is it right? As well, do you believe that there should be some measures that Australia and France and began to do? What that would impel compel the platform's to be paying for some of the news that they're using? I will start with you, Sean and then go to you, David and I will wrap up with you, Senator.

Sean Speer- I'll be brief because David and Senator Simons are the real experts on these questions. What I would say is, in principle, I'm open to some sort of model for support, but I think David's observations about who's in and who's out, and what strings are attached to public support are critical questions. On the latter point, Ed, I'm intrigued by this question of the relationship between the digital platforms in Canada's journalistic organizations. Senator Simons said that she sits on the Senate Transportation and Communications Committee, which amongst other things, is responsible for overseeing Canada's railways. We have governments very active in the area of regulating prices and regulating commercial activities when it comes to railways because we recognize that our two major railroad companies have monopolies. My wife was deeply involved in these issues when she worked in the Prime Minister's office and we had a serious grain issue during the Harper administration. It seems to me there's some analogy there between the way we treat the railways and the way we ought to think about these digital platforms and their relationship and market power with Canada's journalists, news organization.

Edward Greenspon- All right, David.

David Skok- I come back to my original point, which is that it's all about framing. I am a romantic about newspapers, my favourite job was when I had a news printing press underneath my office, and it would shake every night, so I get it. However, I do think that we should be mindful of looking at things on a time continuum. Yes, at this moment, it looks like the traditional publishers are in dire straits, and that the new entrants aren't able to make up for the difference, but one man's niche publication today could be another man's "William Randolph Hearst Empire" tomorrow. What we need to do is make sure that we remove the barriers and don't tilt the playing field in a way that impedes that progress. The London Free Press is valuable because of the quality of its work and I would hope that the community of London who believes in that paper will step up as well. So, two things there: one is, we need to let some of this play out a little bit and let the new entrants have the freedom to roll the ball downhill a little bit and build up some momentum, while also saving the jobs. The second thing is concerning the tech platforms, as I said, I think that is a much more complicated and larger conversation. Around to Shawn's point, anti-competitive or competitive behaviour and the regulations around that as well as the data trust and IP that comes with that and privacy issues, and then the journalism piece. I would be very leery of any policy approach that is trying to solve one of those problems without looking at the entire three legs of that stool.

Edward Greenspon- Before we go to Paula, that much larger question we will have to come back to another point on your "William Randolph Hearst" Ascension up the business ladder here. Senator Simons, what do you think? I'm putting two choices for you; they're not mutually exclusive: the public money to help the news industry, not the newspaper industry, but the news industry, and measures also that would somehow balance the playing field between the platforms and other operators?

Paula Simons- The problems are twofold. It's one thing to have a philosophical position; it's another thing to put it into practice. We can see, with the journalism bailout, this is already a problem because who decides who's a reputable journalist? Who decides who gets the money? Who decides where there's a news desk or not? So, already, you can see the structural inequities that we're rewarding giant legacy operations and penalizing small upstarts, that we're deciding that some committee of experts should be in charge of deciding who's a journalist and who isn't which leads us into very tricky territory. If there were a way that you could make this agnostic, with the wisdom of Solomon decides who deserved the money; very difficult to do that in practice. As far as regulating giant media conglomerates that exist outside of Canada, that's a tricky question too. Yes, in a perfect world, we would take money from Google and Facebook and give it to noble Canadian news organizations. Making that happen in real life is much more difficult. I was frustrated that this government package never came in. No, we never got to discuss it in the Senate. I certainly hope that in the next phase, we get a chance for some sober second thought, because the goal surely isn't just to provide newspaper jobs. The goal is to provide Canadians with thoughtful, dispassionate, reliable information about what's happening in their communities so they can make good decisions about the futures of those

communities. If I had a mechanism to do that, I would already be the editor in chief and the publisher of every Canadian newspaper, there is no magic answer. We've been looking for it for 25 years.

Edward Greenspon- I see at heart you're a consolidator, so that's very good. I would make two observations about what to do: the first is that; I don't know if we need the "wisdom of Solomon", I think we need wisdom and determination. Canada has pursued policy around media for many years because we sit next to the United States and because we're trying to maintain a Canadian identity and coverage of Canadian policy and we have a *CBC* that is a product of policy and a cable levy that moves money from distributors to producers. We have section 19 of the Income Tax Act, which gives preferences to Canadian publications for advertising purposes; we have a claim periodical fund. We do have policy. You raise a very difficult question around the choice of who's in and who's out. I've got to say that journalists weren't as bothered by the choice of who was in and who's out in defining journalist when they wanted a shield law in 2017. Not everybody would get shielded to be able to protect their sources, only a defined group of journalists would get that and I think that it is going to exist at arm's length from government and has to, in some way be independent, but I don't think that's impossible. I don't think that will ever be easy.

Paula Simons- This is what a lot of people in the media don't understand; we don't have a 'College of Journalism'. There is no accreditation you need to have to be a journalist. There's no degree, there is no license. Anybody who decides to call themselves a journalist self-defines as a journalist.

Edward Greenspon- But not anybody who calls himself a journalist gets shield protection.

Paula Simons- Yes, but I don't want to live in a world in which the government regulates who's a journalist but at the same time we already live in a world where reliable, truth-telling journalists are constantly competing against, I won't use the word "fake news" because it's been co-opted by somebody else, but it's very difficult in a social media ocean of content coming at people to differentiate what is real from what is mischievous.

Edward Greenspon- I agree, who defines a journalist under the law that exists now would ultimately be the courts, not the government, certainly under the shield Law analogy that I've used. That's been a deep, rich conversation; it's a vein that we've hardly scratched. There's much more that can and will be discussed, particularly if governments, as they seem to be doing around the world, are moving forward on one of these two issues, or both of them that we've described. I want to thank you, for a really good conversation. So hard that nobody's come up with the answer. As I said at the beginning, those answers are very elusive. I've been trying to come up with those answers for several years, and I think one could put ideas forward, I think one can see better ways to go and worse ways to go. However, it's hard to see the right way to go and so I appreciate all your contributions to that. Thank you again, Senator Paula Simons today from Edmonton for joining us.

Paula Simons- I should just say very quickly here that I'm not technically a member of the Transport and Communications Committee because, technically it doesn't exist at the moment, but I am at once in, and perhaps, a future member. We mustn't upset anybody.

Edward Greenspon- Well, I hope you come back on the committee and I hope the committee thinks about these issues.

Paula Simons- I do too.

Edward Greenspon- David Skok, I want to thank you for the work in *The Logic*, because as you know, I am a loyal subscriber. I hope that doesn't bias me in terms of any questions I asked you, but I tried to be even-handed, nonetheless. Thank you for joining us, David. Sean Speer, who does some extraordinarily good work with the Public Policy Forum as our fellow in residence and looking at several issues, *The New North Star Two*, his report written with Robert Asselin and Royce Mendes is out in two weeks, very provocative. It has provoked a lot of comments so far, a lot of it good, a little bit of it quite negative but that's the whole point of the exercise isn't it Sean?

Sean Speer- That's right. What I would say in closing, besides thanking you and the others for letting me be part of your conversation, is: one, what links are paper in this discussion we've had today is the issue we talked at the outset and the "Overton window" on policy and politics seems to be opening and I think that's creating an exciting dynamism that is going to touch all aspects of society, including media. The last thing, I regret that you got a reference into Lloydminster and I didn't get to mention Thunder Bay, so let me do that now. Maybe if I come back on, listeners might turn this into a bit of a drinking game; every time you mentioned Lloydminster and I mention Thunder Bay, they have a drink.

Edward Greenspon- I feel like I'm going to get terribly inebriated quickly. That is a wrap on this edition of our podcast. I want to thank my colleagues at the Public Policy Forum and our distribution partner *National Newswatch*. If you enjoyed this episode, let us know on twitter @PPformca you can listen to past episodes on any place where you get your podcasts including *National Newswatch*, Public Policy Forum's website and everybody else under the earth in this wonderfully fluid and open digital system that we have today. Thank you, guys.

Edward Greenspon- I also want to take the opportunity on each episode to highlight one or two of our members who are going above and beyond the call of duty during this crisis. We're fortunate for Public Policy Forum to have a broad membership and many partners ranging from governments across the country to the private sector, post-secondary institutions, trade unions, associations, indigenous groups, and many others. Today I want to give two members a special shout out. First, *McKinsey and Company* have been busy helping businesses charted way forward during the pandemic so they can maintain their innovative mindset and discover new opportunities. McKinsey's launched new series is called, *Charting the Path; the Next Normal*, which is a daily infographic that helps to explain our changing world on public health, digital strategy, acceleration and business resilience among others. Charting way forward is no easy task and we are up PPF proud of our

member McKinsey and Company for providing this leadership to businesses currently. I also want to recognize Rogers Canada who recently brought Canadians stronger together. In support of food banks, Canada, and the country's frontline workers combating COVID-19, Rogers gathered star-studded lineup to raise over \$8 million for Food Bank banks Canada. Nearly 100 artists, activists, actors and athletes shared their stories of hope and inspiration in a national salute to frontline workers combating COVID-19 stronger together became the most-watched non-sports Canadian broadcast on record with more than 12 million viewers so one in three Canadians have seen that including babies. The concert is now available on a variety of networks. We at PPF are proud of our member Rogers Canada for donating its funds and supporting Food Banks Canada to bring people together in this moment of crisis for so many. Until next time, I'm Edward Greenspun, and this has been Policy Speaking.