

Copyright Board
Canada



Commission du droit d'auteur
Canada

NEWS RELEASE

Copyright Board Sets the Royalty Rate to Be Paid for the Reprographic Reproduction Made by Educational Institutions Outside Quebec for the Years 2005 to 2009

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Ottawa. The Copyright Board of Canada today issued a decision dealing with a tariff that applies to the reproduction of literary, dramatic and artistic works included in books, newspapers, magazines and other publications, for the use in primary and secondary level educational institutions in Canada outside Quebec. This is the first time the Board has been asked to certify a tariff for these types of works.

Access Copyright, The Canadian Copyright Licensing Agency, is the organization responsible for the collection and distribution of funds to the relevant rights owners. Access Copyright administers the rights for all of Canada except Quebec, where the repertoire is administered by *La Société québécoise de gestion collective des droits de reproduction* (COPIBEC).

Until now, it was under the terms of an agreement with Access Copyright that educational institutions were paying for the right to make photocopies. The rate educational institutions have been paying recently is approximately \$2.45 per (full-time equivalent, or FTE) student, per year. Having been unable to reach a new agreement, Access Copyright filed a proposed statement of royalties in March 2004, thereby asking the Board to set a rate.

The Board established the full rate at \$5.16 per FTE student, per year. At this rate, total royalties to be paid for the year 2005-2006 would be just under \$20 million, since the number of FTE students is estimated at about 4 million for that year. The amount of royalties will vary each year depending on the number of FTE students enrolled in elementary and secondary schools for that particular year.

“This is a significant increase in relation to what schools have been paying under the agreement,” said Mr. Claude Majeau, Secretary General to the Board. “However, continued Mr. Majeau, the total royalties represent only 0.05 per cent of the total costs in elementary and secondary education. The education system as a whole is perfectly capable of dealing with this royalty increase.”

In the short term however, the Board took account of the fact that the increase is important and that the financial constraints of the education system are serious. As a consequence, the Board applies a 10 per cent discount for the first four years of this tariff. A rate of \$4.64 per FTE

student will thus apply for the years 2005 to 2008. The full rate of \$5.16 will apply in 2009.

Several factors were considered by the Board in determining this rate. First, the parties collaborated in the conduct of a study which allowed, for the first time, the measurement of the volume of photocopying made in a year by educational institutions. The study concluded that primary and secondary schools and ministries of education under review photocopied 10.3 billion pages during the 2005-2006 school year. Of this amount, about 250 million pages trigger remuneration.

Second, the Board took into consideration the fact that many of the photocopies are already allowed, in particular because they benefit from the fair dealing exception of the *Copyright Act*. Finally, the Board was able to obtain from the parties some measurement of the value that photocopies represented for the schools, which is reflected in the rate set today.

For more information, please contact:

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Note: The reasons along with the certified tariff can be found on the Board's Website under the heading "What's New – Recent Decisions" at: <http://www.cb-cda.gc.ca>