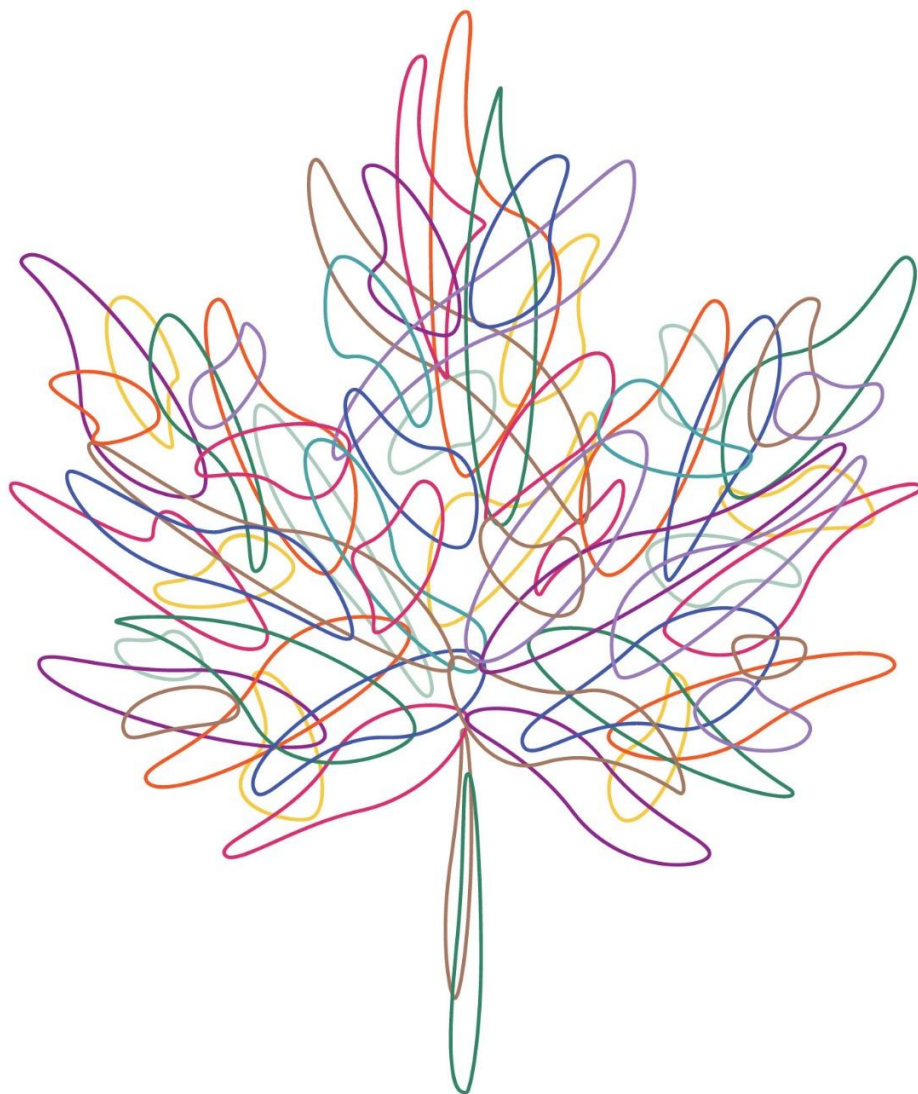




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News and Magazine Engagement Summary of Findings

Department of Canadian Heritage

September 2026

Table of Contents

Table of Contents	- 2 -
Executive summary	- 3 -
Key findings.....	- 4 -
Acknowledgements	- 5 -
Introduction	- 6 -
Literature review	- 7 -
Major discussion topics.....	- 8 -
Program eligibility	- 9 -
Maximizing impact.....	- 14 -
Compatibility	- 15 -
Program administration	- 16 -
Separate news and magazine program support delivery?	- 19 -
Distinct needs of media serving official language minority communities	- 20 -
Distinct needs of ethnocultural media.....	- 21 -
Other topics	- 21 -
Philanthropy	- 21 -
Artificial intelligence	- 24 -
Extended Producer Responsibility Fees (magazines only)	- 26 -
Exclusion from the <i>Online News Act</i> (magazines only)	- 26 -
Lack of coverage for postal fees.....	- 27 -
Federal measures beyond LJI and CPF	- 27 -

Executive summary

In spring 2026, the Department of Canadian Heritage launched a targeted stakeholder engagement with the news, magazine publishing and Indigenous media sectors to gather perspectives on the future orientation of direct support programs supporting these sectors, including the Local Journalism Initiative (LJI), the Canada Periodical Fund (CPF), and the Northern Aboriginal Broadcasting Program (NAB).

Indigenous media perspectives were captured through the engagement, in partnership with the Indigenous Media Association of Canada (IMAC), which undertook a parallel exercise with the Indigenous media sector. While this report focuses on the news/magazine sectors, Indigenous voices and perspectives will be covered in a forthcoming report by IMAC.

Strengths

Overall, respondents expressed strong support for the existing programs, which were widely seen as essential to the survival and sustainability of local journalism, newsroom capacity and Canadian magazine and newspaper publishers – especially in underserved and rural communities. Participants observed that collectively, these programs provide a degree of predictable funding, support for editorial content creation, and funding to hire and retain journalists. Additionally, respondents noted that the CPF and LJI provide coverage for core operating costs, which enables the distribution of publications (digital and print) and other operational activities. This allows for the flexibility in the use of funds and supports long-term planning for publishers.

Existing challenges

At the same time, participants identified some gaps and challenges, including restrictive and less relevant eligibility criteria that do not reflect current realities in the news and magazines industries. Furthermore, they raised concerns about the programs' heavy reliance on print and paid circulation metrics to determine eligibility, limited acknowledgement of non-traditional distribution models among multilingual, ethnic and community media sources, and not explicitly recognizing the proliferation of hybrid (print and digital) and multimedia business models. Many raised the ongoing and systematic barriers for smaller, digital-first and freelance-based publications and organizations, and the exclusion or limited inclusion of certain news providers (e.g., co-op commercial broadcaster license holders in the LJI and CPF).

Participants emphasized the need to better target supports for smaller, independent and equity-seeking communities and publishers. Across submissions, there was a consistent call to simplify application and reporting processes, reduce administrative burden, improve alignment across federal support measures through clearer definitions, harmonize requirements, and stabilize funding while increasing investments towards innovation and in digital technology. Other recommendations stressed the need for better data and greater transparency on areas of news poverty, as well as the reach and impact of public funding on Canadian publishers.

Moving forward

Looking ahead, stakeholders identified broader considerations affecting sector sustainability, including the role of philanthropy and its suitability as an alternative funding source, the risks and benefits for the sector related to the use of artificial intelligence (AI), and ongoing structural pressures such as recycling & postage fees and digital platform dominance. While views on AI were mixed across the news and magazine sectors, many emphasized the importance of maintaining human-led journalism, and transparency in the use of AI, and the need to ensure public funding continues to support human-created editorial content.

Collectively, the engagement findings emphasized the need to consider the following:

- Maintain stability and increase flexibility in funding.
- Include diverse media platforms in support programs,
- Improve coordination among federal journalism supports; and
- Prioritize and fund content creation to sustain a diverse and resilient news and magazine ecosystem as essential components of Canadian democracy and culture.

Key findings

Overall, the Department heard that the LJI and CPF are essential programs that can unlock significant benefits for magazines, news organizations and the communities they serve.

Stakeholders emphasized that these programs help maintain the production of original Canadian journalism, strengthen local news ecosystems, and generate important social, democratic and economic benefits for the communities they serve.

Key issues and gaps raised during the engagement include needs for:

- Stable, predictable, and flexible multi-year funding for news and magazine organizations to address a wide variety of distinct operational challenges and support longer-term planning. Needs include continued support for distribution, production as well as other costs that create systemic market disadvantages for the magazine and newspaper sectors.
- Funding that reflects different business models (e.g., organizations relying on freelancers and community engagement), and that incorporate contemporary news production in diverse formats across multiple platforms (e.g., websites, podcasts, newsletters, videos etc.).
- Funding that better supports a broader scope of recipients, including small and medium independent media organizations, industry or B2B publications, non-profit and co-operative broadcasters, ethnocultural publications and media outlets, as well as emerging digital outlets, including organizations not eligible for existing supports.

- Flexible project funding to address emerging challenges and support projects that encourage innovation, strengthen the news and media ecosystem, and promote its long-term sustainability, such as, support for the training, use and adoption of AI, funding for marketing and promotional initiatives and for growing international markets.
- Support for initiatives that enable partnerships between organizations to strengthen capacity building and facilitate knowledge-sharing.
- Greater coordination, alignment and transparency in the delivery of supports, to address issues such as the lack of a centralized application portal, unalignment in terms of definitions and processes across all supports, and overly complex application and reporting processes.
- Improved information about the news and magazine sector, including on areas of news poverty or news deserts.
- Measures to stimulate demand for news and magazine content, such as incentives to encourage more subscriptions.

Overall, there was a broad acknowledgement that a sustainable future across the news and magazine sectors will require meaningful and ongoing government support. Several submissions expressed hope that the sector could become more diverse, community-rooted, innovative, and digitally adaptive over the next decade if public policy better supports local journalism, underserved communities, and a diversity of media sources and formats (e.g. websites, newsletters, podcasts, events and social channels).

Acknowledgements

The Department would like to sincerely thank those who participated in this engagement process and will use the feedback received to inform ongoing policy and program development moving forward.

Introduction

On March 24th, 2026, the Department of Canadian Heritage (PCH) launched a targeted stakeholder engagement with the news, magazine publishing and Indigenous media sectors to gather perspectives on the future orientations of direct support programs supporting these sectors, including the Local Journalism Initiative (LJI), the Canada Periodical Fund (CPF), and the Northern Aboriginal Broadcasting Program (NAB).

The engagement included a combination of written submissions and targeted meetings with select stakeholders to balance inclusivity, depth of discussion, and practical constraints. A discussion guide containing key questions was circulated widely to stakeholders and departmental contacts, inviting written feedback from interested parties. Recipients – which included current CPF clients and LJI delivery organizations – were encouraged to circulate the invitation to participate among their networks.

The written engagement period was open from March to April 2026, which allowed the Department to receive over 260 written submissions from stakeholders across the sector. Complementing the written process, 12 meetings were held with 61 stakeholders, including industry associations, publishers of different sizes, and organizations with whom the Department does not typically engage. Invitations were based on factors such as program involvement, expertise, and the need to include a diversity of perspectives across the media ecosystem. Efforts were made to include organizations and individuals from diverse ethnocultural communities, as well as groups reflecting a range of perspectives and experiences across, age, language, region, and organizational size.

In partnership with PCH, the Indigenous Media Association of Canada (IMAC) led a parallel engagement exercise which was tailored to reflect the specific realities, perspectives, and priorities of Indigenous media stakeholders. IMAC has prepared an independent report on the Indigenous engagement exercise which focuses on considerations from the Indigenous media sector.

The broad engagement exercise was prompted by a series of developments that created both a need and an opportunity to reassess federal supports to the sector:

- The LJI is scheduled to sunset in March 2027 (at the time of this engagement).
- Budget 2025 introduced important changes:
 - The CPF will be refocused to solely support the creation of original Canadian editorial content (support for paid subscriptions and single-copy sales will be discontinued).
 - The Special Measures for Journalism component of the CPF was extended for three years, beginning in 2026–27, for a total of \$38.4 million.
 - Under the Comprehensive Expenditure Review, the Department is examining how to streamline program delivery across its journalism support measures.
- NAB dates from the early 1980s and requires modernization to better align with current client needs.

The engagement was intentionally scoped to focus on support programs under the direct responsibility of PCH, so that feedback collected would be directly relevant and actionable within the Department's mandate. As a result, broader issues related to the media ecosystem that fall outside these programs were not the central discussion points; nonetheless, comments on aspects of the support measures outside the Department's control will be forwarded to the relevant department or agency and summarized further within this report.

The Department recognizes that the engagement process is subject to some limitations. Participation was voluntary and unpaid, meaning that not all stakeholders chose or were able to contribute. While efforts were made to include diverse perspectives, the participants do not represent a statistically representative sample of the entire media ecosystem. Nonetheless, the engagement was designed to generate meaningful, diverse, and policy-relevant input to support the development of advice and recommendations to the Minister of Canadian Identity and Culture.

Literature review

News media sector

The Department is aware that significant analysis has been undertaken in recent years to understand the challenges facing the news media and magazine sectors and to identify policy approaches to support the sustainability of both sectors. This analysis provided an important context to the engagement.

These reports include (but are not limited to) the Macdonald-Laurier Institute's [And Now, the News: A National News Media Policy for Canada](#) (2023), Magda Konieczna's and Béatrice Girardin's "[Missed Opportunities for Community Engagement](#)" (2024), the Canadian Centre for Policy Alternative's [News Deprivation](#) report (2025), the Cultural Policy Hub's [Building New Pathways for Support to Canadian Local News and Journalism](#) report (2025), the Public Policy Forum's [The Great News Rebuild](#) (2026) and Reuters Institute's yearly [Digital News Report](#) (2026).

Within Government, the Standing Committee on Canadian Heritage (CHPC), has actioned numerous endeavors in order to bolster understanding of the sector. This includes the Committee's report on the [Impacts of Artificial Intelligence on the Creative Industries](#) (2025), the [National Forum on the Media](#) (2021-25), and hearings on the [State of the Journalism and Media Sectors](#) (2025-present). Most recently, Senator Andrew Cardozo published the [Making News Media Sustainable](#) (2026). Combined with the findings of the engagement, these studies provide valuable evidence to inform the Department's ongoing work to support a sustainable and resilient news media ecosystem.

Magazine sector

The Canadian Magazine Coalition, consisting of Magazines Canada (Canada's national magazine association) and three provincial organizations – the Magazine Association of BC, Association québécoise des éditeurs de magazines (AQEM), and Alberta Magazine Publishers Association (AMPA) – has undertaken various research activities in recent years to examine the systemic issues faced by Canadian magazine publishers across Canada.¹

Building on this research, provincial and territorial partners have begun to take a closer look at how magazine publishers perform in more localized markets. Namely, Ontario Creates, the funding agency for magazine publishers in Ontario, annually produces an industry profile,² which analyzes employment, revenue and consumer market figures, alongside broader global and domestic trends and issues that continue to stymie the long-term growth and sustainability of magazine sector. Insights stemming from these respective data sources were also echoed by magazine publishers during the engagement.

Major discussion topics

The following sections present a synthesis of the key findings from the engagement, organized by broad thematic areas. It brings together participant perspectives across written submissions and discussions, highlighting common views and areas where there were different perspectives.

Overall, respondents supported the LJI and CPF, with news and magazine organizations citing their appreciation of the programs as often essential to their operations and long-term sustainability and considering the current volatile period in the industry.

Perspectives on LJI

Smaller news organizations particularly appreciated the LJI, as many are not eligible to obtain Qualified Canadian Journalism Organization (QCJO) status due to not employing two full-time journalists. Participants wrote:

- “The Local Journalism Initiative is unquestionably the most impactful measure. It supports the retention of journalists in regional areas, the production of original content, and increased coverage of local issues.”
- “Since 2020, this program has enabled us to hire another full-time reporter, which has made an enormous impact on our ability to engage with and report on coastal First Nations.”
- “In several cases, [our] outlets have been able to leverage direct support to bring in additional funding, including philanthropic and audience revenue.”

¹ A research report that was developed by the Magazine Coalition includes the white paper on disinformation, *The Age of Disinformation*, [DCI-Whitepaper-A-Call-To-Action-For-Canadian-Magazines.pdf](#).

² Ontario Creates, *Industry Profile - Magazine*, <https://www.ontariocreates.ca/research/industry-profile/ip-magazine>

Perspectives on CPF

Magazine and newspaper publishers that receive funding either through the Aid to Publishers (ATP) component (which supports periodicals with paid circulation models) or the Special Measures for Journalism (SMJ) component (dedicated to periodicals with low and/or free circulation models) of the CPF, confirmed that the funding secured through the program is critical for producing editorial content. The CPF is a particularly vital support for publishers who are ineligible for funding through other federal initiatives, such as the Canadian Journalism Labour Tax Credit (CJLTC), QCJO, or the *Online News Act*. Publishers expressed that:

- “The Aid to Publishers grant remains the most important funding support for our magazine. It is the only support we now access. It has played an important role in overcoming the loss of advertising revenue for our publication and was a key support during the Covid years.”
- “Special Measures for Journalism has had the biggest impact for our business, allowing us to employ local journalists and continue to publish a paper copy of our magazine.”
- “The support provided by the Aid to Publishers funds is absolutely essential for the magazine [...]. It serves as a vital structural lever that enables us to ensure the stability of our operations, maintain editorial quality, and plan development projects. This funding has a direct impact on our ability to adequately compensate our permanent staff and contributors, produce a high-quality magazine, and invest in our growth. Without this support, our model would be weakened. At this stage, the current measures appear to us to be generally appropriate. The Aid to Publishers component has a more than significant impact on the survival and growth of our sector.”

Program eligibility

Funding prioritization

CPF

Respondents reflected broad agreement that the Department’s suite of supports should prioritize small, independent, Canadian-owned magazine and newspaper publishers (digital and print), who have minimal access to capital and economies of scale and are in a precarious market position (compared to large corporate or foreign media entities). Unlike larger media organizations, small and medium-sized publishers may have limited access to alternative revenue sources. These publishers were viewed as vulnerable yet vital to Canada’s media ecosystem, as they identify, train and mentor emerging and diverse Canadian journalistic voices and contribute to Canada’s cultural landscape.

Respondents indicated that public funding should not reinforce existing power imbalances; rather, it should help establish a balanced ecosystem in which small and medium-sized publishers would be supported alongside larger publishers. Small and medium-sized publishers produce community-focused editorial content while larger-size publishers help sustain employment and retain talent on a national scale. To help address funding inequities and equalize the flow of funding between publishers, respondents suggested the consideration of tiered funding models and/or caps (or funding ceilings) for larger organizations (e.g., large magazine publishers) that receive support through the CPF.

LJI

Some respondents advocated that LJI eligibility should be focused on non-profit organizations only. “Funding should [prioritize] small, local, non-profit media that are rooted in their communities and can act immediately. These organizations provide trusted, on-the-ground information, serve underserved populations, and play a key role in rebuilding public trust in media.” It was noted that larger organizations have access to funding through the CJLTC and money made available through the *Online News Act*.

At the same time, the Department heard that restricting larger organizations’ access to funding may be perceived as unduly signaling that the news sector is not viable within the private sector, and that any reduction in funding would negatively impact large newsrooms from maintaining or expanding their coverage to communities.

Small organizations, including owner-operators of news organizations and those that employ freelancers, noted their exclusion from QCJO status which prevents them from accessing the CJLTC and funds distributed under the *Online News Act*. The strict requirement for publishers to have two full-time journalists, in order to be eligible for funding, was often seen as exclusionary to publishers who may rely on one full-time journalist and supporting freelancers to produce editorial content. Freelance journalists were perceived as playing a key role in the wake of declining full-time employment and positions across media organizations.

Support for equity-seeking communities

A majority of respondents advised that the Department’s measures should be targeted to support news and magazine organizations that serve underserved communities (i.e. communities organized around a specific region, language, race, religion, gender identity or other shared characteristics) where there is the greatest need for civic news. They acknowledged the CPF’s enhanced funding and special eligibility criteria for special groups (e.g. ethnocultural, official language minority communities, Indigenous and 2SLGBTQI+ groups) as being positive steps towards more equitable funding. However, despite these positive measures, there was widespread consensus that more funding needed to be allocated to support these communities especially as respondents envisioned a future in which local, community, Indigenous and ethnic media remain essential.

Rise of misinformation and threats to democracy

The lack of funding to rural, remote and equity-seeking communities was linked to broader social concerns, as illustrated by one respondent: “I believe that focusing supports on rural and remote areas would optimize impact. In a news desert like my own, a lack of local journalism doesn't leave a vacuum of no information; it actually creates the conditions for the exponential growth of misinformation and social fragmentation.”

The health and vibrancy of Canada's democracy was seen as threatened where there is a lack of community-focused content creation, with original reporting, storytelling and credible information. Local news supports social cohesion and enables on-the-ground communications during emergencies.

One participant expressed hope that the public will increasingly seek out trusted and reliable sources of information:

“[In 10 years] I expect to see a highly disrupted sector that has taken its lumps and has emerged strengthened by the process. I further expect to see Canadians fatigue of the unreliability of much of the news they encounter and turn back to sources striving to be fair and dedicated to verification. This desire among news consumers for greater confidence in the news without having to turn themselves into full-time investigators will help lift up bona fide news organizations reputationally and financially if they have achieved sustainability and relevance.”

*Stakeholder groups currently excluded from measures*LJI

Numerous respondents noted that broadcasters represent a significant eligibility gap from the existing federal suite of measures, with LJI only available to community radio stations and televisions. “From the perspective of commercial broadcasters, current direct funding programs are of limited relevance, as they exclude private radio and television news operations. As a result, despite being major producers of local, regional and national news, broadcasters are largely excluded from any benefits.” Campus and community radio license holders also raised their exclusion from operational and editorial support, similar support to what magazines and newspapers receive via the CPF.³

³ Most comments from broadcasters were received before the Spring Economic Update 2026 announcement, which included the Government's intention to consult on extending the CJLTC to audio and audiovisual news production. As well, engagement feedback received does not take into consideration the federal investment announced June 3rd, 2026, of \$600 million per year to provide stability and immediate support to Canada's audio and audiovisual sectors, a portion of which will be available for local news.

CPF

Some participants noted that university and college student newspapers are often excluded from funding through the CPF. Although these publications produce editorial content, these titles have insufficient circulation thresholds to meet the program's minimum threshold requirement. Additionally, in some instances, the titles promote the interests of an organization, or their respective post-secondary institution, placing them in a precarious and unclear position with regards to eligibility.

Furthermore, arts and literary magazine publishers mentioned that their business operations may render them ineligible for CPF funding. Because arts and literary magazines operate through a controlled circulation model, they are unable to meet the minimum circulation threshold requirement. Literary magazines may occasionally feature republished content (for greater reach), which is not considered original editorial content.

Finally, artists and other visual arts performers host exhibits and perform internationally, often in collaboration with foreign artists and entities. Content produced from these joint collaborations may primarily be photographic content with minimal written content, resembling a portfolio (which is ineligible for funding). Canadian and/or international photographers may also be involved in content production – a photo taken by a Canadian photographer would be considered Canadian content, while the same photo taken by their international counterpart would not be considered as such. Consequently, and in light of these considerations, a Canadian arts magazine may lend to the impression to program administrators that the publication is ineligible for funding.

Recognition of print and digital periodicals and multimedia platforms

Some retained optimism that print publications will continue to play a vital role in connecting communities with trusted, verified and locally relevant information. Many magazine publishers articulated this perspective as magazine editorial content (e.g. photography, illustration and other visual-text components) do not easily fit into virtual platforms.

Some publishers reinforced the importance of ensuring availability of print periodicals for certain population demographics to ensure access to news. Additionally, for publications that target a younger demographic audience such as youth (e.g., nature or science-based magazines), print publications were seen as being far more effective in disseminating knowledge in classrooms and in other educational settings. Print publications enable a more tactile, direct, and more effective learning experience for younger readers in comparison to digital publications.

Overall, participants admitted that both print and digital periodicals are costly to produce. Print publications incur high newsprint, ink, plates and distribution costs while digital publications face high website domain, developer, application development, social media and production costs. Publishers who operate on both platforms incur the two sets of operating costs.

Building on the topic of format, many organizations said the current program rules and administration do not reflect how news is now produced across multiple platforms—for example, community radio stations that operate online news sites, or magazine publishers that produce podcasts. Some magazine publishers, with dynamic business operations, reiterated that they host events, offer continuing education opportunities, and manage content and ad-agency studios while publishing their magazines.

Notwithstanding, one participant wrote “Supports should better reflect the reality that distinctions between print, digital, and broadcast media are increasingly blurred. Refocusing programs to be platform-agnostic and support journalism regardless of distribution format would ensure that funding aligns with how Canadians consume news today.” Feedback pointed to the need to broaden and clarify eligibility to better reflect the realities of mixed format and multimedia news production.

In light of these concerns, stakeholders opined that an approach recognizing multimedia platforms would pave the way for a transformation in funding. Notably, it could result in a shift in funding within the CPF – from a model that is more scale-based (i.e. circulation, audience size etc.) – to a model that is more impact-based (i.e. funding more reflective of community need, reach, engagement, and cultural value and civic role of publications etc.). Performance metrics could also evolve to consider engagement beyond page views or other analytics to other elements such as community value and awareness. Participants suggested indicators to this effect, including the number of community discussions following a specific article, number of members participating in voting activities, number of members who demonstrated increased awareness of knowledge and/or broadly, readership and audience totals.

Moving forward, a majority of the respondents indicated that the CPF could further focus on sustainability and innovation through assisting smaller publishers in their transition to digital platforms, empowering publishers with multi-media platform models (i.e. web, newsletters, and video), enabling the implementation of innovation and business development projects, and encouraging partnerships among independent organizations to strengthen knowledge sharing and capacity-building.

However, other respondents emphasized that it is not the role of the Government nor of any delivery organization to determine which outlet is most deserving, but rather the importance should be to identify where support is most needed. This included suggestions to address the specific challenges faced by Indigenous media. The question of how to best allocate funding reinforces the need for better data on the news landscape, including, news organizations’ capacities to provide essential civic information, and where gaps exist in areas of news poverty and news deserts.⁴ One participant said the Department “should consider how any future funding decisions can be increasingly data-driven.”

⁴ For the purposes of the LJI, PCH considers news deserts as communities where citizens do not have access to journalistic information about community issues and institutions because there are no daily or community newspapers and other media (for example, community radio or television). Also, if they are other public or private broadcasters, they do not produce local news. Areas of news poverty is defined as, communities where there is limited access to journalistic content about community issues and institutions through a daily newspaper or public or private broadcaster. Available sources of local news — whether a newspaper, a community radio station or other media — demonstrate significant gaps in coverage due to a lack of capacity.

Maximizing impact

Engagement participants consistently saw the LJ as an essential source of support for many news organizations, one that not only has a critical role in sustaining local journalism capacity, but also providing a foundation that enables other benefits, such as, increased community engagement and greater advertising and subscription revenue.

Similarly, for the CPF, participants reiterated the importance of the program (and its components) in helping publishers maintain business operations, ensuring access to diverse editorial content for Canadian readers, and enabling the long-term growth and sustainability of the periodical sectors. Collectively, the ATP, SMJ and Collective Initiatives (CI) components were perceived by publishers as lifeline support given current market challenges, such as declining advertising and sales revenues, changing readership preferences, rising printing, postage and distribution costs, and rapid digital transformation. In particular, publishers, who identify as SMJ recipients, acknowledged the invaluable support the component has offered since 2022, despite its initial implementation as a temporary and emergency measure in response to the COVID-19 pandemic.

Many respondents indicated that the LJ's impact should continue to be assessed on its effectiveness in reaching underserved communities. However, there were some differences in perspective by respondents who believed that the impact of the program is limited due to how it may sustain and reinforce struggling newsroom models. One respondent suggested that funds should be refocused to promote media sustainability by encouraging greater uptake of innovative solutions. Another organization suggested funding should "[reward] news businesses that demonstrate they are maintaining or growing their newsroom employment."

Some participants indicated that the CPF should further focus on smaller publications outside of urban markets such as Toronto, Montreal, and Vancouver to ensure maximum geographic reach and impact of public investment. Across submissions, there was general agreement that program impact could be increased through reducing administrative complexity in application and program delivery and enabling greater flexibility with platform-agnostic requirements. A suggestion was raised about adapting the "eligibility criteria [...] to reflect the diversity of business models, distribution methods [and subject matter]."

To further maximize the reach and impact of the CPF, participants held a range of perspectives. Some publishers noted that implementing multi-year and core operational funding support would allow organizations to plan operations more effectively while maintaining consistent editorial output and reducing their administrative burden. For many entities, the greatest pressures they face are related to staff wages, contributors' fees, and printing and production costs. Thus, support focused on addressing these pressures would result in optimized public investment.

Respondents from ethnocultural publications stated that elements in the funding formula for the ATP and SMJ could be reconsidered in light of their distinct realities. Since ethnocultural publications often operate through community-based distribution networks rather than single-copy sales or traditional subscription print models, one participant suggested the removal of print and paid circulation copies from the formula. Additionally, and to enable a greater funding allocation for ethnocultural publications, some organizations suggested the consideration of a unique funding formula specific to ethnocultural publications or a separate and stand-alone program (for these publications).

Compatibility

In general, participants found the Department's journalism support measures to be complementary. For example, one respondent appreciated how the LJ and the Special Measures for Journalism component of the CPF supplement each other: "The two programs work together to provide local readers a barrier free access to a high quality locally researched, designed, and distributed news product."

However, there were suggestions to improve how the Government's support measures work together. A common theme raised was the need to consolidate them and establish common program parameters. As one participant noted, "Applying a consistent, platform-neutral definition of eligible journalism organizations and journalists would improve complementarity." A consolidation of all the measures would reduce duplication and lower administrative burden for the Department and for stakeholders. The lack of alignment between programs, as one respondent noted, can create systemic barriers for ethnocultural publications with limited organizational capacity.

However, publishers cautioned that consolidating measures should not lead to clawbacks in which funding from one support reduces amount of funding received through another. More importantly, some acknowledged that "improving complementarity between supports should also be accompanied by a more balanced approach to resource distribution – one that takes into account not only organizational scale, but also the role of media outlets in supporting diversity, local access to information, and the representation of different communities within Canada's media landscape."

While the Department is limited in its ability to influence the Canadian Journalism Collective's distribution of the *Online News Act* funding and the Canada Revenue Agency's administration of the CJLTC, there were several suggestions for the Department to develop a centralized application portal to serve as a primary entry point for news organizations seeking access to federal support measures. One submission proposed: "The Department could establish a strategic gateway or a complementarity framework to identify, for each type of media, available measures as well as gaps and overlaps. It could also harmonize definitions of local community media, civic journalism, original Canadian content, community impact, and minority-language media."

Likewise, harmonization of definitions, such as circulation and revenue, was identified as a key concern for the CPF. Organizations noted instances of being excluded from one support over another due to the ambiguity in the definitions (i.e. lack of harmonization in definitions and/or even the lack of expansion of definitions to include different business models and operations). Many noted that the definition of Canadian editorial content, solely referring to original content production, and not other forms of journalistic activities such as edited or translated content, including translation of reproduced content, has been exclusionary for many smaller ethnic publications. Furthermore, the CPF and CJLTC define magazine content differently, rendering some magazines ineligible for funding.

One organization stated that the Department could design a map or a publicly accessible data interface outlining all the sources of funding available for news and magazine publishers – CPF, LJI, *Online News Act*, QCJO and CJLTC – and how they interact with one another (e.g. how Aid to Publishers affects the CJLTC calculation, or how QCJO/RJO status intersects with other programs). Having such information publicly available enables small publishers to learn more about and navigate the measures with more ease.

Regarding actions within the Department's control, participants suggested establishing a cross-departmental working group to bring together relevant journalism-related policy officials and public servants. This would promote greater alignment and enable more coherent policies across the various journalism-support measures within the Government of Canada. Some respondents also mentioned making a broader ad-hoc committee or working group with representatives from the various programs and the news and magazine industry organizations. It was perceived that a governance structure of this sort would help “identify areas of overlap, gaps or inefficiencies, and lead to recommendations that improve coordination, clarity and overall effectiveness.”

Program administration

Current status and challenges

While CPF is delivered internally at PCH and LJI is delivered with a further-distribution model of third-party administration, both programs are currently viewed as having complex and fragmented application processes, although there was some recognition that the online application portal for CPF applications streamlined the application process (in comparison to the paper copy submissions that existed previously) and made it user-friendly for applicants.

Regardless, recipients stressed the need for ‘true harmonization and complementarity’ within and beyond Departmental supports, suggesting that there be more simplified and streamlined funding systems with unified entry points. Subsequently, eligible recipients could apply for funding through one centralized system, have their track-record of service to the community easily and widely recognized, and alleviate the need for redundant paperwork.

Although the objective of the LJI is to support the creation of original civic journalism that covers the diverse needs of underserved communities across Canada, small organizations serving rural and remote communities noted difficulty in applying and accessing the program. A small newspaper owner wrote, “Small independent weekly newspapers are included, but often at a disadvantage due to limited administrative capacity and scale.” Another organization highlighted the application processes requires significant effort. “Our most recent applications to the LJI and CPF required considerable investment of newsroom and administrative resources, worth as much as 25-50 percent of the value of the funding received.” This was echoed by another respondent who indicated “what is less relevant for the local media sector are government measures that assume significant administrative capacity, a traditional business model, or a newsroom structured around multiple full-time employees.”

Current program delivery model

With respect to program delivery, views were mixed. While some LJI recipients appreciated the existing delivery organization model, others noted opportunities to further improve administration and expressed concerns about perceived preference for some initial recipients favoring their own membership. Other potential areas for enhancement include improved communication (e.g., better and more consistent messaging on the application process and when payments will occur).

Respondents who are also CPF recipients claimed that there could be greater transparency and communication on the funding formula, how the various formula elements are weighted, and the calculation method used to determine the final funding amount for applicants. Broadly speaking, a recommendation was proposed to include a continuous feedback loop to enable consistent improvements in program delivery.

Moreover, it was suggested that application review and decision-making processes could be adapted to ensure a more meaningful representation of community-based periodicals. A portion of the publishers suggested the cautious but strategic use of artificial intelligence to expedite and streamline the application review process if permissible.

Nevertheless, there were calls from a majority of magazine and newspaper publishers, with a free and/or low-paid circulation model, to make the SMJ be a permanent component of the CPF. Free and/or low paid circulation titles are ineligible for funding through the ATP component and the SMJ component has enabled these titles to continue producing editorial content to the communities they serve. In particular, ethnocultural publications, Indigenous titles, small and/or medium-sized publishers have received increased support through SMJ and have been able to maintain operations as a result of the component.

Independence from Government

Regarding the independence of the media, participants expressed concern that without continued or expanded public support, more outlets will close, newsroom capacity will shrink, and more communities will become news deserts –leaving individuals reliant on social media, foreign platforms, and AI-generated or misleading content.

Many respondents viewed the current support measures as adequately independent from government influence, citing the absence of editorial interference, the existing arm's-length delivery mechanisms, and overall confidence in existing governance and safeguards. As one participant noted, "The current measures more than adequately ensure independence (and the optics of) from government."

Arguably, some respondents emphasized that perceptions of independence are not solely determined by program structure. As one participant noted, "Media independence is not solely a structural question. Public perception of government influence will likely persist regardless of delivery model."

On the role of the Department in funding content, a submission admitted that:

"It is the government's job to set policy and priority on Canadian content in arts and culture – [and] funding that content is an important part of the job."

Articulating the difference between newspapers and magazines and how Departmental could provide more tailored support, an organization stated that:

"Unlike newspapers—described as the fourth pillar of democracy and more directly linked to public accountability and civic oversight—magazines are primarily cultural products. They contribute to Canadian identity, storytelling, creativity, and community cohesion across a wide range of subject areas, regions, and audiences. As such, the risks associated with direct government influence over content are materially different."

In terms of the specific programs, generally, respondents agreed that the CPF respects editorial independence and is adequately independent from the government, despite the program not always being perceived as being independent. One LJI recipient stated, "[their] stations are free to cover the topics of their choice, in the format of their choosing, and no editorial oversight is imposed."

Third-party delivery of measures

Building on these observations, some respondents believed that there may be benefits to delivering more or all government support through one external organization. A participant said, "There could be advantages to centralizing delivery of multiple programs through an external party, if that organization can have greater flexibility to provide a high-quality user experience, within clear rules about eligible activities."

These respondents claimed that an external third-party organization might allow for an efficient delivery of the supports and attract complementary private and philanthropic investment. While improving the level of transparency and accountability in the process, independent grant delivery entities or consortia may leverage their in-depth expertise on the sector and its needs, strengthen the independence between the Department and newsrooms, and deliver funding to areas of greatest need.

One submission suggested any potential new delivery organization must be “representative of small and digital-first publishers as well as larger players, and [be] accountable in its governance and criteria.” Organizations with proven expertise in community media and culturally sensitive evaluation are crucial to decreasing the likelihood of systemic discrimination for publishers serving underserved communities and thus ensuring equitable access to funding. Some suggestions included that all sectors of the news and magazine industries cooperate to form a single, self-governing body that independently determines eligibility.

However, others expressed a preference for maintaining or enhancing government administration of the supports, including the LJI, based on the experience of CPF as a well-run program. One organization felt that the existing government-administered CPF is responsive, transparent and cost-effective in delivery. “Members agree that continuing to deliver these supports through the government is preferable over engaging an external party”; another similarly stated, “I would likely trust the public service to deliver this program more fairly and effectively than any third party.”

Separate news and magazine program support delivery?

Participants expressed mixed views on whether CPF should be divided into separate programs for news and magazines.

Some supported separation to better reflect the distinct roles, business models, and content types of each sector. Newspapers provide factual and civic information that informs citizens on local and current affairs; while community magazines, as one respondent, stated are “designed to provide deeper, more reflective coverage of a community” with a “[focus] on storytelling, local people, businesses, events, and neighbourhood features. Content is curated, researched, and often more timeless in nature, allowing readers to engage with stories that celebrate and connect the community.” One respondent further added that “because [magazines are] published less frequently, they are driven less by breaking news and more by relevance and quality. It is important that this kind of publication exists to reach the hearts of our community neighbours, not just to provide factual information.”

When asked whether PCH should separate programs, one submission explained that “newspapers publishing local community news are different than magazines. [Therefore] Creating separate funding options would be a wise decision.” One association agreed “Given the different role each plays in keeping Canadians informed, and their different economies, it would make sense for CPF funding for magazine and news support measures to be separated into distinct streams.”

Distinct streams, some submissions stated, could allow for more clearer and tailored objectives and criteria. A news stream focused on time-sensitive reporting and civic information needs and a magazine stream focused on cultural, analytical and niche content may pave the way for meaningful understanding and support for both sectors. Separate streams, some noted, would also allow each sector to maintain its journalistic integrity and gain appreciation for their contribution towards industry knowledge and economic development.

As for elements and components that each stream should have, many participants suggested that each stream have equal and/or equitable amounts of funding. Some noted that funding for magazines should focus on supporting Canadian editorial content creation, design, production, sales and publishing staff as well as freelancers. One suggestion was that the magazine stream help magazines modernize their business models, redevelop their websites, subscription services, and e-newsletter platforms with analytic tools, seek new revenue sources beyond advertising (e.g. event/webinars, sponsored content, research etc.), and recognize magazines serving professional sectors and industries such as construction, healthcare, transportation etc. One publisher mentioned that a new magazine stream can support new writers and expand their opportunities to build their careers.

However, others questioned the value of separation, noting limited knowledge, uncertainty about implications, or emphasizing that both sectors play important roles in the media ecosystem. Some organizations, particularly ethnic publishers, noted they produce both news and cultural content and that reinforcing this difference would not reflect their business model or communities' needs.

Some participants proposed a three-way stream approach – in which there would be a magazine-only stream, a newspaper-only stream and a hybrid stream (i.e. for publishers who produce both or have publications with mixed elements) to ensure inclusivity and cross-eligibility. This would allow small magazines, business-to-business (B2B) periodicals, ethnocultural publications and other publications that target niche audiences (e.g., arts and literary magazines) to contribute to local cultural (and possibly news) reporting, while avoiding unnecessary administrative complexity.

Distinct needs of media serving official language minority communities

Official language minority community (OLMC) news media organizations identified a number of structural challenges that affect their sustainability and ability to serve their communities effectively. These include limited resources, ongoing difficulties accessing funding, and barriers to content discoverability, all of which can constrain their capacity to fulfill their public-interest mandate.

Stakeholders also highlighted workforce recruitment and retention as a significant concern. Journalists recruited from outside the community often require additional support to develop a strong understanding of local linguistic, cultural, and community realities, while individuals hired from within the community may bring valuable local knowledge and networks but require training in core journalistic skills and professional standards. Stakeholders stressed the importance of funding programs that support training, mentorship, professional development, and knowledge transfer, in addition to newsroom staffing.

Another challenge raised by OLMC media organizations is that they frequently serve large geographic areas with fewer financial and human resources than comparable mainstream local news outlets, placing additional pressure on already stretched teams and limiting their ability to maintain consistent local coverage.

Distinct needs of ethnocultural media

With regards to ethnocultural media, while they are eligible for LJI and CPF, many felt that journalism support measures do not adequately reflect their operational models, whether that is due to a reliance on freelancers/volunteers, restrictive program requirements, or because their editorial focus includes a high share of cultural content that may not be considered news under current program criteria. One newsroom owner wrote “While ethnic media receives some support, it is minimal and only helps them barely stay afloat and hire a small number of local journalists.”

Ethnocultural participants emphasized that support programs should consider the practical realities faced by smaller and minority-serving media organizations, including, limited staffing and cash flow, while still being required to meet the same application and reporting obligations. One respondent provided a rationale for better incorporating ethnocultural organizations into the support framework:

“Smaller, multilingual, and ethnocultural media outlets are often deeply embedded in the communities they serve. They expand access to public-interest journalism, strengthen local civic awareness, and help ensure that more Canadians can meaningfully participate in public life. A well-designed support framework should not treat these organizations as marginal. It should recognize them as part of the long-term future of journalism in Canada.”

Participants also noted that the primary purpose of these periodicals is the dissemination of content within communities, and that responsive programming would focus on their reach to communities rather than sales figures and newsroom salaries. Further, they highlighted that their distribution model is different than other mainstream media, which is not reflected by current programs.

On a related point, one organization noted the importance in continuing the goals of the Changing Narratives Fund (sunsetting in March 2027) regardless of how programs are structured “to ensure underrepresented communities have meaningful opportunities in a challenging journalism environment.”

Other topics

Philanthropy

Mixed perceptions

In light of the current environment, some magazine and newspaper publishers have begun seeking philanthropic support to cover salaries, implement special edition projects, undertake newsroom development, and pursue training initiatives in order to sustain local news coverage in local markets. The work to seek donor funding has been occurring alongside broader efforts to increase local and national advertising sales.

Some participants identified philanthropy as a potentially promising source of additional revenue in the future. However, respondents generally noted that philanthropic support for journalism lacks both broad public awareness (including the notion of journalism as a public good) and a well-

developed ecosystem of foundations and donors willing to fund civic news and information, particularly given competing social and environmental priorities.

For many, philanthropy was not seen as a viable solution, as funding is often time-limited and bound to specific projects or topics, rather than broader support for newsrooms operations. As one participant noted, “While awareness of journalism’s role in a healthy democracy is growing in Canada, philanthropic engagement remains fragmented and limited, often tied to narrow thematic priorities and short-term projects.”

Another participant described the difficulty of finding a working model that includes philanthropy:

“As someone who is in the process of purchasing a community newspaper that is structured as a “for-profit” corporation that isn’t profitable, I searched long and hard for an appropriate alternative social enterprise model that would enable me to access difference streams of revenue, but came up empty handed. As a result, I am limited in the philanthropy/donations I can access, despite having a public service mandate and limited profitability.”

While philanthropy may offer some funding opportunities, news outlets who would benefit most from another revenue stream often lack capacity to seek out philanthropic donations, build relationships with large donors or apply for philanthropic granting opportunities. Many small organizations do not have dedicated staff to specifically seek out donor funding, “so time spent learning philanthropic systems and stewarding funders come directly out of editorial and publishing capacity.” Moreover, some independent organizations cautioned against philanthropic funding to be able to continue producing journalism that is not influenced by corporate interests.

One submission perceived philanthropy as a model primarily beneficial to publishers in major cities and less as a viable and sustainable alternative funding model for remote and rural publications.

With regards to community capacity to donate, some respondents raised concerns that communities with poor news coverage may also not have access to donors who could finance journalism, particularly in diverse or underserved communities. “It is unreasonable to expect ethnic communities to financially support ethnic media through donations.”

A key structural barrier that exists is the difference in how ‘charity’ is understood in both among diverse communities and in the broader Canadian context. An ethnic publication claimed that:

“Most potential donors in ethnic communities [...] direct their contributions toward core community institutions, such as cultural associations, churches, and organizations that address immediate social and cultural needs. In this context, journalism is not typically seen as a primary priority for donations. Donors are more likely to support their community directly rather than a media outlet, even when that outlet serves the same community. This raises a structural question as to what would motivate donors to allocate limited resources to a journalism organization.”

Although some of these ethnocultural publications receive voluntary deductions from community members, the donations are often insufficient to manage operations at large. Moreover, community

members anticipate copies of the publication each week regardless of whether they made a voluntary donation or not, demonstrating the sustained interest in a community publication.

Some organizations who have previously sought donor funding stated that donors and community members are unable to provide voluntary donations as result of broader socioeconomic pressures, such as rising costs of living, affordability crisis etc.

News and magazine philanthropy and the role of Government

There were suggestions for the government to play a greater role in encouraging philanthropy, either by matching donations to news organizations or by creating a new intermediary structure in partnership with foundations that could facilitate or distribute funds and raise greater public awareness.

Some participants even further opined that, that in spite of its challenges, an additional tax credit program could be more beneficial than philanthropy. As publishers often have limited capacity and resources to seek donor funding, a tax credit initiative (potentially one for advertising companies) would allow publishers to gain some financial benefit with minimal administrative burden. Filing for a tax credit shifts the reporting burden and effort from the editorial team in a publication to an independent accounting firm. Additionally, a tax credit may allow for-profit organizations to leverage some 'philanthropic' funding and issue tax receipts for donations.

“The creation of a larger independent granting agency with both government and philanthropic backing in an effort to help news organizations become sustainable would provide some comfort to donors and lower barriers by giving them a main point of entry and sparing them of assessing dozens or hundreds of applications of whom to support.”

The Department heard that many organizations struggle with access to obtaining Registered Journalism Organization status established by the Canada Revenue Agency, with applications sometimes taking years before approval.

Many publishers stated that they did not consider philanthropy as a possible source of funding for their publication and would require additional information and training on how to secure alternative funding and handle non-qualified donors.

Hence, there were calls for a more balanced funding model in which public funding would be used to maintain operations while advertising funding and philanthropy may be used to supplement specific initiatives. Organizations reiterated that philanthropic revenue should not reduce eligibility for public funding.

Some publishers cautioned that if philanthropy were to be considered as part of the government's long-term strategy to support periodicals, a consultation process would be required as decisions on fundraising or philanthropy cannot be done without the involvement of the sector; and, that greater regulatory frameworks and policy adjustments would be needed in order for philanthropic models to thrive in Canada. One organization stated that first step towards this shift would be to improve access to mechanisms that allow news organizations to receive donations with tax incentives—such

as RJO status. There was widespread consensus around the process of obtaining this designation remaining complex and often disproportionately burdensome for smaller and community-based publishers, who also lack the administrative capacity required.

Altogether, respondents mentioned that funding supports for the magazine and news sectors "should not be structured to rely on philanthropic support to deliver fact-based information to Canadians now or in the future."

Artificial intelligence

Participants expressed mixed views on the role of artificial intelligence (AI) in journalism, with some emphasizing its risks and opposing usage, while others highlighting its potential benefits when handled responsibly. Some admitted that the industry is in its early stages with the use of AI. Thus, it is still unclear what the potential benefits, consequences and scope of involvement AI might have in their publications.

Among those who supported AI, many stressed its use as a *tool* in journalism rather than a replacement. Respondents noted AI's benefits in many processes, for example, conducting research, increasing the visibility of a website on search engines (search engine optimization), improving accessibility, and facilitating translation and/or transcription (especially for publications that serve underserved communities).

Notably, magazine and newspaper publishers noted varying levels of comfort with the use of AI. Many newspaper publishers expressed hesitation in using AI, given their role in producing fact-checked information on current events and affairs. While magazine publishers, namely those that produce glossy covers for their issues, stated that AI has enabled their organizations to edit images and produce these covers efficiently.

AI has also been leveraged by tech and science magazines to create forms of augmented reality (i.e. videos, quizzes and science demonstrations) to supplement print content. Designing virtual reality work has created employment for videographers, graphic artists, production artists etc. Altogether, participants often advocated that newsroom policies should allow limited, responsible use of AI for back-end tasks, ensuring that it enhances rather than replaces community-driven journalism.

In contrast, some respondents stated their intention to never use AI as part of their newsroom. These participants shared concerns about the rapid speed of AI development outpacing safeguards, as well as authenticity concerns and ethical risks for journalists related to accuracy and bias. One submission highlighted that AI-generated content would flood the information market, making it harder for credible publications to compete for resources.

With regards to how the Department should approach the use of AI in funding programs, participants emphasized that publicly funded journalism and editorial content creation should remain human-led and editorially accountable, with transparency around AI use. One participant wrote:

“The role of government should not be to prescribe the tools or editorial uses within newsrooms. Such an approach would risk quickly becoming outdated and could lead to undue interference in journalistic practices. Instead, the government should require that media organizations receiving public funding adopt a clear, transparent, and regularly updated policy on the use of AI.”

Collectively, participants asserted that the Department should consider and implement the following principles to effectively monitor AI use and safeguard human-led content creation in programs that fund news and magazine content:

- **Mandate disclosure requirements for publications that use AI** – This would involve a publication being funded to disclose uses of AI at all and any stage of production– whether it was used during research generation, editing and/or throughout the full content creation cycle. Funded publishers would be expected to disclose which AI tools were used, the human verification steps in place, and if possible, the specific AI code or internal policies that they have in place.
- **Consider thresholds for minimum human-created content and maximum AI-generated content.** There was widespread consensus that the Department should not count AI-generated content as part of Canadian content. Some organizations further proposed that the Department consider thresholds or limitations for AI use within a publication (i.e. no more than 10 percent of the content can be AI-generated or minimally, 80 percent of human-generated content is required to be eligible for funding).
- **Implement an AI Skills and Experimentation Fund:** This suggestion was primarily raised by magazine publishers. An AI skills and experimentation fund would allow small magazine publishers to receive targeted grants to test AI in workflows (especially with tagging archives, accessibility, translation and analytics) without consuming large portions of their core budgets. This fund could also support AI training, engagement, capacity building, and adoption initiatives within media organizations. Smaller organizations, compared to larger organizations, may not have the resources to see how AI could be leveraged for their business operations. Hence, public investment in these areas can allow for equitable access and opportunities to AI within the sector.

Other responses advocated that AI-generated content should not be eligible for any Departmental funding and that misrepresenting AI content should render an organization disqualified. One respondent shared concern that news organizations not using AI to support their work would be competitively disadvantaged in program applications. Hence, citing the sensitivities with the AI use and eligibility, an organization stated that “AI should not automatically disqualify publishers from funding but at the same time [the Department] should not be funding low-value content.”

“AI-generated content should not be supported in the same way as human-created content. In my newspaper's case, there is a clear mandate from our readership that they will not support AI-generated content; therefore, we would be at an unfair disadvantage if forced to be assessed by the same criteria or meet the same deliverables as publications that use AI-generated content.”

Additional considerations touched on how the Department itself uses AI, with one participant noting it was important for the programs to be transparent of its use of AI when assessing applications or making funding decisions.

Finally, some publishers mentioned that magazines and newspapers equally and voluntarily take greater accountability and transparency to disclose when they have used AI content within their publications and ensure that there is human verification during the finalization stages of a publication. One respondent stated specifically that, “applicants should ideally provide a basic AI-use policy [to the Department] describing where AI is allowed, where it is prohibited, how human review works, and how source and user data are protected when external tools are used.”

Extended Producer Responsibility Fees (magazines only)

In response to the high costs of recycling of large quantities of paper, provincial and territorial governments across Canada have implemented extended producer responsibility (EPR) fees. Through EPR fees, producers are held responsible for the full-cycle management for their products. In particular, paper producers, including magazine and news publishers, are responsible for the production, distribution, supply, recycling, disposal and transportation of their products.

Subject to EPR fees, producers are responsible for paying the cost of collecting, transporting and recycling these products. Producers would pay fees that reflect the net cost of recycling, proportionate to the amount of material that they generate. Fees are often made to an independent regulatory agency established or mandated P/T governments to collect EPR program fees.

Over the course of the engagement, various publishers emphasized the need for the CPF to consider the financial impact of EPR fees on a publisher. While EPR fees have been costly for publishers across the country, the fees have been particularly high in Quebec. Quebec Magazine publishers acknowledged that the EPR fees charged by Eco Entreprise, the regulatory agency overseeing the collection of the fees, is threatening their long-term viability.

Although some provinces and territories have exempt newspapers from the fees, magazines are not exempt – creating structural imbalances and inequities amongst publishers from both sectors. Moreover, Canadian magazine publishers have consistently reduced their environmental footprint through lowering paper weight and trim sizes, publishing in digital platforms and re-using recycled paper material.

As advertising and sales revenues continue to decline and other production costs increase, magazine publishers have asked that the CPF allocate greater financial resources to help magazine publishers cover the EPR fees.

Exclusion from the *Online News Act* (magazines only)

During the engagement, several magazine publishers expressed concerns that they receive limited or no support through the compensation framework established under the *Online News Act*, noting that while many news organizations are eligible to receive compensation, most magazine

publishers are not. Hence, magazine publishers have asked that the Government expand the eligibility under the Act to include journalism of “general interest” and allow magazine organizations (that hire freelance journalists and writers) to receive compensation under the Act. Publishers justify that this reflects the diverse ways in which Canadians access trusted journalism and public-interest content.

[Lack of coverage for postal fees](#)

Magazine and newspaper publishers, especially those that serve rural areas within Canada, rely on the Canada Post for distribution of their print publications to readers and subscribers.

Postage fees are an ineligible expense under the CPF. Considering the costly shipping fees that come with circulating print periodicals, numerous publishers suggested that the Department include coverage for shipping fees as part of the funding provided to organizations. Postage fees are some of the greatest pressures faced by publishers. If they were meaningfully covered through the CPF and other supports, it would allow publishers to continue creating and delivering editorial content to Canadians.

[Federal measures beyond LJI and CPF](#)

Although the focus of this engagement was on PCH program supports, stakeholders provided significant feedback on other federal supports, and how the broader family of federal supports function together.

Stakeholders consistently viewed the Journalism Labour Tax Credit (CJLTC) as one of the most effective tools supporting the written news industry due to its predictability, administrative efficiency, and direct link to employment. One respondent from a larger organization noted that the 35 percent CJLTC and the *Online News Act* have been key contributors to sustaining and expanding newsroom employment due to the financial certainty they have provided. The credit’s main drawback according to some participants is that it is delivered after costs are incurred and smaller outlets often struggle to benefit fully, as they may not have the upfront cash flow needed to expand their workforce.

While viewed as positively, the application processes associated with obtaining QCJO and RJO status are seen as significant barriers. Smaller news organizations highlighted the administrative burden and lengthy application timelines as excessive, limiting their ability to access supports and, in some cases, pursue philanthropic funding. Eligibility criteria were also viewed as misaligned with sector realities, especially for small outlets that rely on owner-operators or freelancers who do not count toward staffing thresholds. As a result, there were strong calls to simplify application processes and adapt eligibility rules to broaden access.

More broadly, stakeholders emphasized the need for greater transparency and modernization of the policy framework. They recommend that the Canada Revenue Agency publish a current list of QCJO-approved organizations to improve public trust. There was also strong consensus that support measures should be platform-agnostic, reflecting how the industry has evolved beyond traditional

mediums. While many supported extending eligibility to broadcasters, views differed on scope—ranging from limiting inclusion to only community broadcasters to extending it to all broadcasters.

Finally, stakeholders advocated maintaining the CJLTC rate at 35 percent to sustain employment levels and industry growth. They also noted the growing importance of QCJO status as a gateway to other measures (e.g., *Online News Act* funding), and some suggested expanding the role of Independent Advisory Board on Eligibility for Journalism Tax Measures to provide guidance on eligibility across government initiatives.

Allocation of federal advertising budget

Another recurring point raised in many submissions was the need for the federal government to place advertising in local media. In particular, publishers recommended that the government dedicate 25 percent of the annual federal advertising budget to certified Canadian print and digital magazines and newspapers, rather than the direction of funds to foreign or American tech companies such as Amazon, Facebook and Google. This would include placing public notices and important citizen information in periodicals as part of advertising. Participants clarified that advertising dollars should not be directed to large digital operators (including those that are regionally based) or to agencies but rather to individual and local publishers.

One submission stated that from 2017-22, “\$7.5 billion in total Canadian advertising spending was diverted to non-Canadian digital platforms, [of which], \$64.2 million 2024-25 federal government advertising expenditures placed through the Agency of Record, bypassed Canadian magazine publishers.” The diversion of advertising budgets from local news outlets is seen to undermine the sustainability of newspapers and magazines that deliver advertising in a trusted, brand-safe environment to targeted, engaged Canadian audiences. Publishers perceive their work as providing a core government service with delivering information; and that federal advertising may bring about positive economic impacts for publishers. Federal advertising may help unlock private investment for periodicals and was perceived by some publishers to be more effective than funding received through the measures.