



Mr. Dan Ruimy, M.P.
Chair of the Standing Committee
on Industry, Science and Technology
House of Commons
Ottawa, Ontario K1A 0A6

Dear Colleague:

As the ministers responsible for copyright policy and legislation, we would like to thank you for undertaking the statutory review of the *Copyright Act*. We recognize and fully respect the independence of the Standing Committee on Industry, Science and Technology in conducting the review and offer our support as desired.

Copyright is a vital part of our modern economy. While often underappreciated, the *Copyright Act* impacts Canadians every day, shaping what we see and hear, and enhancing our systems for the creation and use of content. This legislation is a key part of our suite of policy tools that promote Canadian creativity and innovation. A well-functioning copyright framework should contribute to a marketplace and environment where users have access to world-class content and services for information and enjoyment, for education and cultural heritage, and to inspire follow-on creation and innovation. It should also empower creators to leverage the value of their works and investments. Such a framework should ensure creators receive fair and transparent remuneration and that users benefit from a public domain. These goals should work together in support of our overall social, creative, and economic prosperity.

People hold very strong and often competing views on copyright itself, as well as its role in the marketplace. This diversity of viewpoints is because copyright affects a wide range of industries, works, and uses: from telecom and tech companies, to scientific institutions, and academia, from photographs, music, and books, to augmented reality content; and from museums, art galleries, and brick and mortar stores, to machine-readable data, and beyond.

Copyright is also an important international issue, as content protected by copyright now crosses national borders more often and with more ease than ever before. Creative content is an important and high-value commodity. In 2015, core copyright-based industries indeed represented approximately \$50 billion and 483,000 jobs for the

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Canadian economy. We believe that a predictable, transparent and effective copyright system can set us apart as a desirable marketplace for all types of creators and users, at home and abroad.

The *Copyright Act* was last comprehensively reformed five years ago, after years of discussions and consultations on a wide range of issues. The Act has been subject to judicial consideration in many instances, including at the Supreme Court of Canada, articulating a landscape for creators and users. While this parliamentary review is a good opportunity to take another look at unaddressed issues and determine whether course corrections are warranted, we think that it should also have emerging and forward-looking considerations firmly in sight.

Many copyright stakeholders have experienced chronic disruption with the advent of the digital marketplace. Many business models related, in whole or in part, to copyright have changed significantly. New digital intermediaries and services have taken on significant roles, leaving some feeling ill-served by emerging value chains for copyrighted content. Advances in virtual and augmented reality, 3D printing, encryption technologies, artificial intelligence and the “Internet of Things” have been breathtaking. As users are increasingly enabled to become creators themselves, interactions with copyright have become even more ubiquitous, leading some to suggest that current copyright rules need greater adaptability to new uses and formats. Private and public initiatives based on open source and open access have multiplied. Laws and jurisprudence on copyright and governance of the Internet have continued to evolve in Canada and worldwide.

Market disruption has often driven copyright reform. We suspect that disruption is now our constant state. Hence, we would be well served to aim for a marketplace framework that functions well in the current environment but that also can stand the test of time. We respectfully suggest that the *Copyright Act* itself might not be the most effective tool to address all of the concerns stemming from recent disruptions. For example, issues like the integrity of content metadata, better tracking and information of copyright activity, simpler licensing systems, and the importance of transparency for all players in the system, may reach beyond the scope of the legislation itself.

Over the past months, we have consulted extensively on both Canada’s Innovation and Skills Plan and Canadian content in a digital world. We have heard that intellectual property, including copyright, is the currency of the modern economy but that Canada must use the copyright regime to more strategically allow its entrepreneurs to innovate, grow to scale and create jobs here at home. We have heard that for many musicians, authors, developers, and several other creators, copyright protection is central to translating their achievements into earning a living, being competitive on the market, and continuing to create.

And we have taken action. In our last budget, we announced that the government will develop a new National Intellectual Property (IP) Strategy. The Strategy, to be unveiled in the new year, will help ensure that Canada's IP regime is modern and robust and supports commercializing Canadian innovations in the 21st century. It will also ensure that Canadian firms have the awareness and incentive to strategically use intellectual property to grow and compete.

Last August, we launched consultations on reforms to a key part of the system—the Copyright Board—whose processes and decisions have an important effect on the predictability of the copyright marketplace for certain types of content and uses. We intend to bring forward measures for reform over the next year to enable a more efficient decision-making process and timely decisions from the Board, to create a more predictable environment that allows creators to get paid properly and on time, encourage innovation, and invite investments from businesses that rely on a robust copyright ecosystem.

Additionally, in September we unveiled our vision for a Creative Canada, our strategy and renewed policy approach to strengthen Canada's vibrant creative sector, protect Canadian culture, and promote cultural diversity. It speaks to the important role of our creators in developing cultural content and recognizes the need to ensure they are fairly compensated for their work at a time of tremendous change and innovation. Creative Canada offers a roadmap for the future of our creative industries that positions us as a world-class creative economy through new investments, updated policy tools and programs, and legislative review. This will help Canada's creators succeed in a global, digital marketplace.

The review you are about to undertake is an important milestone in determining our next steps. With these considerations in mind, we respectfully present to you the following questions to help guide your review:

- How can we ensure that the *Copyright Act* functions efficiently to foster a marketplace that is transparent, promotes innovation and access for users, and supports creators in getting fair market value for their copyrighted content?
- How can we ensure that the copyright framework continues to function in an environment of constant change in technology and business possibilities?
- Finally, how can our domestic regime position Canadian creators, users, and innovators to compete on and harness the full potential of the global stage?

Given that the *Copyright Act* is a key piece of the creative marketplace legislative framework, we encourage you to tap into the expertise and informed perspectives of the Standing Committee on Canadian Heritage throughout this review. The scope of issues

related to copyright is broad and we feel that innovative mechanisms—such as special joint sessions or deep-dive studies on particular subject matters—could ensure that all relevant policy considerations are accounted for in your final report.

During your hearings and deliberations, we invite you to pay special attention to the needs and interests of Indigenous peoples as part of Canada's cross-cutting efforts at reconciliation. We would further invite you to consider Canada's linguistic duality and the ways in which copyright can support the vitality of our two official languages, French and English. We also welcome your advice on other actions that the government could take to address concerns of copyright stakeholders, both creators and users, even if not strictly within the confines of the Act itself.

We stand ready to attend one of your initial meetings to develop further on what we have heard from Canadians and answer any question you may have on the government's priorities. We hope that this review will help ensure that our copyright framework is well adapted to the digital environment and supports the interdependence of creativity and innovation. We thank you in advance for the critical work you are about to undertake.



The Honourable Navdeep Bains, P.C., M.P.
Minister of Innovation, Science and
Economic Development



The Honourable Mélanie Joly, P.C., M.P.
Minister of Canadian Heritage

c.c.: The Honourable Hedy Fry, P.C., M.P.
Chair of the Standing Committee on Canadian Heritage