

Notes made by Sharon Noble - July 22, 2020:

MEDIA AND INTERNET CONCENTRATION IN CANADA, 1984-2017

<http://www.cmcrp.org/wp-content/uploads/2019/01/Media-and-Internet-Concentration-in-Canada-1984%E2%80%932017-01112019.pdf>

1) pg. 5/102 - As a result, Canada stands alone in the developed world on account of the fact that all of the main TV services in the country, except for the CBC and Netflix, are owned by telecoms operators.

2) pg. 5 - In the US, like most other countries as well, most broadcast and pay TV services are not owned by telecoms operators—a fact that has extremely important implications, as this report shows.

3) pg. 7 - That Google and Facebook are carving out an enormous role for themselves in a shrinking advertising market no doubt puts a sharp edge on the conflict between them and the Canadian firms at the top of the list of biggest commercial media operators in Canada, i.e. Bell, Shaw, Rogers, Postmedia, Torstar, Quebecor, the CBC, etc. The latter, in turn, are intensifying their own efforts to harvest personal data on a vastly greater scale than ever before and clamoring for weaker privacy rules at the same time in the hope that victories on both fronts will enable them to compete with the global internet giants more effectively—a surefire recipe for a race to the bottom between domestic media companies and the global internet giants.

4) pg. 16 - Seen from another angle, however, these reports' intransigent rhetoric of futility, perversity and jeopardy sounds a lot like the "rhetoric of reaction . . . in which conservative public figures, thinkers, and polemicists have been arguing against progressive agendas and reforms for two hundred years" (Hirschmann). Rather than contributing to a genuine discourse about the relationship between markets, business and economics, their real goal seems to be aimed toward disarming governments from doing what they are supposed to do: govern in the public interest.

5) pg. 20 - To put it simply, the more concentrated the digital media giants are, the greater their capacity for mischief and to impose standards on the communications environment without consulting people or securing their consent—the prerequisites for legitimacy in a democracy. Some concrete examples along these lines include the ability to:

1. set coercive and exploitative privacy policy norms governing the collection, retention and disclosure of personal information to commercial and government third parties....

4. turn market power into gate-keeping power and moral authority by regulating which content and apps gain access to their operating systems and online retail spaces and which do not....

5. use their gate-keeping power to enroll subscribers, audiences and media technologies in the pursuit of cultural policy goals...

7. use the media outlets they own in one area to promote their interests in another

6) pg. 21 - As this discussion suggests, ultimately, talk about media concentration is a proxy for larger conversations about the shape of the mediated technological environments through which we communicate, know and express ourselves in the world, consumer choice, freedom of the press, citizens' communication rights and democracy.

7) pg. 25 - The CRTC began to tiptoe in a different direction in 2012, and several decisions since suggest that it has rediscovered market power and the will to do something about it:

- the mandated wholesale wireline decision that extends regulated wholesale access to the incumbent telecom and cable companies' fibre-to-the-premise networks to help encourage competition in the retail broadband internet market while ensuring that rivals such as TekSavvy, Distributel, Primus and others can still compete as technology shifts from copper and coaxial-based networks to fibre-based facilities – all of which the incumbent telecoms and cable companies have fought tooth-and-nail

at each step of the way but with Cabinet ultimately denying Bell's appeal on the matter in May 2016.

8) pg. 62 - Fast forward to 2014, however, and the situation had been dramatically transformed. By this time, the four largest TV groups—CTV, Global, CBC and City TV—had been absorbed into a major telecoms carrier—except the CBC, of course—and, combined, they controlled just over four-fifths of all TV revenues. Add Quebecor's TVA and pay TV services into the mix, and the number was 86%. In short, since the turn-of-the-21st Century, the sheer number of services increased greatly, but so too had the processes of consolidation, thereby ensuring that more and more of these services had fallen into fewer and fewer corporate hands.

9) pg. 80 - weak privacy and weak-to-non-existent "data harvesting" laws have begot business models predicated on the unlimited collection of people's data and the threat of a new kind of civilization: "surveillance capitalism", as Shoshana Zuboff calls it.

10) pg. 86 - Shaw (Corus) has been a particularly vocal advocate in the call to regulators to give media companies more leeway collect much more data—and more granular data—from audiences and subscribers so that they can better "know the audience" and, consequently, compete with the digital behemoths like Google, Facebook and, of particular interest in this context, Netflix....

11) pg. 86 - all of the TV groups in Canada and their vertically-integrated masters point to falling advertising revenue and intensifying rivalry with Netflix, Google and Facebook to push the CRTC to relax the privacy rules under which they operate, or at least to charitably interpret those rules so that they can harvest massive amounts of sensitive and personal data from people's cable TV boxes, internet connections and mobile devices. Doing so, they say, will allow them to engage in more finely-tuned and extensive targeted, behavioural advertising, all the better to compete with the "harvest-it-all" business models of the vampire squids from Silicon Valley. To this end, a group of the vast majority of Canadian carriers and broadcasting companies have formed the Set-Top-Box Industry Working Group under the auspices of the CRTC.¹¹

The Commission seems inclined to go along with these arrangements for several reasons. First, and most importantly, is the idea that while the kinds of personal data being sought may be extremely granular, intimate and sensitive at the point of collection, advocates of this approach claim that the anonymization of that data, and the stripping out of location details after the first three digits of people's postal code before the data is sent to Numeris, will render such privacy and data protection concerns moot but also sufficient to ensure that the companies are in compliance with the privacy and data protections given to Canadians under PIPEDA.
12

12) pg. 86 - While this may be an arguable position, it does not obviate the fact that fine-grained and potentially intimate data is being amassed at the point of collection from cable TV boxes and devices connected to the internet in the first place. Nor do the steps being proposed allay concerns that the companies who are already collecting reams of such highly personal data about people's internet use, websites browsed, devices used to connect to the internet, location, and other metadata, will not use the resulting treasure trove of data they amass to pursue their own objectives. Even if we were to concede that the plans were appropriate to begin with, the assumption that everything will go "according to plan" seems like wishful thinking.

13) pg. 87 - That the Broadcasting Act contains no specific mention of people's privacy rights and personal data protection in light of these realities is a major oversight. Considering the wide reaching possibilities being enabled and pursued with respect to data collection in the broadcasting and telecommunications industries, this oversight should be rectified in any new legislation that emerges from the various reviews that are currently under way (although PIPEDA still applies).

14) pg. 87 - In other words, the cure being promoted by Canada's communication and media groups—ostensibly aimed at leveling the playing field and under the protective umbrella of the CRTC—could be worse than the disease it seeks to cure, because it basically proposes a digital free-for-all that not only lets the internet giants and their unlimited surveillance and data harvesting model off the hook but opens up a new

path for Canadian companies to follow the same uncharted and dangerous path.

15) pg. 99 - Nonetheless, Canada is unique in the world given the extent to which all the major commercial TV services are all owned by telecoms operators. Structure matters a lot, and in Canada the vertically integrated and concentrated structure of telecoms, internet and media markets stifles competition, creativity, culture and innovation.

16) pg. 100 - Meanwhile, independent research and researchers get short shrift, and their work is held to wholly different standards than the “rip-and-write” approach that too often governs journalists on the telecom, internet and media beat who cover every think tank report, company press release and quarterly conference call. The public debate is skewed as a result. This is not a conspiracy to suppress any particular scholar’s work, but a function of the well-known role played by routine institutional sources (see here and here). Journalists can and must do better to amplify and explain all the voices that attend to these issues, and not just those of the powerful commercial interests who stand to benefit from the policy issues in play. This is essential so that we can discuss and have the debate about these issues that we need and deserve.

17) pg. 100 - The current legislative reviews of the Broadcasting Act and Telecommunications Act are fraught with peril given this context. Social connections and the revolving door between governments and industry, and especially the telecoms and media industries, have been a mainstay of the political economy of communications in Canada and have not served us well. Whether the Trudeau government can avoid being captured by similar forces amidst the scramble now underway to shape the future of communications legislation in this country, only time will tell.