



Copyright Board Canada

1997-98
Estimates

Part III

Expenditure Plan

The Estimates Documents

The Estimates of the Government of Canada are structured in three Parts. Beginning with an overview of total government spending in Part I, the documents become increasingly more specific. Part II outlines spending according to departments, agencies and programs and contains the proposed wording of the conditions governing spending which Parliament will be asked to approve. The Part III documents provide additional detail on each department and its programs primarily in terms of the results expected for the money spent.

Instructions for obtaining each volume can be found on the order form enclosed with Part II.

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Copyright Board Canada

1997-98
Estimates

Part III

Expenditure Plan

Approved

Minister of Industry

The Minister's Message

The Industry Portfolio

Building Jobs and Growth through Partnerships and Innovation

The Copyright Board of Canada is a member of the Industry Portfolio. The Board's principal objective is to set royalties which are fair and reasonable for both copyright owners and the users of copyright-protected works, as well as issuing non-exclusive licenses authorizing the use of works when the copyright owner cannot be located.

Through the coordinated efforts of its member organizations, the Industry Portfolio is playing a vital role in helping to improve economic growth, and employment and income prospects for Canadians. The Industry Portfolio brings together the key departments and agencies responsible for science and technology, regional development, marketplace services and micro-economic policy. In doing so, the Government of Canada has created a new capacity for partnership and innovation, both within the Portfolio itself and externally, with the private sector and other stakeholders.

As Minister responsible for the Industry Portfolio, I am focussing the Portfolio's activities to help Canadians move confidently into the 21st century. Through the Portfolio, I am working to ensure that our businesses and industries have the best tools and the right conditions to innovate, grow, compete and generate jobs.

The technology-driven global economy which has emerged in the 1990s holds much promise, as well as many challenges. To maintain traditional strengths and markets while building new ones, Canadians must innovate. We have to develop and use leading edge technologies and skills needed in the knowledge-based economy. We need to increase the abilities of our firms and industries to export. We must also enlarge Canada's share of international investment. And we must work to ensure all Canadians, especially our youth, are able to participate fully in the new economy. To achieve these goals, business, governments and individual Canadians have to work together, in partnership.

The Industry Portfolio Is ...

- Atlantic Canada Opportunities Agency
- Business Development Bank of Canada
- Canadian Space Agency
- Competition Tribunal
- Copyright Board of Canada
- Federal Office of Regional Development (Quebec)
- Industry Canada
- National Research Council of Canada
- Natural Sciences and Engineering Research Council of Canada
- Social Sciences and Humanities Research Council of Canada
- Statistics Canada
- Standards Council of Canada
- Western Economic Diversification

The Industry Portfolio is playing its part by focussing on three areas of activity -- each crucial for our economic success, now and into the next century:

- promoting innovation through science and technology
- assisting business to grow by providing information, advice and financing support
- ensuring a fair, efficient and competitive marketplace.

Innovation is the key to success in the global economy. Creative thinking and adopting new technologies and processes keep traditional industries competitive while launching new industries for emerging and expanding markets. The Industry Portfolio is taking a new, risk-sharing approach to investing in technology through partnerships with the private sector. We are also making strategic investments to expand Canada's intellectual resources and advance knowledge.

The Portfolio assists Canadian businesses to increase their competitive advantage and their capacity to expand. Our actions are particularly directed at strengthening the backbone of Canada's economy -- small and medium-sized enterprises.

The Industry Portfolio has a vital role to ensure an open and efficient marketplace by setting clear and fair "rules of the game." In this way, we are supporting business activity while protecting consumer and investor interests.

Through its wide range of activities, the Industry Portfolio is contributing to economic growth, increased employment and higher living standards for Canadians in every region, both today and into the new century.

John Manley
Minister of Industry

Preface

This document is a report to Parliament to indicate how the resources voted by Parliament have or will be spent. As such, it is an accountability document that contains several levels of details to respond to the various needs of its audience.

The Part III for 1997-98 is based on a revised format intended to make a clear separation between planning and performance information, and to focus on the higher level, longer term plans and performance of departments.

The document is divided into four sections:

- The Executive Summary;
- Board's Plans;
- Board's Performance; and
- Supplementary Information

It should be noted that, in accordance with Operating Budget principles, human resource consumption reported in this document will be measured in terms of employee full-time equivalents (FTEs).

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Section I
The Executive Summary

This document sets out the objectives of the Copyright Board, and provides details on expenditure plans for the next three years, as well as reporting accomplishments for 1996-97.

The Copyright Board is an independent administrative agency which has been conferred department status for purposes of the *Financial Administration Act*. Its mandate stems from the *Copyright Act*.

The Copyright Board plays a major role in the collective administration of copyright, particularly where the public performance and the communication to the public, by telecommunication, of musical works, as well as the retransmission of distant radio and television signals are concerned. The Board plays a surveillance role in three ways with respect to licensing bodies which administer very large repertoires of work created by a multitude of originators both in Canada and in other countries: as an economic regulatory body, by approving tariff proposals by the various copyright licensing bodies; as an arbitrator in private disputes; and as an arbitrator of the public interest.

The Board's principal mandate is to set royalties which are fair and reasonable for both copyright owners and the users of copyright-protected works, as well as issuing non-exclusive licences authorizing the fully legal use of works when the copyright owner cannot be located.

The workload of the Board depends on the number of tariff proposals filed and applications received. This can fluctuate from year to year. The board must be able to act expeditiously in scheduling cases for hearing and issuing its decisions. Delays can cause financial hardship for both the copyright owners and the users required to pay the royalties set by the Board.

The government has introduced legislation in the House of Commons, in 1996-97 (Bill C-32), that proposes further amendments to the *Copyright Act* which would provide the Board with additional responsibilities. This measure could have a significant effect on the Board's workload.

Section II The Board's Plan

A. Summary of Plans and Priorities

Mandate and Priorities

The mandate of the Board is to set royalties that are fair and reasonable both to copyright owners and to users of copyrighted works and to issue non-exclusive licences authorizing the use of published works for which the copyright owners are unlocatable.

In addition to carrying out the above mandate, the Copyright Board has set itself the following objectives for the stated planning period:

- to study and examine proposed tariffs that are filed with it and applications for licences for unlocatable copyright owners as expeditiously as possible and to render reasoned decisions within a reasonable timeframe;
- to estimate the financial and human resources needed to meet its current and any additional obligations under the proposed amendments to the *Copyright Act*, (Bill C-32);
- to make sure it has the operational framework to meet its new responsibilities;
- to assess what impact regulatory and market changes that are under way in the broadcasting sector will have on the work of the Board, since a large portion of the royalties generated by Board decisions come from that sector;
- to assess the impact technological developments in the use of copyrighted works will have on non-traditional media;
- to continue to manage its resources in keeping with the principles of efficiency, effectiveness and accountability;
- to consider the appropriateness of creating an Internet site to describe its operations;
- to continue to be present and active in the area of intellectual property.

B. Overview

Role and Responsibilities

In 1925, PRS England set up a subsidiary called the Canadian Performing Rights Society (CPRS). In 1931, the *Copyright Act* (the *Act*) was amended in several respects. The need to register copyright assignments was abolished. Instead, CPRS had to deposit a list of all works comprising its repertoire and file tariffs with the Minister. If the Minister thought the society

was acting against the public interest, he could trigger an inquiry into the activities of CPRS. Following such an inquiry, Cabinet was authorized to set the fees the society would charge.

Inquiries were held in 1932 and 1935. The second inquiry recommended the establishment of a tribunal to review, on a continuing basis and before they were effective, public performance tariffs. In 1936, the *Act* was amended to set up the Copyright Appeal Board.

On February 1, 1989, the Copyright Board took over from the Copyright Appeal Board. The regime for public performance of music was continued, with a few minor modifications. The new Board also assumed jurisdiction in two new areas: the collective administration of copyright and the licensing of uses of published works whose owners cannot be located. Later the same year, the *Canada-US Free Trade Implementation Act* vested the Board with the power to set and apportion royalties for the newly created compulsory licensing scheme for works retransmitted on distant radio and television signals.

General Powers of the Board

The Board has powers of a substantive and procedural nature. Some powers are granted to the Board expressly in the *Act*, and some are implicitly recognized by the courts.

As a rule, the Board holds a hearing. No hearing will be held if proceeding in writing accommodates a small music user that would otherwise incur large costs. The hearing may be dispensed with on certain preliminary or interim issues. No hearings have been held yet for a request to use a work whose owner cannot be located. The process has been kept simple. Information is obtained either in writing or through telephone calls.

Guidelines and Principles Influencing the Board's Decisions

The decisions the Board makes are constrained in several respects. These constraints come from sources external to the Board: the law, regulations, judicial pronouncements. Others are self-imposed, in the form of guiding principles that can be found in the Board's decisions.

Court decisions also provide a large part of the framework within which the Board operates. Most decisions focus on issues of procedure, or apply the general principles of administrative decision-making to the peculiar circumstances of the Board. However, the courts have also set out several substantive principles for the Board to follow or that determine the ambit of the Board's mandate or discretion.

The Board itself also enjoys a fair measure of appreciation, especially in areas of fact or policy. In making decisions, the Board itself has used various principles or concepts. Strictly speaking, these principles are not binding on the Board. They can be challenged by anyone at anytime. Indeed, the Board would illegally fetter its discretion if it considered itself bound by its previous decisions. However, these principles do offer guidance to both the Board and those who appear before it. In fact, they are essential to ensuring a desirable amount of consistency in decision-making.

Among those factors, the following seem to be the most prevalent: the coherence between the various elements of the public performance tariff, the practicality aspects, the ease of administration to avoid, as much as possible, tariff structures that make it difficult to administer the tariff in a given market, the avoidance of price discrimination, the relative use of protected works, the taking into account of Canadian circumstances, the stability in the setting of tariffs that minimizes disruption to users, as well as the comparisons with “proxy” markets and comparisons with similar prices in foreign markets.

Organization and Program Composition

Board members are appointed by the Governor in Council to hold office during good behaviour for a term not exceeding five years. They may be reappointed once.

The Act states that the Chairman must be a judge, either sitting or retired, of a superior, county or district court. The Chairman directs the work of the Board and apportions its caseload among the members. In matters before the Board, the Chairman casts the deciding vote in the case of a tie.

The Act also designates the Vice-Chairman as Chief Executive Officer of the Board, exercising direction over the Board and supervision of its staff.

The Board's Staff

The Board has a staff of six employees, three of whom report to the Chief Executive Officer: the General Counsel, the Secretary and the Researcher-Analyst.

The General Counsel provides legal advice on proposed tariff and licence applications before the Board. The General Counsel also represents the Board before the Courts in matters involving its jurisdiction or decisions.

The Secretary plans the Board's operations, serves as its Registrar, represents the Board in its relations with Members of Parliament, provincial governments, the media and the public and directs the preparation of the Board's reports to Parliament and to the federal government's central agencies.

The Researcher-Analyst provides economic expertise to the Board on matters raised by proposed tariffs and licence applications and conducts studies on specific aspects of rate regulation.

To avoid the cost of additional administrative staffing, the Board entered into a support services agreement with the Department of Industry. The Department provides support services and expert advice in personnel, administrative and financial matters.

Objectives and Priorities

Essentially, the current mandate of the Board is to:

- adopt tariffs for the public performance or the communication to the public by telecommunication of musical works [“the SOCAN regime” (the Society of Composers, Authors and Music Publishers), by the name of the collective society which administers these rights in Canada: ss. 67 to 69];
- adopt tariffs for the retransmission of distant television and radio signals [“the retransmission regime”: ss. 70.61 to 70.67];
- set royalties payable by a user to a licensing body operating a licensing scheme, where the parties are unable to agree on the price or the related terms and conditions [“the arbitration regime”: ss. 70.2 to 70.4];
- examine, at the request of the Director of Research appointed under the *Competition Act*, agreements between a licensing body and a user that have been filed with the Board, where the Director considers that the agreement is contrary to the public interest [ss. 70.5 and 70.6];
- issue non-exclusive licences for the use of published works, where the copyright owner cannot be located [s. 70.7];
- set the compensation to be paid, under certain circumstances, for formerly unprotected acts in countries that later adhere to the Berne Convention, the Universal Convention or the Agreement establishing the World Trade Organization (WTO) [s. 70.8].

In addition, the Minister of Industry can direct the Board to conduct studies with respect to the exercise of its powers [s. 66.8].

Finally, any party to an agreement on copyright royalties payable to a licensing body can file the agreement with the Board within fifteen days of its conclusion, thereby avoiding certain provisions of the *Competition Act* [s. 70.5].

To date, most of the Board’s activities have been in the areas of music public performance rights, retransmission of distant radio and television signals and the issuance of licences in the case of copyright owners who cannot be located. Only three applications were filed with the Board for the fixing of royalties pursuant to the arbitration regime. Two were withdrawn when parties involved came to an agreement and one is currently pending before the Board. Finally, the Board is the depository of more than 250 agreements entered into by licensing bodies, the majority of which deal with the reproduction of literary works. No agreement has been the subject of a request for examination from the Director of Research.

The royalties payable under the tariffs certified by the Board amount, annually, to approximately 135 million dollars. The Board’s current budget (1996-97) of \$840,000

(\$688 000 in salaries and benefits and \$152 000 in operational costs) represents a little more than 0.6% of that amount.

The Broadening of the Mandate

Bill C-32 would modify the mandate of the Board by adding the following responsibilities:

- the adoption of tariffs for the public performance and communication to the public by telecommunication of sound recordings of musical works, for the benefit of the performers of these works and of the makers of the sound recordings [“the neighbouring rights”]; the collective societies administering these rights would be subject to the SOCAN regime [ss. 67 to 68.2];
- the adoption of tariffs, at the option of collective societies referred to in section 70.1, for any acts mentioned in sections 3, 15, 18 and 21 of the *Act*; this would allow societies presently subject to the arbitration regime to rely on the SOCAN model rather than on piecemeal agreements with users [ss. 70.1 to 70.191];
- the adoption of tariffs for the reproduction and public performance of radio or television stations’ news programs by educational institutions for educational purposes [s. 29.6]; the collective societies administering these rights would be subject to the retransmission regime [ss. 71 to 76]. The Board would also have the power to adopt regulations prescribing the information to be kept in relation to the making, destruction, performance and marking of the copies made, as well as the information to be sent to the collective societies involved [s. 29.9];
- the adoption of tariffs for the reproduction and public performance of any radio or television programs by educational institutions, for educational purposes (for the benefit of the rights owners in the works, performances, sound recordings and signals) [s. 29.7]; the collective societies administering these rights would be subject to the retransmission regime [ss. 71 to 76]. The Board would also have the power to adopt regulations prescribing the information to be kept in relation to the making, destruction, performance and marking of the copies made, as well as the information to be sent to the collective societies involved [s. 29.9];
- the issuance of non-exclusive licences for the use of fixed performances, published sound recordings and fixed communication signals, where the copyright owner cannot be located [s. 77];
- the adoption of tariffs for private copying of recorded musical works, for the benefit of the rights owners in the works, the performances and the sound recording (“the home-taping regime”) [ss. 79 to 88].

Resource Plan

Spending Authorities

A. Authorities for 1997-98 - Part II of the Estimates

Financial Requirements by Authority

Vote	(thousands of dollars)	1997-98 Main Estimates	1996-97 Main Estimates
Copyright Board			
50	Program expenditures	739	753
(S)	Contributions to employee benefit plans	102	87
Total Agency		841	840

Votes Wording and Amounts

Vote	(dollars)	1997-98 Main Estimates
Copyright Board		
50	Copyright Board - Program expenditures	739,000

Copyright Board Overview

(Thousand of dollars)	Main Estimates 1996-97	Main Estimates 1997-98	Planned 1998-99	Planned 1999-00
Gross Estimates	840	841	823	823
Total Main Estimates	840	841	823	823

Explanation of change: The difference between the 1996-1997 Main Estimates is due to the impact of the government-wide reductions in non-statutory spending. The figures include contributions to employee benefit plans.

Net Cost of the Copyright Board by Business Line/Activity

(thousands of dollars)

Business Lines/Activities	1997-98 Main Estimates							
	Operating	Capital	Grants and Contributions	Gross Total	Statutory Payments	Gross Expenditures	Less: Revenue Credited to the Vote	Total Main Estimates
Copyright Board	739	-	-	739	102	841		841
	739			739	102	841		841
Other Revenues and Expenditures								
Estimated cost of services by other Departments								214
Net Cost of the Program								1,055

C. Details by Business Line

Business Line Objective

The Board's only program consists of setting royalties that are fair and reasonable both to copyright owners and to users of copyrighted works and issuing non-exclusive licences authorizing the use of published works for which the copyright owners are unlocatable.

In the performance of its duties, the Board works to balance the market forces between users and licensing bodies which, by virtue of their activities, enjoy some market power.

Operating Context

The Board is in a particularly precarious operating context at present. Its budget, like that of every other government department and agency, has suffered numerous cuts in recent years. The Board is already operating with extremely limited human and financial resources.

The Board has made every effort to minimize its costs. As a quasi-judicial administrative body, it does not have any discretionary programs that it can reduce or eliminate. Its priorities are established by its enabling legislation. The obligations which the *Act* and the general principles of law impose on the Board impact directly on its budget.

Change Management Issues and Key Initiatives

Change management issues are the key initiatives to which the Board will give its attention in the coming year. In this age of high technology, the environment in which the Board must work is in a constant state of flux. The issues brought before the Board are increasingly complex and require a very broad understanding of the communications and cultural industries sector. As a result, the Board will have to call on internal resources or contractors to help it analyse such highly complicated matters as the use of music on the Internet.

In the event that Bill C-32 is passed in its current form, it will become imperative that the Board proceed with organizational restructuring and have the financial and human resources it needs to properly discharge any new responsibilities. The new tariffs to be filed will give rise to hearings involving a great deal of work, not only during the actual hearing, but also for any pre-hearing conferences, any procedural matters, any preliminary motions requiring a decision, creation of the file and its presentation at the hearing, and any related research. The hearings will result in decisions on extremely complex issues that will require more and more specialized research. The Board would have to arrange for additional personnel to work in the Secretariat and to conduct legal and specialized sectoral research.

Other Initiatives

Should Bill C-32 be passed in its current form, the Board would meet with the new copyright owners to make sure they know how the Board operates. It would also be available to meet with current and potential users under the terms of the new copyright regimes.

The Board would also undertake the appropriate procedure leading to the adoption of four new regulations proposed for in Bill C-32, or in the report of the Parliamentary Committee who examined the Bill: the regulations governing the issuance by the Board of licences when the copyright owner cannot be located; the regulations prescribing the form in which the notices will have to be filed with the Board, for public inspection, by the archive which will have reproduced for purpose of research or private study, an unpublished work for which the copyright owner is unlocatable; the regulations defining "advertising revenues" for the purposes of broadcasters qualifying for special rates with respect to neighbouring rights; and the regulations prescribing the information to be kept by an educational institution in relation to the making, destruction, performance and marking of the copies made, as well as the information to be sent to the collective societies involved.

In addition, the Board will doubtless be consulted by the Governor in Council before the regulations provided for by sections 66.91 et 68.1(5) are published. It will provide the best possible advice, based on its experience and expertise.

Results Expectation

The Board intends to be fully operational as soon as possible so that it can properly fulfil its mandate.

In addition, the Board is adopting the following strategies:

- Set tight schedules for filing evidence and holding hearings.
Result expectation: tariffs that are approved before the beginning of the year in which they apply or as early as possible in that year;
- Approve tariffs that apply for several years, under certain circumstances.
Result expectation: savings for the parties and the Board;
- Without limiting the rights of the parties, set parameters for the issues the Board is willing to examine and indicate what type of evidence it would like to see presented on these issues.
Result expectation: lower costs for the parties and the Board;
- In connection with Bill C-32, the Board made a presentation to the Parliamentary Committee to make it aware of the problems of implementing some proposed sections.
Result expectation: amendments to the Bill that will make its implementation more effective;

- Motivate "small" users to join together in order to present their views to the Board and, on its own initiative, during hearings, raise questions submitted to it by users who are unable to appear. Result expectation: a more effective system and increased user satisfaction.

Comparative Financial Plan by Business Line

Appropriated Planned Spending

(thousands of dollars)	Main Estimates 1996-97	Main Estimates 1997-98	Planned 1998-99	Planned 1999-00
Business Lines/Activities				
Copyright Board	840	841	823	823
Total	840	841	823	823

Section III

The Board's Performance

A. Summary of the Performance

In the past year, the Board issued three decisions concerning public performance of music with respect to eight disputed tariffs. One of the decisions relating to specialty services established the first tariff for this type of use and covered the period from 1990 to 1995. Of the 39 proposed tariffs for the public performance of music for 1996, 32 were approved, two are new (17.B and 22), one was challenged before the courts (17.A), and the others will be reviewed in due course.

The Board also issued a decision concerning the retransmission of distant radio and television signals, establishing a royalty for copyright owners for the broadcast day (program schedule) compilation. Here again, a new tariff was involved.

In addition, licences were issued to use works of unlocatable copyright owners, and activities were carried out in relation to the review of the *Copyright Act* and education of the public about copyright.

B. Overview

Responsibilities and Main Objectives

The Board considers that it has achieved one of the objectives set in recent years, that is, to ensure that its current and future clientele and the general public are more aware of its mandate and activities.

Development of Performance Measures

The Board established a policy on tariff increases. This led to fewer applications for increases and consequently fewer objections. When the Board does carry out a review, it is generally more thorough, with the result that the tariff structure is better suited to the market.

With respect to the setting of royalties, the evaluation criteria are qualitative in nature. Performance is measured in terms of how satisfied users and collecting bodies are with a change in tariff structure and the frequency of objections to a tariff. It should be noted that all applications for judicial review and appeals to Cabinet on the setting of royalties by the Board were dismissed. What is more, the Federal Court recognized the highly specialized nature of the Board and reiterated many of the principles established by the Board.

With respect to the timely examination of disputed tariffs, the Board issues directives concerning deadlines to be met and presentation of evidence. The performance measure is the number of tariff hearing days and the length of time between the filing of the objection and the decision by the Board. It adopts corrective measures as required.

C. Details by Business Line

Key Initiatives

Since April 1, 1996, the Board has rendered three decisions concerning the public performance or communication by telecommunication of musical works: (1) in April 1996, the Board certified Tariff 17 (Transmission of Pay, Specialty and Other Cable Television Services) for the years 1990 to 1995, after a 16-day hearing held the previous year; (2) in September 1996, the Board certified Tariff 16 (Music Suppliers) for the years 1994 to 1996, after a three-day hearing held in December 1995; Tariffs 3.B (Recorded Music Accompanying Live Entertainment in Cabarets, Cafes, Clubs, Bars, etc.) and 3.C (Adult Entertainment Clubs) for the year 1995, after a three-day hearing held in September 1995; Tariffs 4 (Concerts), 5.B (Exhibitions and Fairs) and 14 (Individual Work) for the years 1995 and 1996, after a eight-day hearing held in February 1996, and the undisputed tariffs for 1996; (3) in December 1996, it certified Tariff 2.E (CTV Television Network Ltd.) after an agreement was reached between SOCAN and CTV for the period September 1, 1993 to December 31, 1998.

With regard to the Retransmission of Distant Radio and Television Signals, the Board rendered one decision in June 1996 certifying the tariff for the years 1995 to 1997 and modifying the one for 1994. This decision was rendered following a three-day hearing held in June 1995 which solely questioned whether a broadcast day constituted a compilation work giving right to remuneration pursuant to the retransmission rights regime.

Twelve applications have been received to date by the Board requesting authorization to use works for which the copyright owners are unlocatable; 8 licences have been issued.

One application for arbitration has been filed with the Board, pursuant to section 70.2 of the *Act* (when a disagreement subsists between a collecting body and a user on the royalties to be paid or the related terms and conditions of a licence) by the Canadian Copyright Licensing Agency (CANCOPY) and the Association of Universities and Colleges of Canada (AUCC). The Board has rendered an interim decision on September 13, 1996 and will hear the case during the current year.

Since April 1, 1996, 150 agreements have been filed with the Board pursuant to section 70.5. This section states that any party to an agreement on the royalties to be paid to a collecting body can file the said agreement with the Board within fifteen days after it is concluded, thereby avoiding certain provisions of the *Competition Act*.

The Copyright Board has published five Statements of Royalties in the *Canada Gazette*:

- . April 20, 1996 (certifying SOCAN Tariff 17)
- . June 29, 1996 (certifying the Retransmission Tariff)
- . September 21, 1996 (certifying various SOCAN tariffs)
- . October 19, 1996 (publishing SOCAN's proposed tariffs for the year 1997)
- . December 21, 1996 (certifying SOCAN Tariff 2.E).

Furthermore, the Board has received 69 objections to the tariffs proposed by SOCAN for 1997. Of those, 18 concern a new tariff and 16 relate to a tariff challenged in Court. SOCAN issues more than 30,000 licences annually to various users.

Specific Initiatives

The Board played an active part in the work of the House of Commons Standing Committee on Canadian Heritage relating to Bill C-32 by making a submission and appearing before the Committee. It took advantage of the opportunity to inform the MPs that it would need additional funds to deal with the new responsibilities to be conferred on it if the Bill were to be passed in its current form.

The Vice-Chairman and Chief Executive Officer of the Board took part as an *ad hoc* member in the work of the Joint Committee of the Canadian Bar and the Patent and Trademark Institute of Canada on Bill C-32.

The Board drafted regulations establishing time limits for forfeiture of copyright claims by non-members of collecting bodies for the retransmission of distant radio and television signals. It submitted the draft regulations to the collecting bodies for comments.

A collection of all decisions issued from the Board's inception to December 31, 1994 was published by Carswell. It is a comprehensive, easy-to-use guide for anyone wanting to study the Board's decisions. The Board expects this collection will be particularly useful to organizations and individuals working in the areas of copyright, communications and cultural industries. The decisions of the Copyright Appeal Board from 1936 to 1989 will eventually be combined in another volume, which will also be published by Carswell.

The Board is actively involved in the international program committee and the organizing committee for the world congress of the International Literary and Artistic Association (ALAI) to be held at Montebello in September 1997, the theme of which is the protection of authors and performers through contracts [contractual practices in the digital world]. This congress is being organized by the Canadian chapter of the Association.

The Vice-Chairman and Chief Executive Officer made a presentation before the general assembly of the International Federation of Reproduction Rights Organization (IFRRO) in October 1996 and made available a backgrounder (in both languages) on the collective administration of copyright in Canada. In the fall of 1996, he also gave an interview to the *Association des câblodistributeurs du Québec*, which appeared in the fall 1996 issue of their publication *Tête de ligne* (Vol. 10, No. 1).

Comparative Financial Performance by Business Line

Copyright Board Appropriated Planned and Actual Spending

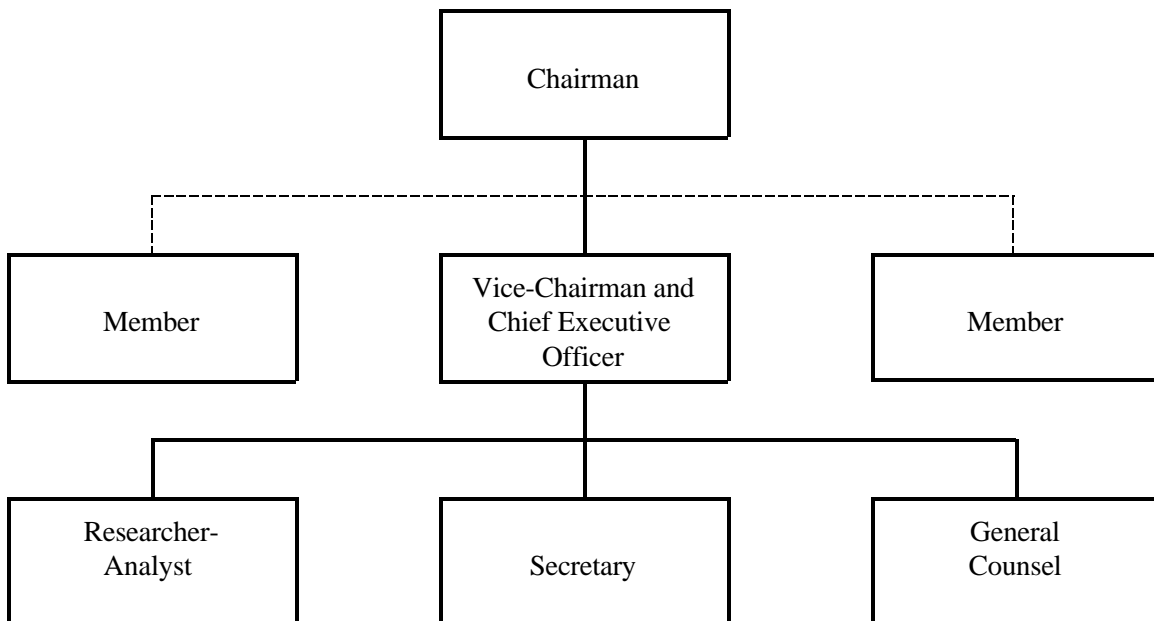
(thousands of dollars)	Actuals 1993-94	Actuals 1994-95	Main Estimates 1995-96	Actuals 1995-96
Business Lines/Activities				
Copyright Board	1,005	984	943	860
Total	1,005	984	943	860

Explanation of change: The 1993-1994 actual expenditures were \$6,000 or 0.6% higher than the Main Estimates. This increase is primarily due to higher personnel costs to cover salaries and wages shortfalls related to severance pay. For the consecutive years, the difference is due to the impact of the government-wide reductions in non-statutory spending.

Section IV
Supplementary Information

Appendix 1 - Organization

1.1 Organization Chart



Appendix 1 - Organization

1.2 Resource Requirements by Branch and Business Line/Activity
(thousands of dollars)

	1997-98 Main Estimates	
	Business Lines/Activities	
	Copyright Board	Total
Copyright Board	841	841
Total	841	841

Appendix 2 - Personnel Requirements

2.1 Details of Personnel Requirements by Business Line/Activity (FTEs)

	1994-95 Actuals	1995-96 Actuals	1996-97 Estimates	1997-98 Estimates	1998-99 Planned	1999-00 Planned
Business Lines/Activities						
Copyright Board	9	9	9	9	9	9
Total	9	9	9	9	9	9

2.2 Summary by Professional Category (FTEs)

	1994-95 Actuals	1995-96 Actuals	1996-97 Estimates	1997-98 Estimates	1998-99 Planned	1999-00 Planned
Order-in-Council Appointments	3	3	3	3	3	3
Executive Group	1	1	1	1	1	1
Scientific and Professional	2	2	2	2	2	2
Administrative and Foreign Service	1	1	1	1	1	1
Administrative Support	2	2	2	2	2	2
Total	9	9	9	9	9	9

Appendix 4 - Additional Financial Information

4.2 Revenues and Expenditures

4.2.5 Presentation by Standard Object

(Thousand of dollars)	1994-95 Actuals	1995-96 Actuals	1996-97 Estimates	1997-98 Estimates	1998-99 Forecast	1999-00 Forecast
<i>Personnel</i>						
Salaries and wages	644	602	601	602	603	603
Contributions to employee benefit plans	78	78	87	102	103	103
Other personnel costs	-	-	-	-	-	-
<i>Total Personnel</i>	722	680	688	704	706	706
<i>Goods and services</i>						
Transportation and communications	60	36	37	30	25	25
Information	83	22	35	22	20	20
Professional and special services	66	44	10	17	15	15
Rentals	12	9	12	10	8	8
Purchased repairs and upkeep	3	3	3	3	3	3
Utilities, materials and supplies	28	52	29	30	21	21
Other subsidies and payments	-	-	1	-	-	-
Capital	10	14	25	25	25	25
<i>Total Operating</i>	262	180	152	137	117	117
<i>Net Budgetary Expenditures</i>	984	860	840	841	823	823

Appendix 5 - Statutes Administered by the Copyright Board

Copyright Act, R.S.C. 1985, c. C-42

Appendix 6 - References

Copyright Board

Bill C-32

Presentation by the Copyright Board on Bill C-32

Submission of the Copyright Board on Bill C-32

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