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# **Executive summary**

**Thetechlobby.ca** is a project led by **Sara Bannerman** and a **cross-country team of researchers** examining tech companies' lobbying of the Canadian federal government. We publish company profiles, regular reports, and monitoring data about tech lobbying of the federal government on our website, **thetechlobby.ca**.

This report focuses on the federal lobbying of Google, Meta/Facebook<sup>1</sup>, Netflix, Apple, Amazon, Disney, and Microsoft in 2023. It finds that, in 2023:

- Much tech lobbying focussed on the reform of the *Broadcasting Act*, the *Online News Act*, privacy reform, and Al regulation. Some tech companies, including Google and Amazon, cover a very broad range of issues and federal departments, while others (Apple, Facebook, Netflix, and Disney) conducted more focussed lobbying.
- Tech lobbying had some significant impacts:
  - While video streaming companies like Google (YouTube) and Netflix did not prevent the passage of the Online Streaming Act, the applicability of broadcasting regulation to video streaming, or the discoverability provisions as they may have hoped, their arguments certainly found resonance with a number of parliamentarians and created friction for the bill as it passed through the parliamentary process.
  - Google's lobbying efforts relating to the Online News Act did not stop the act's passage but did succeed in having the amount
    of money the corporation would have to pay to compensate Canadian media for news circulated on their platforms capped.
- The number of registered tech lobbying communications were slightly down in 2023 compared to 2022. This may represent a return to normal after a very busy year in 2022. However, Microsoft's lobbying rose, possibly to address the *Consumer Privacy Protection Act, the Personal Information and Data Protection Tribunal Act,* which continued its way through parliament.
- Registered tech lobbying has grown dramatically over the longer term, but this is part of a trend that we see across all
  companies; lobbying registrations have grown, in general, on a similar scale.
- Not all lobbying is registered; tech companies exert other forms of influence on government outside formal registered lobbying. Tech companies fund advocacy groups and events, such as the "AWS Public Sector Symposium Ottawa," which took place in September 2023.
- While lobbying of members of parliament and senators usually outpaces lobbying of government departments,
   2023 is an anomaly: tech lobbying of Canadian Heritage outpaced even its lobbying of the House of Commons in 2023.
   We postulate that this is due in part to Google's lobbying for concessions on the regulations for the Online News Act.
- We see a longer-term shift from consultant to in-house lobbyists among tech companies, which have also made moves to establish offices in Canada. We also see that tech companies rely on in-house lobbyists more than is typical of lobbying overall. While consultant lobbyists are often portrayed as offering a rolodex of connections with government and parliamentary officials, in-house lobbyists are often assumed to specialize in providing specialized expertise in specific policy areas. While tech companies' reliance on in-house lobbyists may therefore suggest a greater importance placed on expertise, personal connections and expertise often go hand-in-hand.<sup>2</sup>

Tech lobbying should properly be viewed in the context of the lobbying of traditional media companies and broader coalitions of advocacy organizations and companies. While this report focuses on the lobbying of 'tech companies,' it is important to note that traditional media and communications companies lobbied extensively in many of the same areas that tech companies did, as did advocacy groups and coalitions and associations representing groups of companies. We intend to focus, in future annual reports, on the relative lobbying between these groups of companies as well as the lobbying of other organizations in the same areas.

<sup>&</sup>lt;sup>1</sup> In Canada, lobbying registrations for 2023 are under the name 'Facebook.' There are no registrations under the name 'Meta.'

Maxime Boucher and Christopher A Cooper, "Consultant Lobbyists and Public Officials: Selling Policy Expertise or Personal Connections in Canada?," Political Studies Review 17, no. 4 (November 1, 2019): 340–59, https://doi.org/10.1177/1478929919847132.



# **About us**

**Thetechlobby.ca** is a project led by **Sara Bannerman** and a **cross-country team of researchers** examining various aspects of tech companies' lobbying of the Canadian federal government.

We publish company profiles, regular reports, and monitoring data about tech lobbying of the federal government on our website, **thetechlobby.ca**. Our team of researchers is conducting a set of in-depth case studies about tech lobbying across various domains of policy in the Canadian federal government.

Our research is funded by the Social Sciences and Humanities Research Council, McMaster University, and the Canada Research Chairs program.

# **About the figures**

The figures in this document were created with Tableau. They are available in interactive format here: https://thetechlobby.ca/?p=850.

The online interactive versions allow you to enlarge, download, or share the graphic.

You can also click on the graphics and legends to explore and even download the data.

# The companies we monitor

This report focuses on the lobbying of eight foreign media and communications platforms that were among the top 20 Communications-Internet and Media Companies in Canada by market share in 2021 (the most recent data available).<sup>3</sup> These are:

Table 1: The companies we monitor

Company	Year entered top 20	Position in 2021
Google	2008	4
Facebook	2011	7
Netflix	2011	10
Amazon	2017	12
Apple	2011	14
Disney	2020	17
Microsoft	2021	20

We use the term 'tech companies' in this paper to mean these companies, and by 'tech lobbying' we mean the registered lobbying of these companies.<sup>4</sup>

Thirteen traditional media and communications companies (all Canadian except CBS-Viacom) were on the list top 20 Communications-Internet and Media Companies in Canada by market share in 2021:

Table 2: Additional media and communications in the top 20 by market share

Company	Position in 2021
Bell	1
Telus	2
Rogers	3
Shaw	5
Quebecor	6
CBC	8
Cogeco	9
Sasktel	11
Eastlink	13
Postmedia	15
Xplornet	16
Torstar	18
CBS-Viacom	19

While this report focuses on the lobbying of 'tech companies,' it is important to note that traditional media and communications companies lobbied extensively in many of the same areas that tech companies did, as did advocacy groups and coalitions and associations representing groups of companies. We intend to focus, in future annual reports, on the relative lobbying between these groups of companies as well as the lobbying of other organizations in the same areas.

This list is compiled by the Canadian Media Concentration Research Project (Winseck n.d.). While CBS-Viacom also made the top 20 list in 2021, we consider it to be a traditional telecommunications and media company rather than a digital platform company whose main products are software and computational architectures. We include Disney in our case study list because of its popular streaming platform.

These companies have registered in the lobbying registry under the names: Amazon, Amazon Canada Fulfillment Services, ULC, Amazon Corporate, LLC, Amazon Corp

# What do tech companies lobby about?

Tech companies lobbied about a variety of subjects in 2023 (see **Figure 1**). Much of the lobbying was likely related to legislative initiatives passing through Parliament. The most-tech-lobbied subject of 2023 was 'broadcasting,' corresponding with the passage of new broadcast reform legislation. 'Media' was also high on the list, corresponding both with the new broadcasting but also the new Online News Act. The catch-all subject tags of 'industry,' "science and technology,' and 'economic development' also topped the list of most tech-lobbied subjects. The subject 'privacy and access to information' was lobbied significantly (dominated by Microsoft) as new privacy legislation came before parliament.

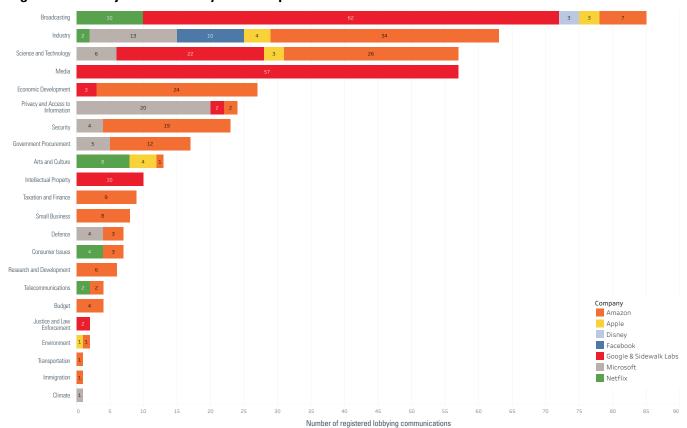


Figure 1: The Subjects Lobbied by Tech Companies in 2023<sup>5</sup>

# Online Streaming Act

The first major reform to the Broadcasting Act of 1991, the Online Streaming Act, had passed most of the way through Parliament in 2022. It passed third reading in February 2023 and received royal assent in April 2023.<sup>6</sup> In June 2023 a public consultation was held about the government's proposed policy direction to the CRTC, which was finalized and published on November 9, 2023.<sup>7</sup>

The Online Streaming Act requires online streaming services to make contributions to the production of Canadian content, and to make that content discoverable. This directly impacts streaming services such as Netflix, YouTube (owned by Google), Disney, and Amazon, which were previously largely exempted from broadcast regulation in Canada. During the bill's introduction and passage through parliament, these platforms regularly lobbied on broadcasting; the most-lobbied subject for tech companies in 2023 was broadcasting (see **Figure 1**).

<sup>&</sup>lt;sup>5</sup> Interactive versions of all figures in this report, with downloadable data, are available on our web site at https://thetechlobby.ca/?p=850

Parliament of Canada, "C-11 (44-1): An Act to Amend the Broadcasting Act and to Make Related and Consequential Amendments to Other Acts," LEGISinfo - Parliament of Canada, accessed April 6, 2024, <a href="https://www.parl.ca/legisinfo/en/bill/44-1/c-11">https://www.parl.ca/legisinfo/en/bill/44-1/c-11</a>.

Government of Canada, "Order Issuing Directions to the CRTC (Sustainable and Equitable Broadcasting Regulatory Framework)," Canada Gazette 157, no. 24 (November 22, 2023), https://canadagazette.gc.ca/rp-pr/p2/2023/2023-11-22/html/sor-dors239-eng.html.

#### **Snapshot: Tech Lobbying and the Online Streaming Act**

The passage of the *Online Streaming Act* through the Senate marked a historic event, as it spent more time in the upper chamber than any other bill in Canadian history. This prolonged process was partly influenced by extensive lobbying campaigns from tech companies, which shaped narratives during parliamentary debates which primarily focused on concerns about government control over user-generated content and reverberated throughout parliamentary debates.

Streaming platforms like YouTube argued that the Online Streaming Act would create a regulatory scenario where the CRTC would be given the authority to shape what content is presented to users. 9 Some tech companies' narratives were also echoed by parliamentarians. On February 13, 2023, Google lobbied Conservative members of parliament Andrew Scheer (Regina) and Rachael Thomas (Lethbridge) on the topic of "broadcasting" and "intellectual property." 10 It is unknown what transpired in this lobbying communication, but on March 9, 2023, the Toronto Sun published an op-ed written by Thomas which echoed many of the same points of criticism Google made against the Online Streaming Act such as the government being granted authority over what Canadians see online as well as the ways the Bill would negatively impact content creators. The same day Thomas' op-ed was published, Scheer published a video on Youtube that was also critical of the bill. In the video, Scheer notes "social media platforms learn about what you like and show you things that it thinks you would enjoy. This legislation would force platforms to put content in front of you that you have never expressed an interest in."11 Like Thomas, Scheer also echoed many of Google's main criticisms against the Online Streaming Act.<sup>12</sup> Many of these points were then raised in parliamentary debates. For instance, Thomas noted in a parliamentary debate that the law would effectively force streaming platforms "to give more of what the government wants us to see, rather than more of what Canadians wish to see."13 The degree to which Conservative MPs argued in favor of the positions of tech companies caused Liberal MP Chris Bittle to remark in a Senate debate that tech companies "don't need lobbyists... they have the Conservative Party."14

Many opponents of the *Online Streaming Act* expressed concern about the bill's effects on user generated content. The government, Canadian Heritage, and CRTC chair lan Scott emphasized that the bill was not intended and would not be used to regulate user-generated content.<sup>15</sup> Scott stated in 2022 that the CRTC would not regulate user-generated content or force Canadians to view Canadian content.<sup>16</sup> Speaking on the promotion of Canadian content on online streaming services, Scott explained that the bill was "not about making Canadians eat - it's about making sure that there are Canadian dishes in front of them."17 However, opponents--including YouTube, many Conservative parliamentarians, and others--pointed to loopholes in the bill that, they argued (and Scott also acknowledged), left the door open to regulation of user-generated content.<sup>18</sup> When the government released its final policy direction for the Online Streaming Act on November 9, 2023, Canadian Heritage stated that the Bill would target "professional, licensed commercial content that is found in traditional broadcasting, such as TV and radio"19 and not user-generated content.

While video streaming companies like Google (YouTube) and Netflix did not prevent the passage of the *Online Streaming Act*, the applicability of broadcasting regulation to video streaming, or the discoverability provisions as they may have hoped, their arguments certainly found resonance with a number of parliamentarians and created friction for the bill as it passed through the parliamentary process.

Tech lobbying about the Online Streaming Act is only one side of this narrative. It must be noted that traditional media lobbying also contributed to the debates. Traditional broadcasting corporations such as Rogers Communications Inc. and BCE Inc. were invested in the outcome of the Online Streaming Act which would mandate that tech companies offering streaming services (Netflix, Amazon, Disney, YouTube) would provide traditional media financial compensation for the use of their content.

<sup>&</sup>lt;sup>8</sup> Rachel Aiello, "'Time to Move on,' Minister Says, as Senate Debates Passing Bill C-11 without Further Changes," News, CTVNews, April 18, 2023, <a href="https://www.ctvnews.ca/politics/time-to-move-on-minister-says-as-senate-debates-passing-bill-c-11-without-further-changes-1.6360670">https://www.ctvnews.ca/politics/time-to-move-on-minister-says-as-senate-debates-passing-bill-c-11-without-further-changes-1.6360670</a>

Jeanette Patell, "An Update from YouTube Canada on the Online Streaming Act," Blog, Google (blog), June 22, 2022, https://blog.google/intl/en-ca/company-news/outreach-initiatives/an-up-date-from-youtube-canada-on-the-online-streaming-act/.

Office of the Commissioner of Lobbying of Canada, "Monthly Communication Report: Google Canada Corporation," Office of the Commissioner of Lobbying of Canada, March 14, 2023, https://lobbycanada.gc.ca/app/secure/ocl/lrs/do/cmml.qPblcVw?comloqld=559376.

Trudeau Is a Direct Threat to Your Internet | Bill C-11, 2023, https://www.youtube.com/watch?v=d4KYaDBqZ9g.

Jeanette Patell, "An Update from YouTube Canada on the Online Streaming Act," Blog, Google (blog), June 22, 2022, https://blog.google/intl/en-ca/company-news/outreach-initiatives/an-update-from.youtube-canada-on-the-online-streaming-act/

date-from-youtube-canada-on-the-online-streaming-act/.

Bachel Aiello, "Senate Showdown Ahead? Minister Rejects Some Bill C-11 Amendments,"

CTVNews, March 8, 2023, <a href="https://www.ctvnews.ca/politics/senate-showdown-ahead-minister-rejects-some-bill-c-11-amendments-1.6304526">https://www.ctvnews.ca/politics/senate-showdown-ahead-minister-rejects-some-bill-c-11-amendments-1.6304526</a>.

<sup>14</sup> Ihid

Marie-Danielle Smith, "CRTC Chair Says Online Streaming Bill Won't Police User-Generated Content, Algorithms," CBC News, November 17, 2022, <a href="https://www.cbc.ca/news/politics/crtc-not-policing-user-generated-content-1.6654400">https://www.cbc.ca/news/politics/crtc-not-policing-user-generated-content-1.6654400</a>.

<sup>6</sup> Ibid.

Marie-Danielle Smith, "CRTC Chair Says Online Streaming Bill Won't Police User-Generated Content, Algorithms," CBC News, November 17, 2022, <a href="https://www.cbc.ca/news/politics/crtc-not-policing-user-generated-content-1.6654400">https://www.cbc.ca/news/politics/crtc-not-policing-user-generated-content-1.6654400</a>.

Michael Geist, "CRTC Chair Confirms Bill C-11 Captures User Content, Will Take Years to Implement - Michael Geist," May 19, 2022, <a href="https://www.michaelgeist.ca/2022/05/crtc-chair-confirms/">https://www.michaelgeist.ca/2022/05/crtc-chair-confirms/</a>; Jeanette Patell, "An Update from YouTube Canada on the Online Streaming Act," Blog, Google (blog), June 22, 2022, <a href="https://blog.google/intl/en-ca/company-news/outreach-initiatives/">https://blog.google/intl/en-ca/company-news/outreach-initiatives/</a> an-update-from-youtube-canada-on-the-online-streaming-act/.

Mickey Djuric, "Social Media Creators, Podcasts Won't Be Regulated under Liberals' Online Streaming Law," CBC News, November 14, 2023, https://www.cbc.ca/news/politics/podcast-ers-wont-be-regulated-1.7027836.



#### Online News Act

The *Online News Act* also received royal assent in 2023; it began its journey through parliament in April 2022, arriving in the Senate in February 2023 and receiving royal assent in June 2023.<sup>20</sup> After royal assent, a public consultation took place in September 2023 about application and exemption regulations for the *Online News Act*. The final regulations were released in December 2023.

The *Online News Act* mandates that tech giants--Google and Meta (Facebook)--pay for the news shared across their platforms under regulations governed by the CRTC. While Meta stopped serving news on its platform as a result, Google lobbied extensively and successfully negotiated a cap on its payments to compensate Canadian media for news circulated on their platforms.

#### Snapshot: Tech Lobbying and the Online News Act

It was originally estimated that Google would have to pay \$172 million and Meta would pay \$62 million for a combined total of \$234 million that would be injected into Canadian journalism.<sup>21</sup> Google and Meta lobbied against the Online News Act and launched public campaigns to resist the Bill that they argued exposed the platforms to "uncapped financial liability."22 Ultimately, on November 29, 2023, Kent Walker, President of Global Affairs at Google, noted that Google reached an agreement with the Canadian government.<sup>23</sup> In a blog post, Walker noted, "following extensive discussions, we are pleased that the Government of Canada has committed to addressing our core issues with the Online News Act, which included the need for a streamlined path to an exemption at a clear commitment threshold."24 The agreement stipulated that "Google will pay \$100-million a year, indexed to inflation, which will be distributed to eligible news businesses based on the number of full-time journalists they employ."25 While Heritage Minister Pascale St-Onge stated that the Canadian Government made "no concessions" to Google, the agreement that Google would pay \$72 million less than initially estimated may be interpreted as a win for Google. That being said, the agreement might also be interpreted as a loss for Google which had argued it should pay nothing to compensate Canadian journalism.

Meta's and Google's public campaigns against the *Online News Act* led to tensions with the Canadian government when both companies threatened to withdraw news services in Canada, and Google conducted an experiment, blocking Canadian news for some users. In mid June 2023, both Meta and Google warned the Canadian government and the public that their platforms would end their news services in Canada if the *Online News Act* came into effect.<sup>26</sup> Meta noted "the only way we can reasonably comply with this legislation is to end news availability

for people in Canada."<sup>27</sup> Likewise, Google also noted "that the *Online News Act* will also make it untenable for us to continue offering our Google News Showcase product in Canada."<sup>28</sup>

Meta's and Google's motions towards pulling news from Canada in response to the *Online News Act* was condemned by Canadian members of parliament. Prime Minister Justin Trudeau remarked: "The fact that these internet giants would rather cut off Canadians' access to local news than pay their fair share is a real problem, and now they're resorting to bullying tactics to try and get their way - it's not going to work."<sup>29</sup> Elsewhere, Trudeau even stated that the platform's bullying tactics were undermining Canada's democracy.<sup>30</sup> Heritage Minister Pablo Rodriguez noted that Canada would not be intimidated by the platform's tactics and in July 2023 noted that the federal government would "suspend all of its advertising on Facebook and Instagram."<sup>31</sup>

As noted above, despite Google's threat to pull the plug on its new services, on November 29, 2023, Google struck a deal with the Canadian Government regarding the Online News Act.<sup>32</sup>

Meta, on the other hand, has not as of this writing made any deals with the Canadian Government and has removed its news function from Facebook and Instagram to avoid paying Canadian media. Meta defended their termination of news sharing in Canada as a "business decision." It will be interesting to see whether the two companies and particularly Meta's--relationships with government will be cooled as a result of their approaches to the *Online News Act*, or whether the condemnations of parliamentarians should be viewed as mere theatre, or short-lived, over a backdrop of an overall standard or even warm relationship.

Parliament of Canada, "C-18 (44-1) - LEGISinfo - Parliament of Canada," 2023, https://www.parl.ca/legisinfo/en/bill/44-1/c-18.

Tara Deschamps, "Online News Act Could See Google, Meta Pay Combined \$234 Million to Canadian Media," CBC News, September 1, 2023, <a href="https://www.cbc.ca/news/politics/online-news-act-google-meta-1.6954656">https://www.cbc.ca/news/politics/online-news-act-google-meta-1.6954656</a>.

<sup>22</sup> Ibid.

Kent Walker, "An Update on Canada's Bill C-18 and Our Search and News Products," Blog, Google (blog), November 29, 2023, <a href="https://blog.google/intl/en-ca/company-news/outreach-initia-tives/an-update-on-canadas-bill-c-18-and-our-search-and-news-products/">https://blog.google/intl/en-ca/company-news/outreach-initia-tives/an-update-on-canadas-bill-c-18-and-our-search-and-news-products/</a>.

<sup>&</sup>lt;sup>24</sup> Kent Walker, "An Update on Canada's Bill C-18 and Our Search and News Products," Blog,

Google (blog), November 29, 2023, https://blog.google/intl/en-ca/company-news/outreach-initiatives/an-update-on-canadas-bill-c-18-and-our-search-and-news-products/.

Marie Woolf, "Ottawa Agrees to \$100-Million Deal with Google to Keep News on Platform -The Globe and Mail," News, November 30, 2023, <a href="https://www.theglobeandmail.com/politics/article-bill-c18-online-news-google-deal/">https://www.theglobeandmail.com/politics/article-bill-c18-online-news-google-deal/</a>.

Meta, "Changes to News Availability on Our Platforms in Canada," Meta (blog), June 2, 2023, https://about.fb.com/news/2023/05/changes-to-news-availability-on-our-platforms-in-canada/; Kent Walker, "An Update on Canada's Bill C-18 and Our Search and News Products," Blog, Google (blog), November 29, 2023, <a href="https://blog.google/intl/en-ca/company-news/outreach-initia-tives/an-update-on-canadas-bill-c-18-and-our-search-and-news-products/">https://blog.google/intl/en-ca/company-news/outreach-initia-tives/an-update-on-canadas-bill-c-18-and-our-search-and-news-products/</a>.

# Consumer Privacy Protection Act, the Personal Information and Data Protection Tribunal Act, and the Artificial Intelligence and Data Act

Bill C-27, which includes the *Consumer Privacy Protection Act*, the *Personal Information and Data Protection Tribunal Act*, and the *Artificial Intelligence and Data Act*, was initially introduced in 2022. It progressed to second reading and was referred to the Standing Committee on Industry and Technology in 2023. The *Consumer Privacy Protection Act* and the *Personal Information and Data Protection Tribunal Act* propose significant reforms to private sector privacy and data protection, while the *Artificial Intelligence and Data Act* (AIDA) aims to impose limited regulation on artificial intelligence systems.

Tech companies reported relatively few lobbying communications under the subject of 'privacy and access to information' in 2023 (**Figure 1**). However, other subject terms such as the broader category of 'industry' might have been used.

#### Government Procurement

Tech lobbying does not always revolve around bills passing through parliament; it is also common for tech companies to lobby various government departments in support of sales of their goods and services. Google, Microsoft, Facebook, and Amazon list government procurement as a subject matter they commonly lobby about. In 2023 only Amazon and Microsoft lobbied about government procurement. Lobbying related to government procurement entails companies advocating for government contracts and the utilization of their products and services. Given the variety of products offered by tech companies, it is conceivable that lobbying efforts focused on sales related to cloud and data management, artificial intelligence systems, and information technology software, hardware, and services. While government procurement was not lobbied about as much as other topics listed in **Figure 1**, government procurement lobbying leading to government contracts may create opportunities for tech companies to become cozier with Government departments they work alongside.

#### **Snapshot: Tech Lobbying for Government Procurement**

Tech companies' lobbying in the realm of government procurement appears to have succeeded. Although the federal government's database of contracts over \$10,000 must be treated with caution, the database shows that Microsoft, Amazon, and Google had contracts worth millions of dollars (in Microsoft's case, hundreds of millions) with the federal government across a range of government departments. It appears that Disney and Netflix did not have significant direct contracts with the federal government, while Facebook and Apple had some

more modest contracts (**Table 3**). It is interesting that two of the most significant tech company lobbyists--Google and Amazon--also receive large contracts, but that the biggest contractor--Microsoft-does relatively little lobbying. It is possible that Microsoft's products and services are so dominant and core to government operations that lobbying is not necessary to the same degree that it is for the newer tech company players.



- <sup>27</sup> Meta, "Changes to News Availability on Our Platforms in Canada," *Meta* (blog), June 2, 2023,
- https://about.fb.com/news/2023/06/changes-to-news-availability-on-our-platforms-in-canada/.

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  Google (blog), November 29, 2023, https://blog.google/intl/en-ca/company-news/outreach-initiatives/an-update-on-canadas-bill-c-18-and-our-search-and-news-products/.
- Ismail Shakil, "Google, Meta Use 'bullying Tactics' against Canada News Bill, PM Trudeau Says Reuters," Reuters, June 7, 2023, <a href="https://www.reuters.com/technology/google-meta-using-bully-ing-tactics-against-canadas-news-bill-says-pm-trudeau-2023-06-07/">https://www.reuters.com/technology/google-meta-using-bully-ing-tactics-against-canadas-news-bill-says-pm-trudeau-2023-06-07/</a>.
- Spencer Van Dyk, "Ottawa to Suspend Advertising on Facebook, Instagram in Ongoing
- Disagreement over Online News Act," News, CTVNews, July 5, 2023, <a href="https://www.ctvnews.ca/">https://www.ctvnews.ca/</a> politics/ottawa-to-suspend-advertising-on-facebook-instagram-in-ongoing-disagreement-over-on-line-news-act-1.6467985.
- 31 Ibio
- 2º Google to Pay \$100M Annually to News Outlets as Canada's Online News Act Moves Forward | Watch News Videos Online, 2023, https://globalnews.ca/video/10129994/google-to-pay-100m-annually-to-news-outlets-as-canadas-online-news-act-moves-forward/.
- Meta, "Changes to News Availability on Our Platforms in Canada," Meta (blog), June 2, 2023, https://about.fb.com/news/2023/06/changes-to-news-availability-on-our-platforms-in-canada/.



Company	No. of contracts listed	No. of government departments with contracts	Descriptions (sample excerpts)	Total of all 2023 contract values listed (this total is inexact)
Amazon	66	17	Computer services, IT services, professional services, licence/maintenance services, tuition fees	\$30,469,141.36
Apple	5	1	Computer equipment, other machinery and parts	\$ 79,794.28
Disney	0			\$0
Facebook	1	1	Advertising services	\$45,200.00
Google	9	5	Client software, advertising services, computer services, professional services	\$5,409,762.66
Microsoft	321 (may include duplicates)	55	Software, licence/maintenance fees, Microsoft products, IT consultants, computer equipment, computer services management consulting, professional services	\$251,266,410.01
Netflix	0			\$0

### Some tech companies lobby about a broad range of issues

Some tech companies lobby about a broad range of subject matters. Amazon, Google, and Microsoft immediately stand out in this regard, lobbying across seven or more subject categories each in 2023.

Google was particularly active, engaging in over 150 lobbying communications that spanned a wide range of topics, including economic development, justice, law enforcement, as well as media and broadcasting--through media and broadcasting made up the bulk of its lobbying efforts in 2023.

Amazon, for its part, also lobbied a wide range of subjects. Amazon, in 2023, expanded across various markets by utilizing new robotics, enhancing subscription services, and establishing new distribution centers.<sup>34</sup> These advancements may have fueled the diverse lobbying efforts by the e-commerce giant. It's important to note that Amazon engaged in lobbying through three distinct entities: Amazon Web Services, Amazon Canada Fulfillment Services, and Amazon Corporate. The company lobbied on a broad spectrum of issues, ranging from taxation and finance, research and development, small business, arts and culture, transportation, and beyond.

Microsoft, while a smaller player than the other two, lobbied across a variety of subject categories, with 'privacy and access to information' being the biggest followed by 'industry' and 'science and technology' ranging across 'procurement', 'security', 'defence', and 'climate'.

### Some tech companies focus on a few issues

Conversely, companies lobbying on fewer subject matters include Apple, Facebook, Netflix, and Disney. These companies pursued a more focused approach, lobbying on fewer subjects overall compared to Amazon and Google.

As expected, Netflix directed most of its efforts towards the subjects of "arts and culture" and 'broadcasting', where Disney also focused its modest lobbying efforts on 'broadcasting.' Facebook concentrated 'on the broader category of 'industry'. Apple registered a few lobbying communications on the subjects of 'broadcasting', 'industry', 'science and technology', 'arts and culture', and 'environment.'

<sup>&</sup>lt;sup>34</sup> Kristylee Varley, "Amazon Announces Opening Date for Southern Ontario Fulfilment Centre," London, August 2, 2023, <a href="https://london.ctvnews.ca/amazon-announces-opening-date-for-southern-ontario-fulfilment-centre-1.6503739">https://london.ctvnews.ca/amazon-announces-opening-date-for-southern-ontario-fulfilment-centre-1.6503739</a>; Dave Waddell, "Facility Expanded by about 50 per Cent to 300,000 Square Feet | Windsor Star," Windsor Star, August 28, 2023, <a href="https://windsorstar.com/news/local-news/enlarged-amazon-fulfillment-centre-expected-to-be-operational-in-late-2024.">https://windsorstar.com/news/enlarged-amazon-fulfillment-centre-expected-to-be-operational-in-late-2024.</a>

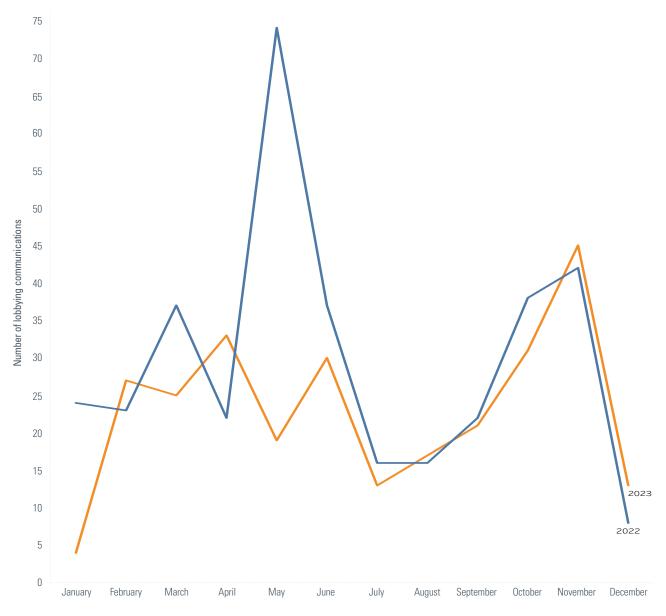
# **Lobbying Activity:**

# Year-over-year

#### At a Glance: 2022 vs 2023 Comparison

Tech lobbying of the Canadian federal government fell overall in 2023 compared to 2022. **Figure 2** shows that tech lobbying was more active in 2022 than in 2023, particularly in May and December.

Figure 2: Number of lobbying communications: 2023 vs 2022<sup>35</sup>



<sup>15</sup> Interactive versions of all figures in this report, with downloadable data, are available on our web site at https://thetechlobby.ca/?p=850



One of the reasons tech lobbying appears to have decreased in 2023 is because of a large peak that occurred in May 2022. The marked peak of lobbying activity in May 2022 may be explained by the passage of the *Online News Act* and the *Online Streaming Act* through the House of Commons. In May 2022, both bills were at second reading in the House of Commons--the point in the legislative process when members of parliament are granted an "opportunity to debate the general scope and the principle of the bill." As noted on the Senate website: "It is often at this stage that the most substantial debate on a bill takes place." Given that second readings are periods when bills may be most heavily scrutinized by members of parliament, it makes sense that tech lobbying ramped up during this period. Second reading of the *Online News Act* commenced on May 13, 2022 and was completed by May 31, 2022. The Second reading of the *Online Streaming Act* began on February 16, 2022 and was complete by May 12, 2022. This helps to explain the surge of lobbying by tech companies in May 2022.

The May 2022 peak in lobbying activity was led by Google which submitted reports of 27 lobbying communications with the Registry of Lobbyists. During May 2022, only six other entities lobbied more.<sup>38</sup> Of Google's 27 reports, 23 were on the topic of "broadcasting and media." During this period, Facebook submitted 31 per cent of their lobbying communications reports for the year.<sup>39</sup> It is likely that much of this lobbying was about the *Online Streaming Act* and the *Online News Act* which had both been introduced by Canadian Heritage Minister Pablo Rodriguez the months prior.<sup>40</sup> During this period, Google released a blog post sharing its critical stance on the *Online News Act*.<sup>41</sup>

While much of the lobbying in 2022 appears to have revolved around the *Online Streaming Act* and the *Online News Act*, 2023 saw a gradual return to normalcy in tech lobbying as subject matters for submitted communication reports became a bit more diverse. In 2023, there were three points of heightened lobbying activity: April, June, and October. During these periods, Amazon, Microsoft, and Google continued to do the bulk of the tech lobbying.

Lastly, both 2022 and 2023 saw periods of heightened lobbying activity right before the seven week long Christmas time parliamentary break. It is likely that tech companies would be motivated to lobby before the end of the year as the House of Commons does not resume sitting until the last week of January, and the Senate does not resume sitting until the second week of February each year.

# Understanding the Dips

The parliamentary calendar explains some of the dips in tech lobbying. The annual summer twelve-week-long parliamentary break that begins in June may explain the dip in lobbying from July through August. Relatedly, the December slow down coincides with the annual seven-week-long Christmas time parliamentary break. While tech lobbyists met with officials during this time, it is likely that many officials were less accessible during the break.

The pinnacle of tech lobbying activity in 2023 occurred early to mid-April, just prior to the enactment of the *Online Streaming Act* on April 27, 2023. Consequently, the subsequent decline in May 2023 can be attributed to the passage of that bill.

Parliament of Canada, "Legislative Process - Our Procedure - ProceduralInfo - House of Commons of Canada," accessed February 28, 2024, https://www.ourcommons.ca/procedure/our-procedure/LegislativeProcess/c\_g\_legislativeprocess-e.html#2b.

<sup>&</sup>lt;sup>37</sup> Senate of Canada, "Senate Procedural Note No. 5 - Legislative Process," SenCanada, accessed February 28, 2024, https://sencanada.ca/en/about/procedural-references/notes/n5/

Office of the Commissioner of Lobbying of Canada, "Monthly Communication Reports By Reporting Period: January 2024," Database, Lobby Canada, January 2024, https://lobbycanada.gc.ca/app/secure/ocl/lrs/do/cmmnctnsByRprtngPrd#selectedReportingPeriodTab.

Office of the Commissioner of Lobbying of Canada, "Monthly Communication Reports in: May 2022: Facebook Canada Ltd.," Lobby Canada, 2022, https://lobbycanada.gc.ca/app/secure/ocl/lrs/do/mnthlyClntCmmnctns?clientOrgCorpld=3622518month=48year=2022.

Bill Curry, "Google Warns Ottawa's Online News Act Would 'Break' Its Search Engine," The Globe and Mail, May 16, 2022, https://www.theglobeandmail.com/politics/article-google-warns-ottawas-online-news-act-would-break-its-search-engine/.

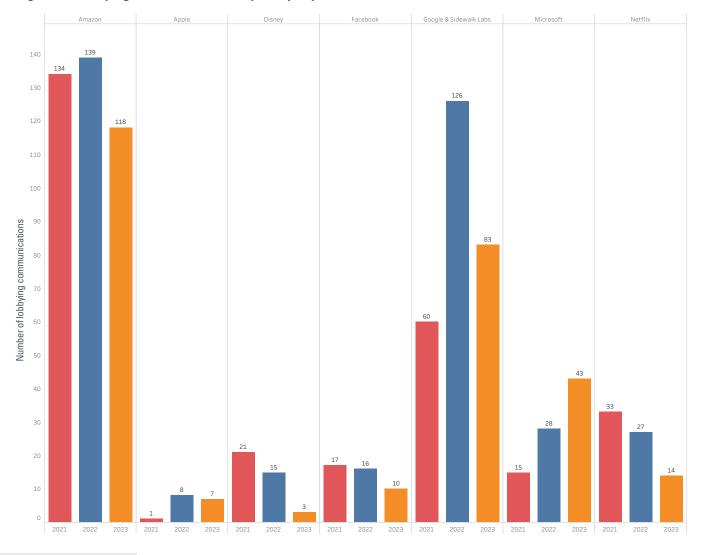
<sup>41</sup> Sabrina Geremia, "Our concerns with Bill C-18, the Online News Act" May 16, 2022, https://blog.google/intl/en-ca/our-concerns-with-bill-c-18-the-online-news-act/



# Company activity

Individual tech companies' overall lobbying patterns were similar in 2022 vs 2023, with a few exceptions. See Figure 3.

Figure 3: Lobbying communications by company: 2021-2023<sup>42</sup>



<sup>&</sup>lt;sup>42</sup> Interactive versions of all figures in this report, with downloadable data, are available on our web site at <a href="https://thetechlobby.ca/?p=850">https://thetechlobby.ca/?p=850</a>



The Amazon group of companies, followed by the Google group of companies, led the pack on lobbying in both 2022 and 2023. At the same time, both Amazon and Google lobbied less in 2023 than they did in 2022. In fact, all tech companies' lobbying was lower in 2023 than in 2022 except Microsoft.

In 2023, streaming services Netflix and Disney lobbied significantly less than they did in 2022. As previously mentioned, this decrease in lobbying in 2023 may be explained by the fact that the *Online Streaming Act* received royal assent in April 2023. In fact, at the end of 2022, Disney did not renew its contract with consultant Justin Burrows who, as Janet E. Silver of iPolitics notes, was hired specifically to "discuss the government's bid to overhaul Canada's broadcasting laws (Bill C-10) as well as its proposal to implement a Digital Charter (Bill C-11)"<sup>43</sup>

As previously noted, the decrease in lobbying from 2022 to 2023 could be interpreted as a reversion to the norm, considering that 2022 experienced an unusually high level of activity among tech lobbyists. For instance, in 2021, the combined lobbying efforts of the Amazon group of companies totaled 134 instances, while Google lobbied 60 times (**Figure 3**). This suggests that in 2022, Amazon and Google, two of the foremost tech entities engaged in lobbying, were more active compared to both 2021 and 2023.

Unlike most other tech companies, **Figure 3** shows that Microsoft lobbied more in 2023 than they did in 2022. Microsoft lobbied on the subject of "privacy and access to information" on 20 separate occasions in 2023 a 66% increase from 2022. It is possible that Microsoft's March and April 2023 lobbying about "privacy and access to information" was related to Bill C-27 (Consumer Privacy Protection Act, Personal Information and Data Protection Tribunal Act, and the Artificial Intelligence and Data Act) which introduces new data privacy legislation and artificial intelligence regulation. Bill C-27 was at second reading in the House of Commons from November 4, 2022 to April 24, 2023. During this time, Microsoft lobbied about "privacy and access to information" on 10 occasions, six of which were with members of parliament or senators. On April 24, 2023, Bill C-27 passed second reading in the House of Commons. Since September 26, 2023, Bill C-27 has been under the consideration of the Standing Committee on Industry and Technology, where it remains as of this writing.

# TechLobby vs all lobbying

Tech lobbying (orange in **Figure 4**) followed a similar trend to lobbying overall (blue in **Figure 4**), with peaks in February through June, a dip over the summer months, a peak in October, and a dip in December, coinciding with the parliamentary recess. In 2023, the only considerable deviation in tech lobbying from all lobbying came in May when tech lobbying decreased precisely at a time when all lobbying increased. As noted previously, the dip in tech lobbying in May could be explained by the fact that the Online Streaming Act received royal assent on April 27, 2023, effectively ending tech lobbying campaigns about it.

The Commissioner of Lobbying, Nancy Bélanger, noted in the 2022-2023 Annual Report on Lobbying that the 4,122 communication reports filed in November 2022 "set the record for the highest monthly number of communication reports recorded since communication reporting began in 2008." In November 2023, that record was once again broken with over 4,400 recorded communication reports. In November 2023, that record was once again broken with over 4,400 recorded communication reports.

<sup>&</sup>lt;sup>43</sup> Janet E. Silver, "Lobby Wrap: Mental Health Groups Seeking More Funding from Ottawa," iPolitics, February 1, 2021, https://www.ipolitics.ca/news/lobby-wrap-mental-health-groups-seeking-more-funding-from-ottawa.

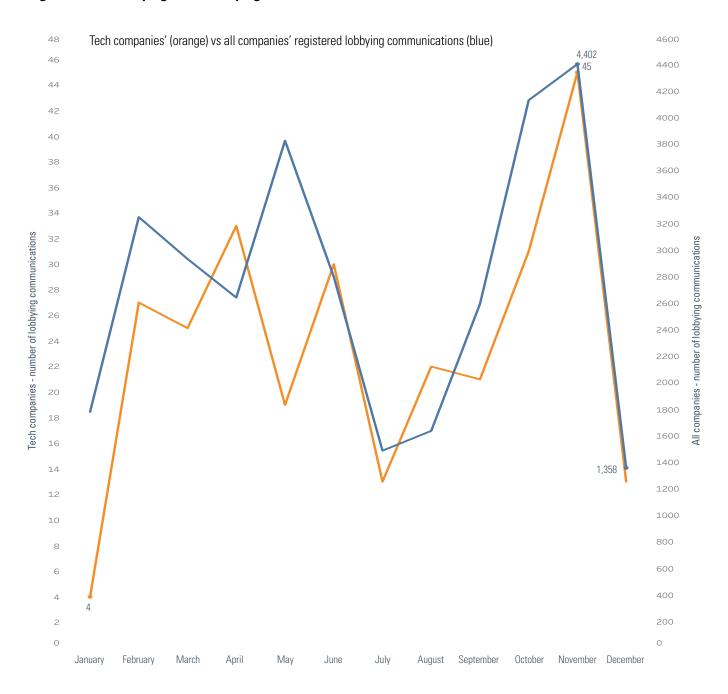
Parliament of Canada, "C-27 (44-1) - LEGISinfo - Parliament of Canada," 2022, https://www.parl.ca/legisinfo/en/bill/44-1/c-27.

Parliament of Canada, "C-27 (44-1) - LEGISinfo - Parliament of Canada," 2022, https://www.parl.ca/legisinfo/en/bill/44-1/c-27.

<sup>46</sup> Office of the Commissioner of Lobbying of Canada, "Office of the Commissioner of Lobbying Canada: Annual Report 2022-23," Office of the Commissioner of Lobbying of Canada, "Office of the Commissioner of Lobbying of Canada, "Office of the Commissioner of Lobbying Canada: Annual Report 2022-23," Office of the Commissioner of Lobbying of Canada, "Office of the Commissioner of Lobbying Canada: Annual Report 2022-23," Office of the Commissioner of Lobbying Canada: Annual Report 2022-23," Office of the Commissioner of Lobbying Canada: Annual Report 2022-23," Office of the Commissioner of Lobbying Canada: Annual Report 2022-23," Office of the Commissioner of Lobbying Canada: Annual Report 2022-23," Office of the Commissioner of Lobbying Canada: Annual Report 2022-23," Office of the Commissioner of Lobbying Canada: Annual Report 2022-23," Office of the Commissioner of Lobbying Canada: Annual Report 2022-23," Office of the Commissioner of Lobbying Canada: Annual Report 2022-23," Office of the Commissioner of Lobbying Canada: Annual Report 2022-23," Office of the Commissioner of Lobbying Canada: Annual Report 2022-23," Office of the Commissioner of Lobbying Canada: Annual Report 2022-23," Office of the Commissioner of Lobbying Canada: Annual Report 2022-23," Office of

Office of the Commissioner of Lobbying of Canada, "Monthly Communication Reports By Reporting Period: November 2023," Database, Lobby Canada, November 2023, <a href="https://lobbycanada.gc.ca/app/secure/ocl/lrs/do/cmmnctnsByRprtngPrd?month=10&year=2023&sortOrder=5">https://lobbycanada.gc.ca/app/secure/ocl/lrs/do/cmmnctnsByRprtngPrd?month=10&year=2023&sortOrder=5</a>.

Figure 4: Tech lobbying vs all lobbying<sup>48</sup>



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### Informal lobbying and influence

Not all attempts to influence the federal government take the form of registered lobbying communications. Companies like Amazon sometimes host and sponsor large events and conferences as part of their efforts to gain customers, connections, and influence. A notable example of this is the "AWS Public Sector Symposium Ottawa," which took place in September 2023. During such events, companies informally promote and showcase various products, such as generative AI solutions, offered by Amazon Web Services. Tamara Shepherd explores the symposium for thetechlobby.ca in a blog post, "A trip to the moon: AWS Public Sector Symposium Ottawa."

In some cases digital platforms fund lobbyist organizations. For example, Digital First Canada lobbied against the *Online Streaming Act*, first registering in May of 2022.<sup>50</sup> Scott Benzie, the founder of Digital First Canada and a prominent critic of the *Online Streaming Act*, faced criticism from Liberal parliamentarians who accused him of failing to report that Benzie's organization had received funding from Youtube and TikTok.<sup>51</sup> However, the Lobbying Commissioner noted that lobbying regulations do not require the disclosure of private funding.<sup>52</sup> Twitter along with a variety of other internet businesses provide funds to OpenMedia.<sup>53</sup> Google reportedly made an offer to sponsor a lobbyist to represent a coalition of 100 independent outlets speaking out against the *Online News Act*.<sup>54</sup> While these examples may not represent the full extent of informal practices, it does indicate that informal tactics are used alongside registered lobbying communications.

### Who is lobbied?

# Top targets

In 2023, the parts of the Canadian federal government that were most-lobbied by tech companies were (**Figure 5**):

- 1. Canadian Heritage
- House of Commons
- 3. Innovation, Science and Economic Development
- 4. Senate of Canada
- 5. Prime Minister's Office

This is the same as in 2022, when the top two (the House of Commons and Canadian Heritage) were reversed.

- 1. House of Commons
- 2. Canadian Heritage
- 3. Innovation, Science and Economic Development
- 4. Senate of Canada
- 5. Prime Minister's Office

Tamara Shepherd, "A Trip to the Moon: AWS Public Sector Symposium Ottawa – The Tech Lobby," October 24, 2023, https://thetechlobby.ca/a-trip-to-the-moon-aws-public-sector-symposium-ottawa/.

Office of the Commissioner of Lobbying of Canada, "Registration - In-House Organization: Digital First Canada / Scott Benzie, Executive Director," Database, Office of the Commissioner of Lobbying of Canada, accessed April 21, 2024, https://lobbycanada.gc.ca/app/secure/oci/lrs/do/wwRg?cno=371461.

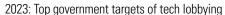
Woolf, "Critic of Bill C-11 Should Be Investigated for Failing to Disclose Funding from YouTube, Says Liberal MP," The Globe and Mail, September 27, 2022, https://www.theglobeandmail.com/politics/article-bill-c-11-critic-youtube-tiktok/.

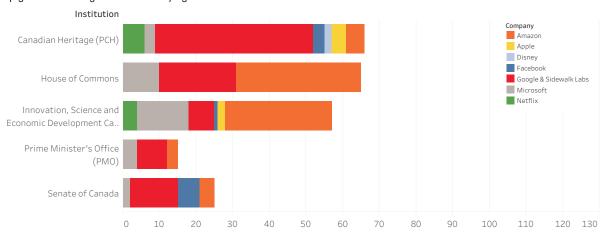
<sup>&</sup>quot;In August 2022, the parliamentary secretary sent a letter to the Commissioner of Lobbying requesting an investigation into Mr. Benzie and his organization for failing to disclose the receipt of funding from private organizations. This complaint is clearly unfounded, and, according to correspondence from the Office of the Commissioner of Lobbying and provided to the Standing Senate Committee on Transport and Communications, there was no requirement to disclose private funding, only government funding. Digital First Canada has not received any government funding for their operations." Senate of Canada, "Debates of the Senate, Volume 153 No. 66" (Ottawa, ON: Senate of Canada, October 4, 2022), <a href="https://sencanada.ca/en/content/sen/chamber/441/debates/066db">https://sencanada.ca/en/content/sen/chamber/441/debates/066db</a> 2022-10-04-e.

OpenMedia, "Our Supporters," accessed April 6, 2024, https://openmedia.org/openmedia.org

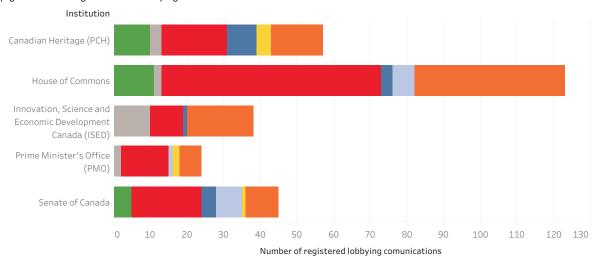
This proposition was presented during a Google-hosted Newsgeist industry conference in Montreal, and the notes read as follows, "Google has offered to fund a government relations consultant to help us have a voice at the table." Anja Karadeglija, "Google Offered to Fund Lobbyist for Small Publishers Unhappy with Liberals' Online News Bill," National Post, June 7, 2022, https://nationalpost.com/news/politics/google-offered-to-fund-lobbyist-for-small-publishers-unhappy-with-liberals-online-news-bill.

Figure 5: Top government targets of tech lobbying in 2023 and 2022<sup>55</sup>





#### 2022: Top government targets of tech lobbying



This pattern aligns with the typical lobbying landscape observed in organizations or companies engaging with the federal government. The House of Commons typically receives the highest volume of lobbying activity, followed by the Department of Innovation, Science and Economic Development (ISED). Additionally, entities such as Canadian Heritage, the Senate, and the Prime Minister's Office are also among the most-lobbied parts of the government.

However, a notable difference emerged in 2023: Canadian Heritage received more lobbying attention than the House of Commons from tech companies. On average, the House of Commons is usually four times more lobbied than any other government entity. Thus, the increased focus on Canadian Heritage by tech companies in 2023 is significant--likely due to increased lobbying by Google particularly in November of 2023 when the regulations for the Online News Act were being finalized. Google and the federal government reached a "deal" in that month which saw the compensation to be paid to news organizations under the *Online News Act* capped at \$100 million. <sup>56</sup>

Interactive versions of all figures in this report, with downloadable data, are available on our web site at <a href="https://thetechlobby.ca/?p=850">https://thetechlobby.ca/?p=850</a>

Daniel Thibeault, David Cochrane, and Major Darren, "Federal Government Reaches Deal with Google on Online News Act | CBC News," News, CBC News, November 29, 2023, <a href="https://www.cbc.ca/news/politics/google-online-news-act-1.7043330">https://www.cbc.ca/news/politics/google-online-news-act-1.7043330</a>.

# Executive vs legislative branch

Tech lobbying of the executive branch of government fell a little in 2023 in a relative return to normalcy for our set of tech companies (Figure 6). Most lobbying (for all organizations rather than for tech companies specifically) over the past five years has focussed about 35% on the legislative branch, and 65% on the executive branch. Tech companies returned to this range (32% of lobbying focussed on the legislative branch) in 2023 after focussing more heavily on the legislative branch in 2021 and 2022 (45 and 47% focussed on the legislative branch) respectively). Prior to 2021, tech companies were focussed less on the legislative branch than was average across all organizations, often focussing less than 30% and sometimes less than 20% of their lobbying on the legislative branch. This may be due to the "hands off" or "self-regulatory" approach to regulating tech companies dominant at the time.

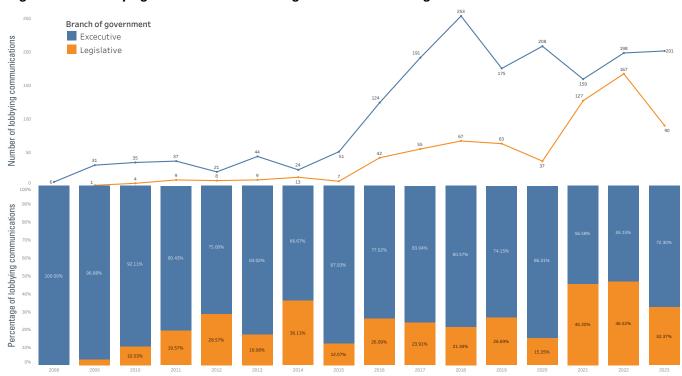


Figure 6: Tech lobbying of the executive and legislative branches of government<sup>57</sup>

# In house and consultant lobbying

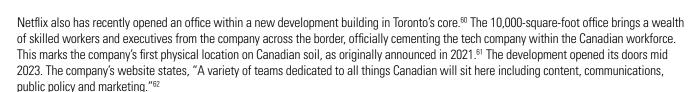
In 2022 and 2023 tech companies expanded their offices in Canada. Some of these expansion plans may have begun before the pandemic.58 The growing companies' presence in Canada has the potential to expand companies' influence economically and socially, as well as providing a launchpad for lobbying both provincial and federal governments.

In 2023, Amazon expanded its resource facilities into various areas of Ontario, with fulfillment centers breaking ground in Belleville, St. Thomas, and other locations. 59 However, these new fulfillment centers did not shift the ratio of Amazon's in-house versus corporate lobbying. In fact, in-house lobbying decreased from 86% to 78%, slightly reversing a trend observed from 2016 to 2022 of Amazon increasing reliance on in-house lobbyists.

Interactive versions of all figures in this report, with downloadable data, are available on our web site at https://thetechlobby.ca/?p=850

Tara Deschamps, "Why Tech Companies Are Opening New Offices in Ontario despite Allowing Remote Work," News, CTVNews, October 3, 2022, https://toronto.ctvnews.ca/ontario-election-2022/why-tech-companies-are-opening-new-offices-in-ontario-despite-allowing-remote-work-1.6093849
Kristylee Varley, "Amazon Announces Opening Date for Southern Ontario Fulfilment Centre," News, CTVNews, August 2, 2023,

https://london.ctvnews.ca/amazon-announces-opening-date-for-southern-ontario-fulfilment-centre-1.6503739



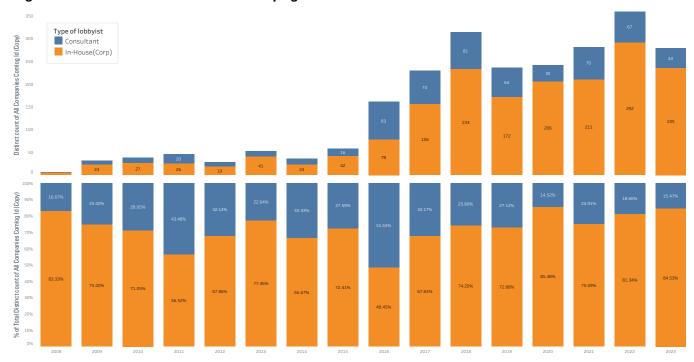
Google opened new large scale offices in Toronto<sup>63</sup> and Montreal<sup>64</sup>, as part of an expansion planned several years ago.<sup>65</sup> Plans announced in 2020 outlined plans to introduce three new offices in Kitchener, Toronto, and Montreal by late 2022 to 2023. The preliminary ribbon-cutting ceremonies took place, and the offices opened to employees, in November and December 2022.

Companies like Disney<sup>66</sup> and Microsoft<sup>67</sup> previously opened new facilities in Vancouver and Toronto respectively in 2021 and 2022, meaning that they recently increased the workforce within the Canadian border but did not officially expand their footprint in 2023.

There might be an expectation of greater reliance on consultant lobbyists by foreign tech companies seeking to establish a networking foothold and offices in Canada, followed by a transition to in-house lobbyists as companies consolidate their Canadian presence. There is some evidence of this trend in Canada in the longer term.

In the longer term we have seen greater tech company reliance on in-house lobbyists, with just 15% of their lobbying communications conducted by consultants, marking a decrease from 2021 and a trend since 2016 (see **Figure 7**).

Figure 7: In house vs consultant tech lobbying<sup>68</sup>



- Toronto Life, "Inside the Star-Studded Opening of the Netflix Canada Headquarters," *Toronto Life* (blog), April 6, 2023, <a href="https://torontolife.com/city/inside-the-star-studded-opening-of-the-netflix-canada-headquarters/">https://torontolife.com/city/inside-the-star-studded-opening-of-the-netflix-canada-headquarters/</a>.
- 61 Victoria Ahearn, "Netflix Chooses Toronto as Location for Its Corporate Office in Canada | Globalnews.ca," News, Global News, April 27, 2021, <a href="https://globalnews.ca/news/7814385/netflix-toronto-office/">https://globalnews.ca/news/7814385/netflix-toronto-office/</a>.
- Netflix, "Netflix Jobs: Toronto, Canada," Netflix, accessed April 21, 2024, <a href="https://jobs.netflix.com/location?slug=toronto-canada">https://jobs.netflix.com/location?slug=toronto-canada</a>.
- Kevin Nielsen and Alessia Simona Maratta, "Google to Build New Offices in Toronto, Montreal, Kitchener | Globalnews.ca," News, Global News, February 6, 2020, <a href="https://globalnews.ca/news/6516963/google-canada-expansion/">https://globalnews.ca/news/6516963/google-canada-expansion/</a>.
- <sup>64</sup> Jean Grant, "Inside Google's Super-Sustainable New Montreal HQ," Macleans.ca, May 31, 2023, https://new.macleans.ca/work/google-montreal/.
- Kevin Nielsen and Alessia Simona Maratta, "Google to Build New Offices in Toronto, Montreal, Kitchener | Globalnews.ca," News, Global News, February 6, 2020, <a href="https://globalnews.ca/news/6516963/google-canada-expansion/">https://globalnews.ca/news/6516963/google-canada-expansion/</a>.
- The Canadian Press, "Walt Disney Animation Opening New Studio in Vancouver | CBC News," News, CBC News, August 4, 2021, <a href="https://www.cbc.ca/news/canada/british-columbia/disney-vancouver-studio-opening-1.6130120">https://www.cbc.ca/news/canada/british-columbia/disney-vancouver-studio-opening-1.6130120</a>.
- Microsoft, "Microsoft Deepens Investment in Canada with the Opening of New Headquarters and Expansion of Operations to Empower Economic Growth Microsoft News Center Canada," News, Microsoft News Centre Canada, May 3, 2022, <a href="https://news.microsoft.com/en-ca/2022/05/03/microsoft-deepens-investment-in-canada-with-the-opening-of-new-headquarters-and-expansion-of-operations-to-empower-economic-growth/.">https://news.microsoft.com/en-canada-with-the-opening-of-new-headquarters-and-expansion-of-operations-to-empower-economic-growth/.</a>
- Interactive versions of all figures in this report, with downloadable data, are available on our web site at <a href="https://thetechlobby.ca/?p=850">https://thetechlobby.ca/?p=850</a>

Recently the ratio of in-house to consultant tech lobbying remained relatively stable from 2022 to 2023. Some companies, like Facebook, have exclusively relied on in-house lobbyists since 2018, a trend also observed with Microsoft, Google, and Sidewalk Labs. Netflix typically maintained an approximately equal split between in-house and consultant lobbyists. Conversely, Apple consistently depended solely on consultant lobbyists.

There were also notable shifts. Disney, reducing its overall lobbying presence, utilized in-house lobbyists for the first time in its 2023 lobbying communications. X Corp (Twitter), for instance, transitioned from using entirely in-house lobbyists to exclusively employing consultant lobbyists in 2023 after the company laid off employees in its Canadian office in 2022.<sup>69</sup> The company had established an office in Canada in 2013.<sup>70</sup>

For context, one third of lobbying in general (for all companies, not just tech companies) is typically done by consultant lobbyists, and two-thirds by in-house lobbyists. Tech companies thus rely on in-house lobbyists more than average. Consultant lobbyists are often portrayed as specializing in navigating the political process and brokering connections with government and parliamentary officials, while in-house lobbyists are often assumed to specialize in providing specialized expertise in specific policy areas. Tech companies' reliance on in-house lobbyists may suggest a greater importance placed on expertise, although Boucher and Cooper note that, in Canada, personal connections and expertise often go hand-in-hand.<sup>71</sup>

# Changes to the Lobbyist Code of Conduct

In June 2023, amendments were implemented in the Lobbyist Code of Conduct, impacting both consultants and in-house lobbyists. The updated code now mandates that lobbyists must provide detailed reports on their lobbying activities to their employers, ensuring their focus remains solely on designated subjects.

One significant update to the Lobbyist Code of Conduct is the introduction of a ban on communications with "Close Relationships." This addition, known as "Rule 4.1," was incorporated in 2023. According to this rule, lobbyists are prohibited from lobbying a public office holder if the latter "could reasonably be seen to have a sense of obligation towards" the lobbyist due to a "close relationship." The term "close relationship" is now defined as encompassing close working relationships, close financial relationships, and close business relationships.

Further adjustments include an additional lobbying ban, where lobbyists are still prohibited from engaging in misleading practices and sharing confidential information. Rules 2.1 and 2.2<sup>73</sup> will continue to prohibit lobbyists from making misleading communications and from sharing confidential information received from public office holders. Additionally, Rule 4.2<sup>74</sup> stipulates that a lobbyist cannot lobby a public office holder for up to 24 months following any "political work" conducted for that public office holder. Furthermore, the new code extends its application to grassroots lobbying efforts—defined as "any appeals to members of the public through the mass media or by direct communication that seek to persuade those members of the public to communicate directly with a public office holder in an attempt to place pressure on the public office holder to endorse a particular opinion."<sup>75</sup>

Tara Deschamps, "Twitter Layoffs Hit Canadian Office, Involve at Least Two of the Country's Top Staff," News, CTVNews, November 4, 2022, <a href="https://www.ctvnews.ca/business/twitter-layoffs-hit-canadian-office-involve-at-least-two-of-the-country-s-top-staff-1.6139085">https://www.ctvnews.ca/business/twitter-layoffs-hit-canadian-office-involve-at-least-two-of-the-country-s-top-staff-1.6139085</a>.

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Maxime Boucher and Christopher A Cooper, "Consultant Lobbyists and Public Officials: Selling Policy Expertise or Personal Connections in Canada?," Political Studies Review 17, no. 4 (November 1, 2019): 340–59, https://doi.org/10.1177/1478929919847132.

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<sup>74</sup> Ihid

<sup>75</sup> Ibid



#### Members of parliament and senators that Google lobbied on the topic of broadcasting and media in 2023:

Date	Lobbied	Party	For/Against
2023-11-18	<b>Shuvaloy Majumdar</b> , Member of Parliament for Calgary Heritage   House of Commons	Conservative	
2023-04-24	René Cormier, Senator for New Brunswick   Senate of Canada	Independent Senators Group (non-partisan)	
2023-04-19	<b>Jim Quinn</b> , Senator for New Brunswick   Senate of Canada	Independent Senators Group (non-partisan)	
2023-03-27	<b>Jean-Denis Garon</b> , Member of Parliament for Mirabel   House of Commons	Bloc Québécois	
2023-03-23	Paula Simons, Senator for Alberta   Senate of Canada	Independent Senators Group (non-partisan)	
	<b>Julie Miville-Dechêne</b> , Senator for Québec   Senate of Canada	Independent Senators Group (non-partisan)	
2023-03-17 2023-03-13 2023-03-04 2023-02-25	Anthony Housefather, Parliamentary Secretary to the Minister of Public Services and Procurement   House of Commons	Liberal	
2023-02-15	Brian Laghi, Director of Parliamentary Affairs, Office of the Government Representative   Senate of Canada		
2023-02-15	<b>Donna Dasko</b> , Senator for Ontario, Senate of Canada	Independent Senators Group (non-partisan)	
2023-02-15	Peter M. Harder, Senator for Ontario, Senate of Canada  Brian Laghi, Director of Parliamentary Affairs, Office of the Government Representative, Senate of Canada	Progressive Senate Group (non-partisan)	
2023-02-13	Andrew Scheer,  Member of Parliament for Regina —  Qu'Appelle   House of Commons	Conservative	Against
	Rachael Thomas,  Member of Parliament for Lethbridge   House of Commons	Conservative	Against