

*Copyright Act*

Our existing copyright law provides for a regulatory body, the Copyright Appeal Board, vested with the authority to separate after hearing from interested parties. But under the present Act, only musical performing rights associations are under the jurisdiction of the Copyright Appeal Board. The revised Act would extend the jurisdiction of a new board to be known simply as the Copyright Board to include all collectives of copyright owners. This board will continue to set and regulate royalty rates. It will also be able to make binding decisions whenever collectives and those who wish to use their members' works are unable to reach an agreement. In response to a request for arbitration from either party, the board may set what it feels to be a fair royalty rate.

We believe that users will prefer the simplicity of the collective administration of one particular right to the more difficult approach of dealing with greater numbers of individuals and groups. They will rely on the Copyright Board to ensure reasonable rates and copyright owners will also welcome the board's regulation because it will preserve their right to band together for their own protection. That is to say, to the extent that specific activities are regulated by the Copyright Board, they will be shielded from the competition act under an exemption encompassing activities subject to federal or provincial regulation.

● (1040)

The introduction of a system of collectives regulated by a copyright board will benefit both users and owners of copyright. This will encourage creative activity in Canada and will ensure freer access to copyright materials by all users.

The third measure has to do with the abolition of compulsory sound recording licences, a very welcome measure indeed. The Bill responds to the changing circumstances in the music industry. The present Copyright Act provides for a compulsory licence for sound recording. It has been there for 60 years. Under this provision, a company or an individual has the right to make a second recording of any musical work once a first recording has been made by paying the copyright owner a statutory royalty of two cents. This royalty has been in effect for some 60 years and is one of the lowest in the world.

*[Translation]*

Originally, compulsory licenses were brought in to promote the development of new businesses in the Canadian sound recording industry. Sixty years ago, there was a fear that the industry would be dominated by a small number of large companies if music editors could use their exclusive rights to set high rates for the recording of musical works.

However, the legislation on competition has already eliminated the threat of such monopolies. Moreover, it seemed inappropriate to continue to deny copyright holders the right to determine who can record their works and in what circumstances.

*[English]*

Rather than being forced to sell to anyone at an arbitrarily established price, owners should be given the right to negotiate the most favourable terms possible with potential copyright owners and that is what this Bill will ensure.

The fourth measure deals with moral rights. As Hon. Members know, there is more at stake in the exploitation of a work than economic reward. Creative works are very much the expression of the personality of their authors. Creators cannot be fully protected unless their moral rights are recognized. Such moral rights include the protection of the integrity of the finished work, guarding it from any distortion, alteration or other modification.

Thus, if red ribbons are tied around the necks of sculpted figures as happened to a work by Michael Snow not long ago, the artist would no longer have to seek special legal redress since the new law would guarantee the artist's right to protect the integrity of his or her work.

Moral rights also include preventing a work from being used against its creator's wishes, in association with a product, service, cause or institution as if to imply endorsement. The present Bill specifies that moral rights are to be protected as carefully as economic rights. In fact, all the legal remedies that are now available for copyright infringement will be available for moral rights violations. This will be just as important an encouragement to creative activities as the measures I have already described. It has been welcomed by Canada's artists.

Fifth, is the measure that deals with the rights of exhibition. It is another important new right being provided in the Bill before the House. Creators of visual arts, for the sake of their reputations and integrity, will be entitled to control in what context and under what circumstances their works are to be displayed and to be compensated for this exhibition. Considering that the right of public performance of musical and dramatic works is already protected, it is only fitting to offer similar protection to visual art works.

The sixth measure deals with the protection of choreographic works. The social and cultural transformations that have overtaken the Copyright Act leaving some types of creative endeavour without sufficient protection include a very important development in the field of dance. Sixty years ago when the Act was drafted, choreographic works were characterized by a plot or a sequence of action and were therefore protected under the category of dramatic works. Now, of course, many choreographic works are visually pleasing, aesthetic compositions without any particular story line. In order to protect works in a field in which so many Canadians continue to distinguish themselves, Bill C-60 makes protection explicit for all choreography, whether or not it has a story line.

Three of the measures included in the Bill are being introduced in conjunction with my colleague, the Minister of Consumer and Corporate Affairs (Mr. Andre), who has worked with me in the preparation of the present legislation