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President Rainer JUST

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The Honorable Mélanie Joly, P.C., M.P.
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The Honorable Navdeep Bains, P.C., M.P.
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Office of the Minister
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Honourable Ministers.

We have just learnt about the decision of the Canadian Copyright Board regarding copying by K12 schools. It reinforces the impression of the Canadian legislation as being hostile to the copyright business and authors, publishers and other copyright holders, in particular in the publishing sector, and as being out of step with the rest of the world.

IFRRO – the International Federation of Reproduction Rights Organisations – is the main international network of collective management organisations and authors' and publishers' trade bodies in the print and publishing area, with 145 member organisations in more than 80 countries on all continents. These organisations represent millions of authors and publishers to hundreds of millions of copyright works worldwide.

Among IFRRO members and the authors and publishers in the publishing sector, as well as amid rightholders in other sectors of copyright globally, Canada and its copyright legislation, since the changes in 2012, is cited as an example, which rightholders and their bodies advice strongly other countries not to follow. For example is the Canadian Copyright regime regularly referred to with negative connotations by rightholder representatives in international fora, such as at meetings of the WIPO Standing Committee on Copyright and Related Rights (SCCR), and in submissions made on draft amendments to copyright laws.

What is regulated by licensing agreements, bringing revenues to rightholders, or based on compensatory remuneration rights schemes in countries, which Canada likes to compare itself to, Canadian institutions claim that they can do freely, without prior rightholders authorisation and without remuneration rightholders under Canadian legislation. Where else would copying of full chapters, or of 10% of a publication be allowed without licensing agreements or an obligation to remunerate the rightholders concerned? It has also been rejected as a general rule by the court in the U.S.A. Yet, this is what is currently taking place in Canada.

We are also alarmed by the Copyright Board, in its latest ruling, disregarding the obvious fact, that reduced income to authors will lower the creation of new works. Not only does it stand to reason that authors need to earn a living to survive, so if income does not come from creative work, more time must be spent on non-creative activities generating income; it is also documented in studies both in and outside Canada, including in the UK. Also, the latest US Intellectual Property Index Report, consistent with other reports, document clearly that it is



protection of copyright, which stimulates innovation and improves competitiveness. How the Canadian Copyright Board, without any form of documentation, and against both Canadian and non-Canadian reports, as well as common sense, comes to the opposite conclusion, is incomprehensible to us, unless it has found a basis in the changed Canadian copyright legislation; which therefore has to be modified.

Following the changes to the Canadian Copyright Act in 2012, IFRRO decided to follow closely their consequences for the Canadian creative sector. The results of our study, documenting serious negative impacts on the Canadian publishing sector, has been presented in a report, <u>annexed</u> to this letter, and also available on our website on http://ifrro.org/content/canada-after-changes-copyright-legislation-2012.

We are worried about the reputation, which Canada has earnt among authors, publishers and other rightholders internationally, as a copyright business and copyright holder hostile country, ensuing a climate and an environment that has led to apparent and wilful abuses of internationally recognised rights: publishing houses close down departments and move out of Canada, and creators reduce their production, due to reduced income. To this should be noted that also students express dissatisfaction with the outcome of the changes to the copyright regime.

We do not believe that this was the intent of Canada's Copyright Modernization Bill. However, it has become a reality, and we fail to see that it is in the interest of Canada. It is definitely not in the interest of Canadian and other authors and publishers.

We therefore respectfully ask that the Canadian government reviews the situation and urgently make the necessary clarifications to and, as required, make changes to the Copyright Law, with the aim also of re-establishing Canada with an apposite copyright regime, which will allow it to regain trust and reputation among rightholders and their representatives worldwide. I would also welcome the opportunity to meet with the Honourable Ministers and their Cabinets to discuss the situation and issues raised in this letter further.

Yours faithfully,

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Chief Executive Officer

cc. Guylaine Roy

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