

**Transcript**  
**Minister Moore's Speech at**  
**Luncheon on Intellectual Property, Innovation, Economic Growth, and Jobs**  
**Toronto, Ontario**  
**June 22, 2010**

Ladies and gentlemen, I appreciate your presence here today relating to a subject that is very important for all Canadians, creators, consumers - everyone who is part of the Canadian economy and who wants to see modernized copyright legislation. This is something that is very important for all Canadians and all regions of the country.

But I want to thank in the very beginning the Canadian Intellectual Property Council for inviting me here to speak to you today, and I want to commend the great work that all of your organizations are doing to support Canada's intellectual property regime and to work with your members to support the modernization of Canada's creative economy.

I know that the contribution that the copyright industries make to Canada's economy cannot be understated both in terms of stimulating investment and in creating jobs.

The arts and culture sector, for example, just within this context, is a massive portion of the Canadian economy. It's \$46 billion in Canada's GDP.

The arts and culture sector of Canada's economy is three times the size of Canada's insurance industry. It's twice the size of Canada's forest industry. It is a massive portion of the Canadian economy.

There are over 600,000 jobs in the Canadian economy dependent on robust and effective copyright legislation that reflects modernization but also reflects the need to have the incentive for continued investment in these important jobs.

And before I speak any further, I want to talk a little bit about the Canadian economy in general, to update you about where Canada is. You know Canada's economy is in great shape and I want to talk to you just very briefly about where we stand as we are about to host the G-8 and G-20 Summits.

As you know, our Government has been diligently implementing what we call Canada's Economic Action Plan. This was our Government's comprehensive response to the worst economic downturn that the world has seen since the Second World War. And the results are in and in Canada. We are on the right track. We are emerging from the global economic recession powered by one of the strongest economies in the industrialized world. In fact, the data is quite clear. Not only are we emerging, Canada is in fact leading the world. By key measures of job creation, economic growth, stability of our financial sector and

relatively low public debt, Canada is performing better than the United States and other G-7 countries.

And here are some facts. The decline in output in Canada during the recession was the smallest of any G-7 country. Canada is the only G-7 country to have virtually recouped the loss in output during the recession and as a matter of fact I believe, as Minister Flaherty's report said yesterday, 75 – 74 percent of the job losses that we saw during the recession have now been recovered. Three-quarters of the jobs are – you know, those three-quarters of the jobs that we have lost are regionally balanced across the country in terms of the economic recovery as well. And Canada is the only G-7 country to record a year-over-year increase in employment this past spring. So, looking ahead, both the IMF and the OECD expect that Canada will have the strongest economic recovery of all G-7 countries over the next two years.

These globe-leading statistics are no accident. Our Government put in place one of the largest stimulus packages of focussed spending measures and focussed tax relief coupled with a robust existing banking system that the world has seen. As Nobel Prize winning economist Paul Krugman recently noted, “We need to learn from those countries that evidently did it right, and leading that list is our neighbour to the north.”

But the global economic recovery remains uncertain, and at home too many Canadians remain out of work. Just as the recession did not originate with the Canadian economy, it also remains vulnerable to the developments that are happening elsewhere. So we must work together to finish the job that we've started. And that job includes following through on our commitment to consider Canada's legislative, regulatory and fiscal policies to seize opportunities, and in our Throne Speech, we made a commitment to tackle one such priority and that is the need for copyright reform.

We pledged to strengthen the laws that govern intellectual property and copyright. We pledged to do this within a framework that encourages new ideas and protects the rights of Canadians who research, development and artistic creativity contribute to Canada's prosperity and the quality of life of all Canadians.

We also committed to launch a Digital Economy Strategy, and it's important that we base the Digital Economy Strategy on a modernized copyright framework that aims to be as technologically neutral as possible. And I'm proud to say that we've been working hard to fulfill those commitments.

As many of you are aware, on the 2<sup>nd</sup> of June, we introduced the *Copyright Modernization Act*.

The proposed legislation represents a balanced approach, one that our

government believes protects the works of creators while recognizing the interests of consumers and Canadians.

The legislation reflects a variety of views expressed during consultations on copyright reform that we held this past summer. The consultation featured an interactive website, open public town hall meetings, multiple stakeholder meetings and roundtables across Canada, and written submissions from everyday Canadians.

Canadians talked and our Government listened.

Canadians told us that they wanted a technologically neutral framework that would stand the test of time. This Bill introduces technologically neutral provisions. It is principle-based and is flexible and adaptable to any changes in technology while ensuring appropriate protections for both creators and users. Thanks to this technologically neutral approach, Bill C-32, the Bill, will continue to be relevant for any technologies that come down the pipe.

Copyright owners told us that the current Act is not – did not give them strong enough tools to target those who ‘enable’ copyright infringement. The best way to fight piracy is by targeting those who knowingly enable online infringement. This legislation will give copyright owners new tools to seek damages from those ‘enablers.’

Artists and creators told us that they deserved to be fairly compensated for their creative work and their investments, and they’re right. The proposed legislation provides new rights, protections and tools to encourage new business models. It will provide certainty for artists and creators to engage in the global digital marketplace with confidence.

Copyright owners told that us that their online and digital business models depend on strong protections for digital locks. And they’re right. With Bill C-32, we are proposing protections for digital locks. The Bill gives creators stronger legal tools for protecting technological measures including ‘digital locks’ and other methods that creators may choose, that they choose to use to protect their works on the internet — for example, using items like and tools like encryption and passwords.

Creators and consumers will also be able to benefit from legal protections for their ‘rights management information.’ This ensures that the identity of the creator and key information is always connected to the work.

These new tools will enable creators to protect their investments, and these measures will also help enable their business models.

At the same time, this strong but balanced approach also includes a specific list

of exceptions for certain activities, such as encryption research and security testing. Canadians will also have the ability to unlock their wireless devices in order to switch service providers, so long as it respects existing contracts.

Canadian consumers told us that they want to make reasonable use of content that they've legally acquired and we agree. The Bill legitimizes many commonplace private and non-commercial uses of copyright material that are currently not allowed or where their status is not clear under the existing Copyright Act. These uses include posting mash-ups on the web or time shifting television programs.

Canadian consumers also told us that they want clear roles and that they don't want new taxes. Our legislation reflects the three strikes proposal that has been implemented elsewhere in the world. We have chosen to maintain a notice and notice regime of the original Bill C-61 rather a notice and takedown regime. And we have said no to new taxes or fees on consumers in the form of levies on iPods, MP3 players, computers and other devices that play digitized music. These measures are all strong defences of the rights of consumers.

Canadians with perceptual disabilities told us that the law needed to better reflect their needs, and we agreed. The legislation that we have introduced permits Canadians with perceptual disabilities to adapt legally acquired copyrighted materials.

Businesses told us that the Act stood in the way of ordinary uses of technology. Through Bill C-32 we will provide companies with the tools that they need to innovate by allowing temporary reproductions of copyrighted material.

Canada's innovative firms told us that they need clear copyright rules in order to roll out innovative business models, and we agreed. This legislation proposes new exceptions for computer program innovators, limitations on liability for Internet Service Providers and search engines, and clarifies that making temporary technical reproductions of copyrighted material is acceptable.

Canadians also told us that fair dealing should be expanded. The Bill expands the existing uses of – and allows for 'fair dealing' by adding education, parody and satire. It recognizes the incredible potential that technology offers education and protects students and teachers with aspirations to learn and impart knowledge in new and creative ways using the latest technologies.

With respect to education and research, our legislation also introduces new technologically-neutral exceptions that allow these sectors to take advantage of the opportunities created by new technologies, particularly the Internet. This includes, for example, an exception for the use of publicly available material on the Internet for educational purposes, a provision that the Copyright Consortium of the Council of Ministers of Education, or CMEC, has been requesting since

2001.

The views that were expressed during the copyright consultations that we did last year were as diverse as the stakeholders themselves. So you can imagine how challenging it was for our Government to develop comprehensive legislation that tries to find the right balance of the needs of all stakeholders and the long-term interests of all Canadians.

And I'm pleased to say that I believe that our Government has done just that.

And also, there's a provision in this legislation that mandates a review every five years by law – there'll be a five-year review of this legislation of the House of Commons to make sure that Canada's copyright regime does not fall back into the state of disrepair as it is today.

And this is an important thing to add here. Canada has not, sadly, elected a majority government since 2000. We're working on that. But we haven't elected a majority government since November 27<sup>th</sup> of 2000. So for 10 years, we've had – well, since 2004, we've had minority parliaments, and who knows if that may well be the norm for a while? We cannot allow the contemporary politics and a lack of leadership to tackle tough issues to stop Canada from addressing the necessary amendments that will come into place with regard to copyright reform to meet our digital realities. We have to confront these. And if the politicians aren't prepared to do that and we have to wait for 13 years of stagnation before we can finally table legislation, then what we're going to do in this legislation is mandate the politicians, whoever is in power, whoever is the Heritage or Industry Minister, whoever is the Prime Minister that you must every five years examine your copyright regime and make sure that it stays up to date. Canadians deserve this.

With our legislation as well, Bill C-32, we are ensuring that Canada's copyright laws are forward-looking, flexible and in accordance with the current international standards.

The Bill implements the rights and protections of the WIPO treaties and brings Canada in line with these international standards that are expected of a nation such as ours. There are new rights and protections that are compatible with international standards and that will allow creators and copyright-based industries to better compete on the international stage. For example, the 'making available' right will allow creators to control how their works are made available online.

This updated legislation will allow us to fulfill our commitment to bring Canada's copyright in line with those of our G-8 trading partners.

It has been more than a decade since Canada's copyright legislation was last

reformed and this is the most comprehensive effort to modernize our laws that we have seen in over a decade.

Modernized legislation will support Canada as we embrace the challenges of a digital environment and take a leadership role in the global digital economy. It will contribute to an environment that gives Canadians the tools that they need to maintain a creative, innovative and competitive economy internationally.

And I want to mention as well the Digital Economy Strategy.

Our Government knows that a strong digital economy will contribute to a more prosperous and competitive Canada.

The strategy that we are developing will enable the Information and Communications Technology sector to create new products and services and accelerate the adoption of digital technologies and contribute to improved cyber security practices by industry and by consumers.

We recognize that digital media and content will drive the demand for devices and broadband infrastructure. This means that for a digital strategy to be effective, it will need to have a digital media and content at its very centre.

On May 10<sup>th</sup>, I, along with my colleagues Minister Clement and Minister Finley, launched the Digital Economy Consultation process.

We are seeking public input to help inform the development of a comprehensive, multi-year digital economy strategy based on five themes: Innovation using digital technologies; Building a world-class digital infrastructure; Growing the information and communications technology industry; Canada's digital content requirements; and Building on Canada's digital skills.

Further information about this is online at [digitaleconomy.gc.ca](http://digitaleconomy.gc.ca).

And I know there are a lot of good ideas that are around there on this issue, and that's because it really matters, and people are very much invested in this issue.

As the Speech from the Throne also mentioned and our most recent budget illustrates, developing a Digital Economy Strategy is a priority for our Government, which is why we've made investments in modernized programs like the Canada Media Fund and the Canada Magazine Fund, and all the implements of making investments to ensure that there's always a digital component to these investments.

We have also announced anti-spam legislation and an update to our privacy laws for the digital age to provide more secure online environment for both consumers

and for businesses.

As well, we've put forward amendments to the *Personal Information Protection and Electronic Documents Act* which will better protect consumers, and at the same time will ensure that critical business information is available to Canadian businesses so they can continue to compete in the global marketplace.

As you can see, we have been very busy on this portfolio of issues, from the Digital Strategy to the copyright legislation to ensure that Canada is competitive in this new era.

And our Government knows that copyright is the source of a great deal of economic activity in Canada, and we also know that in order for our digital economy to flourish, we need comprehensive a Digital Economy Strategy that includes a modernized copyright framework.

In order to develop this legislation, we consulted widely with Canadians and we took their concerns into account.

And I believe that the legislation that we've introduced reflects a fair and balanced approach that will support innovation, creativity and economic growth. It addresses the challenges that are faced by copyright owners, and at the same time it legitimizes many everyday activities of Canadian consumers in the digital age.

Bill C-32 advances our Government's ongoing work to make Canada the most attractive destination in the world for foreign capital investment. It equips businesses with new legal options that allow them to protect intellectual property, thereby encouraging continued innovation and investment here in Canada. Its targeted provisions for innovative companies will ensure the continued dynamic creation of new technologies here at home.

It reflects our Government's desire to work cooperatively with other levels of government, with Canadian stakeholders and with the international community to ensure that creativity and innovation continue to be Canada's economic future.

So we are working hard to ensure that Bill C-32, the *Copyright Modernization Act*, becomes law and we need your ongoing support to ensure that Canada has copyright legislation that will serve you, and indeed all Canadians, now and very well into the future.

Thank you all very much.