

copyright owner. By contrast, U.S. cable companies do pay approximately one million dollars per year to Canadian broadcasters for works originating in this country under the compulsory licensing provisions of the U.S. copyright legislation.

The Americans view cable retransmission in Canada without formal copyright royalty payment as an abuse of intellectual property. In fact, however, some payment does accrue to American broadcasters (and through them, creators) from advertisers who pay rates which are scaled on the basis of total audience reached, including audiences in Canada served by cable retransmission.

It may be very difficult to satisfy American concerns in this matter. Domestic interests are polarized between domestic copyright owners, broadcasters, consumer groups and the cable companies. To accede to American demands for payment, using a fee structure similar to that in force in the U.S., would cost Canadian consumers, via the cable system, between 35 and 82 million dollars per year according to estimates by the Canadian Cable Television Association.

#### Satellite Retransmission

The satellite issue is related in that it also involves unauthorized use of U.S. origin programming. In Canada,