

Copyright Act

before the House. The first of those measures that fall within his jurisdiction has to do with the protection of computer software. In addition to transformations within categories of creative endeavour, entirely new categories have developed since the original Copyright Act was passed. Think, for example, of the knowledge, the originality and the imagination required to develop computer software.

Software development is rapidly becoming a major industry in Canada. Computer programs are clearly intellectual property entitled to copyright protection. However, since computers were unheard of back in 1924 when the Act was drafted, special court judgments have been required until now to safeguard the rights of software creators. The Bill before the House today will protect these software creators by including computer programs under the definition of literary works in the Copyright Act.

According to some estimates about some popular computer programs, one illegal copy exists for every one purchased from the legitimate owners. This measure will help ensure that creators in this dynamic field receive the rewards due to them and this will encourage further progress in a field that is vital to our economic development and international competitiveness.

The second measure that falls within the jurisdiction of the Minister of Consumer and Corporate Affairs has to do with increased penalties for the sale of unauthorized copies. We realize that artists and creators will not be properly protected if the penalties for infringement of copyright are an insufficient deterrent. The maximum penalty for breaking the existing copyright law is only \$200. This is clearly inadequate, given the enormous profits presently being made through the illegal copying and sale of books, records, video-tapes and computer programs. Therefore, the new Bill provides for fines of up to \$1 million and penalties of up to five years in jail for conviction on indictment of copyright infringement.

The final measure in this grouping has to do with copyright and industrial design. While certain types of creative endeavour have been left without protection under the Copyright Act, other types protected elsewhere seemed to have been granted redundant protection. Specifically, designers of utilitarian objects which ought to be covered by the Industrial Design Act have been found potentially eligible for full copyright protection by recent judicial decisions. The uncertainty caused by these decisions has created a pressing need to clarify the present wording of the law.

The Copyright Act should not be transformed into a kind of a catch-all legislation protecting works for which copyright is not appropriate. Bill C-60 will therefore provide an objective means of determining whether or not an article can be protected by copyright, industrial design, both, or neither.

• (1050)

As I said, this Bill deals only with a certain number of issues under the Copyright Act. Because of the obvious urgency of

copyright reform, the Government decided to proceed with revision in two stages rather than waiting to submit an omnibus Bill at a later date. The matters to be addressed in the second phase have just as high a priority as those presently before the House. However, because of the complexity of these issues, the drafting of legislation to address them has not yet been completed. Nevertheless, it is my firm intention to introduce this second phase of amendments just as quickly as possible.

In conclusion, a recognition of creators' rights stimulates creative activity and the flow of intellectual products to our cultural industries. It secures returns to creators and entrepreneurs and encourages capital investment in high cost technology. Copyright provides a legal basis for the publishing, film and recording industries and will now ensure the same for the computer industry. It is a fundamental element of cultural policy which can help ensure Canadian cultural development, Canadian sovereignty, and a national identity.

In the final analysis, copyright stimulates the economy by creating jobs and encouraging investment. It is estimated that \$10 billion or 3.2 per cent of our Gross National Product is generated by industries dependent upon copyright. The legislation now before us will reinforce the Canadian cultural sector, contribute to the development of a copyright industry, and stimulate the creation of high-technology jobs. For all of those reasons, I urge that Bill C-60 be referred to a legislative committee for deliberation and study just as quickly as possible.

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, at the outset I would like to assure the Minister that I agree with her and look forward to swift passage of Bill C-60. While I think we need to look at and clarify a few issues, I assure her that she has my support.

Canada's present copyright laws are a marvel of antiquity. They were written in 1924 when piano rolls and silent films were king. It was a time when a composer was satisfied to receive two cents each time a recording of his song was sold, and when a computer was a person equipped with an adding machine. Times have changed and it is time that this law reflects those changes.

Copyright law allows for the exercise of economic as well as moral rights. For most Canadians copyright will never be a household word, yet these laws vitally affect many activities which are of immense importance and interest in a developed society. The conduct and ethic of the businesses touched include the press, radio, television, computer software, cable television, satellites, the recording, film and theatre industries, home entertainment, books, magazines, architecture and music. In fact, almost anything that makes life worth living. Therefore, copyright legislation must reflect the legal recognition of the exclusive right of creators to determine the use of their work and to enable them to share in the benefits.