

Copyright Board of Canada

2017-18

Departmental Results Report

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

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by the Minister of Industry, 2018

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Minister's Message

I am pleased to present the 2017-18 Departmental Results Report for for the Copyright Board of Canada.

Over the past year, through integrated work across the various organizations of the Innovation, Science and Economic Development Portfolio, the Government of Canada worked very hard to improve Canada's global competitiveness while creating jobs, nurturing growth and strengthening our country's middle class.

In 2017-18, the Portfolio continued to implement the Innovation and Skills Plan to promote innovation and science, including support for scientific research and the commercialization of research and ideas. The Plan also encourages Canadian small businesses to grow, scale-up, and become more productive, more innovative and more export-oriented. An important area of this work included promoting increased tourism in Canada and the creation of new opportunities in our tourism sector. The Plan's overarching aim to position Canada as an innovation leader has been the driving focus of the Portfolio's programs.

In 2017-18, the Copyright Board of Canada held two hearings, issued fourteen decisions and certified the corresponding tariffs related to musical works, sound recordings, literary works as well as to the private copying of recorded music. The Board also initiated fourteen new processes dealing with a number of proposed tariffs that were previously filed with it. Finally, the Board also issued decisions and licences for the use of works when the copyright owner could not be located.

Through deep collaborations and inclusive partnerships, the Innovation, Science and Economic Development Portfolio organizations have embarked on a shared journey to stronger, cleaner and more inclusive economic competitiveness that benefits all Canadians. This report documents the contributions that the Copyright Board of Canada is making towards this important work.



The Honourable Navdeep Bains
Minister of Innovation, Science
and Economic Development

Results at a glance

Fair decision-making processes provide proper incentives for the creation and use of copyrighted works. In pursuit of this outcome, the Board completed the following activities:

- Two public hearings were held. The first, in May 2017, concerned the SOCAN and Re: Sound Tariffs for Pay Audio Services. The second, held in September 2017, was in respect of a SODRAC licence for the reproduction of musical works by CBC. Part of this hearing was the result of a Supreme Court of Canada decision remitting the matter to the Board for redetermination.
- Fourteen decisions were rendered. Among the decisions issued during the year, the Board set the royalties payable to SOCAN, CSI, and SODRAC by online music services that offer notably permanent downloads, limited downloads and webcasts of music and videos. The Board also certified the tariff for royalties to be paid by elementary and secondary educational institutions outside Quebec for the reproduction of literary works. This decision followed a Federal Court of Appeal decision remitting the matter to the Board.
- Collectives filed with the Board a total of fifty-one new proposed tariffs for the years 2019 and beyond, all of which were prepared for publication in the *Canada Gazette*.
- The Board initiated fourteen new processes dealing with a number of proposed tariffs that were previously filed with it. Among these are Online Music Services and Online Audiovisual Services – Music, for both of which hearings are scheduled to be held in 2019. For each of these new processes, the Board issued various rulings and orders following requests pertaining mostly to the status of participants or the nature of the issues to be examined.
- The Board rendered seven decisions and issued four licences pursuant to the provisions of the *Copyright Act* that permit the use of published works when copyright owners cannot be located.

For more information on the Board’s plans, priorities and results achieved, see the “Results: what we achieved” section of this report.

| 2017-18 Actual Spending | 2017-18 Actual Full-time Equivalents |
|-------------------------|--------------------------------------|
| 3,231,000 | 16 |

Raison d'être, mandate and role: who we are and what we do

Raison d'être

The Board is an economic regulatory body empowered to establish, either mandatorily or at the request of an interested party, the royalties to be paid for the use of copyrighted works, when the administration of such copyright is entrusted to a collective-administration society. The Board also has the right to supervise agreements between users and licensing bodies and issues licences when the copyright owner cannot be located.

Mandate and role

The responsibilities of the Copyright Board under the *Copyright Act* are to:

- certify tariffs for
 - the public performance and the communication to the public by telecommunication of musical works and sound recordings;
 - the doing of any protected act mentioned in sections 3, 15, 18 and 21 of the Act, such as the reproduction of musical works, of sound recordings, of performances and of literary works; and,
 - the retransmission of distant television and radio signals or the reproduction and public performance by educational institutions, of radio or television news or news commentary programs and all other programs, for educational or training purposes.
- set levies for the private copying of recorded musical works;
- set royalties payable by a user to a collective society, when there is disagreement on the royalties or on the related terms and conditions;
- rule on applications for non-exclusive licences to use published works, fixed performances, published sound recordings and fixed communication signals, when the copyright owner cannot be located;
- examine agreements made between a collective society and a user which have been filed with the Board by either party, where the Commissioner of Competition considers that the agreement is contrary to the public interest;
- receive such agreements with collective societies that are filed with it by any party to those agreements within 15 days of their conclusion;
- determine compensation to be paid by a copyright owner to a person to stop her from performing formerly unprotected acts in countries that later join the Berne Convention, the Universal Convention or the Agreement establishing the World Trade Organization; and,
- conduct such studies with respect to the exercise of its powers as requested by the Minister of Innovation, Science and Economic Development.

For more general information about the Copyright Board, see the “Supplementary information” section of this report.

Operating context and key risks

Operating Context

Among the most significant risks which the Board faces in achieving its strategic outcomes is the potentially disruptive impact of new technologies (i.e., in terms of how copyright material is utilized, distributed and monitored). The Board's approach to managing the technology risk is to systematically monitor relevant journals, other publications and web sites, and to attend industry seminars and conferences.

A smaller risk, which the Board faces in achieving its strategic outcome, is reversal risk. Decisions of the Board are subject to judicial review. The ability to schedule a number of cases in a year could be impaired if a case from a previous year were reversed on judicial review. The Board's principal strategy to mitigate this risk is issuing fair and equitable decisions.

There is always a risk of not being able to hire or retain the staff with the necessary technical expertise to achieve required results. To mitigate this risk, the Board runs well-organized job competitions, designed to target a significant share of the pool of potential candidates. The Board also works at creating a working environment conducive to a high retention rate among its employees.

Key risks

| Risks | Mitigating strategy and effectiveness | Link to the department's Programs | Link to mandate letter commitments or to government-wide and departmental priorities |
|-----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|
| Technology risk | <ul style="list-style-type: none"> Systematically monitor relevant journals, other publications and web sites, and to attend industry seminars and conferences. Risk was identified in the 2017-18 DP. No modifications to the risk mitigation strategies. | Fair decision making to provide proper incentives for the creation and use of copyrighted works. | An innovative and knowledge-based economy. |
| Reversal risk | <ul style="list-style-type: none"> Issue fair and equitable decisions. Risk was identified in the 2017-18 DP. No modifications to the risk mitigation strategies. | Fair decision making to provide proper incentives for the creation and use of copyrighted works. | An innovative and knowledge-based economy. |
| HR risk | <ul style="list-style-type: none"> Run well-organized job competitions, designed to target a significant share of the pool of potential candidates. Take measures to encourage a large number of applications. | Fair decision making to provide proper incentives for the creation and use of copyrighted works. | An innovative and knowledge-based economy. |

| | | | |
|--|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--|
| | <ul style="list-style-type: none"> • Create a stimulating working environment conducive to a high retention rate among its employees. • Risk was identified in the 2017-18 DP. • No modifications to the risk mitigation strategies. | | |
|--|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--|

Results: what we achieved

Programs

Copyright Tariff Setting and Issuance of Licences

Description

This activity is in direct relation to the Board's mandate, the first part of which is to establish, either mandatorily or at the request of an interested party, the royalties to be paid for the use of copyrighted works, when the administration of such copyright is entrusted to a collective-administration society. This part of the mandate is delivered through the setting of copyright tariffs. The second part of the Board's mandate is to issue licences when the copyright owner cannot be located.

Results

PROPOSED STATEMENTS OF ROYALTIES FILED BY THE COLLECTIVE SOCIETIES

The following collective societies filed proposed statements of royalties to be collected in 2019 and beyond:

Access Copyright

- Statement of proposed royalties to be collected for the reproduction, the communication to the public by telecommunication and the making available to the public by telecommunication of works in its repertoire by employees of provincial and territorial governments for the years 2019 and 2020.

Artists

- Statement of proposed royalties to be collected for the making available to the public, the communication to the public by telecommunication and the reproduction of performances fixed in a sound recording by online music services for the years 2019 to 2021.
- Statement of proposed royalties to be collected for the fixation of performances and the reproduction and distribution of performances fixed by performers in the form of phonograms for the years 2019 to 2021.

BBI, CBRA, CRC, CRRA, CCC, DRTVC, FWS, MLB and SOCAN

- Statement of proposed royalties to be collected for the retransmission of distant television signals for the years 2019 to 2023.

CBRA, CRRA, FWS and SOCAN

- Statement of proposed royalties to be collected for the retransmission of distant radio signals

for the years 2019 to 2023.

CMRRA

- Statement of proposed royalties to be collected for the reproduction of musical works by commercial television stations for the year 2019 (Tariff 5).
- Statement of proposed royalties to be collected for the reproduction of musical works by the television services of the CBC for the year 2019 (Tariff 6).

CMRRA/SODRAC, Connect/SOPROQ and Artisti

- Statement of proposed royalties to be collected for the reproduction of musical works, of sound recordings and of performers' performances by commercial radio stations for the year 2019.

Re:Sound

- Statement of proposed royalties to be collected for the communication to the public by telecommunication of published sound recordings embodying musical works by pay audio services for the year 2019 (Tariff 2).
- Statement of proposed royalties to be collected for the performance in public or the communication to the public by telecommunication of published sound recordings embodying musical works by background music suppliers for the years 2019 to 2022 (Tariff 3.A).
- Statement of proposed royalties to be collected for the performance in public or the communication to the public by telecommunication of published sound recordings embodying musical works for the use of music as background music for the years 2019 to 2022 (Tariff 3.B).
- Statement of proposed royalties to be collected for the communication to the public by telecommunication of published sound recordings embodying musical works for the use of music by satellite radio services for the years 2019 to 2021 (Tariff 4).
- Statement of proposed royalties to be collected for the performance in public or the communication to the public by telecommunication of published sound recordings embodying musical works for the use of recorded music to accompany dance for the years 2019 to 2023 (Tariff 6.A).
- Statement of proposed royalties to be collected for the performance in public or the communication to the public by telecommunication of published sound recordings embodying musical works for the use of recorded music to accompany adult entertainment for the years 2019 to 2023 (Tariff 6.C).
- Statement of proposed royalties to be collected for the communication to the public by telecommunication of published sound recordings embodying musical works in respect of non-interactive and semi-interactive streaming for the year 2019 (Tariff 8).

SOCAN

- Statements of proposed royalties to be collected for the public performance or the communication to the public by telecommunication of musical or dramatico-musical works:

For the year 2019:

- Tariff 1.A – Commercial Radio
- Tariff 1.C – CBC Radio
- Tariff 2.D – CBC Television
- Tariff 3.A – Cabarets, Cafes, Clubs, etc. – Live Music
- Tariff 4.A.1 – Live Performances at Concert Halls, etc. – Popular Music Concerts – Per Event Licence
- Tariff 4.A.2 – Live Performances at Concert Halls, etc. – Popular Music Concerts – Annual Licence
- Tariff 4.B.1 – Live Performances at Concert Halls, etc. – Classical Music Concerts – Per Concert Licence
- Tariff 4.B.2 – Live Performances at Concert Halls, etc. – Classical Music Concerts – Annual Licence for Orchestras
- Tariff 4.B.3 – Live Performances at Concert Halls, etc. – Classical Music Concerts – Annual licence for Presenting Organizations
- Tariff 6 – Motion Picture Theatres
- Tariff 9 – Sports Events
- Tariff 15.A – Background Music in Establishments not Covered by Tariff 16 – Background Music
- Tariff 15.B – Background Music in Establishments not Covered by Tariff 16 – Telephone Music on Hold
- Tariff 16 – Background Music Suppliers
- Tariff 19 – Physical Exercises and Dance Instruction
- Tariff 22.A – Internet – Online Music Services
- Tariff 22.B – Internet – Other Uses of Music – Commercial Radio, Satellite Radio and Pay Audio
- Tariff 22.C – Internet – Other Uses of Music – Other Audio Websites
- Tariff 22.D.1 – Internet – Other Uses of Music – Audiovisual Content
- Tariff 22.D.2 – Internet – Other Uses of Music – User-Generated Content
- Tariff 22.E – Internet – Other Uses of Music – CBC
- Tariff 22.G – Internet – Other Uses of Music – Game Sites
- Tariff 24 – Ringtones and Ringbacks
- Tariff 25 – Use of Music by Satellite Radio Services
- Tariff 26 – Pay Audio Services

For the years 2019 and 2020:

- Tariff 1.B – Non-Commercial Radio Other than the CBC
- Tariff 2.A – Commercial Television Stations
- Tariff 2.B – Television of the Ontario Educational Communications Authority
- Tariff 2.C – Television of the *Société de télédiffusion du Québec*
- Tariff 8 – Receptions, Conventions, Assemblies and Fashion Shows
- Tariff 17 – Transmission of Pay, Specialty and other Television Services by Distribution Undertakings
- Tariff 18 – Recorded Music for Dancing
- Tariff 22.D.3 – Internet – Other Uses of Music – Audiovisual Services Allied with Broadcast and BDU Services

SODRAC

- Statement of proposed royalties to be collected for the reproduction of musical works embedded in music videos for transmission by a service for the year 2019 (Tariff 6).
- Statement of proposed royalties to be collected for the reproduction of musical works embedded in audiovisual works for transmission by a service for the year 2019 (Tariff 7).
- Statement of proposed royalties to be collected for the reproduction of musical works by commercial television stations for the year 2019 (Tariff 8).

REQUESTS FOR ARBITRATION

The Board did not receive any request for arbitration in the year 2017-18.

However, on March 31, 2017, SODRAC requested that the Board fix the terms of the CBC/SRC licence with respect to the reproduction of musical works for the period April 1, 2017 to March 31, 2018. SODRAC also asked that the consideration of this request be merged to the ongoing consideration of the licence for the period 2012-2017, which the Board did on April 27, 2017.

Finally, on March 28, 2018, SODRAC advised the Board that a partial agreement had been reached between the parties in respect of certain aspects of the SODRAC v. CBC licences file, and that this agreement resulted in the Board being no longer seized of the following:

- The issue of synchronisation royalties for copies of existing and commissioned works done by CBC for the production of a CBC program for the purpose of its exploitation, for the period ending December 31, 2017;
- The issue of synchronisation royalties for copies of existing works done by CBC for the production of a CBC program for the purpose of its exploitation, for the period starting January 1, 2018; and
- The issue of royalties for interactive kiosks.

HEARINGS

The Board held two hearings during the fiscal year 2017-18.

The first hearing, held in May 2017, was in respect of SOCAN and Re:Sound's Tariffs for Pay Audio Services for the years 2007 to 2016. In addition to the two collective societies, *Stingray Digital Group Inc.* and a group representing the Broadcasting Distributors Undertakings (Bell Canada, Rogers Communications Inc., Shaw Communications Inc., Cogeco Cable Inc., Videotron G.P., Telus Communications Company) participated in the hearing.

The second hearing, held in September 2017, was in respect of a SODRAC licence for the reproductions of musical works by CBC. For this hearing, the Board consolidated two cases. The first was devoted to the resolution of an issue remitted to the Board for redetermination by the Supreme Court of Canada in 2015. In that decision, the Court set aside the 2008-2012 SODRAC/CBC licence as it related to the valuation of some types of reproductions by CBC and directed the Board to reconsider its valuation taking into account the principles of "technological neutrality" and "balance". The second case dealt with the same licence for the years 2012-2018.

PROCESSES

The Board initiated fourteen new processes dealing with a number of proposed tariffs that were previously filed with it. These new processes include the merging of a number of different proposed tariffs with the overall objective of reducing participation costs for all stakeholders involved. Among these are Online Music Services and Online Audiovisual Services – Music, for both of which hearings are scheduled to be held in 2019. For each of these new processes, the Board issued various rulings and orders following requests pertaining mostly to the status of participants or the nature of the issues to be examined.

DECISIONS

During the fiscal year 2017-18, the following decisions were rendered:

- May 5, 2017 – SOCAN Various Tariffs, 2007-2017
- May 19, 2017 – SOCAN Tariff 1.C – Radio – CBC, 2012-2014; SOCAN Tariff 22.E – Internet – CBC, 2007-2013
- May 19, 2017 – SOCAN Tariff 13.A – Public Conveyances – Aircrafts, 2011-2017
- May 24, 2017 – Application to fix royalties for a licence and its related terms and conditions – SODRAC v. CBC, 2017-2018 – Interim Decision
- June 2, 2017 – SOCAN Tariff 19 – Physical Exercises and Dance Instruction, 2013-2017
- June 2, 2017 – Satellite Radio Services Tariffs – Re:Sound, 2011-2018; SOCAN, 2010-2018
- July 21, 2017 – Re:Sound Tariff 6.C – Use of Recorded Music to Accompany Adult Entertainment, 2013-2018
- August 25, 2017 – Online Music Services Tariff (CSI: 2011-2013; SOCAN: 2011-2013; SODRAC: 2010-2013)
- August 25, 2017 – Scope of section 2.4(1.1) of the *Copyright Act* – Making Available
- September 1, 2017 – Re:Sound Tariffs 5.A to 5.G, 2013-2015 and 5.H to 5.K, 2008-2015 – Use of Music to Accompany Live Events
- September 1, 2017 – Re:Sound Tariff 3.A – Background Music Suppliers, 2010-2013; Re:Sound Tariff 3.B – Background Music, 2010-2015
- December 1, 2017 – Private Copying, 2018 and 2019
- January 12, 2018 – Re:Sound Tariff 6.B – Use of Recorded Music to Accompany Fitness Activities, 2013-2017

- January 19, 2018 – Access Copyright – Elementary and Secondary Schools, 2010-2015 – Reconsideration

UNLOCATABLE COPYRIGHT OWNERS

Pursuant to section 77 of the *Act*, the Board may grant licences authorizing the use of published works, fixed performances, published sound recordings and fixed communication signals, if the copyright owner is unlocatable. However, the *Act* requires the applicants to make reasonable efforts to find the copyright owner. Licences granted by the Board are non-exclusive and valid only in Canada.

During the fiscal year 2017-18, 33 applications were filed with the Board. The following 4 licences were issued:

- Sophie Dubois, Montreal, Quebec, for the reproduction of an illustration, incorporation in a book and the distribution of the book;
- Juke-Box, Cap-Chat, Quebec, for the reproduction, distribution and public performance of a musical work;
- Tightrope Books, Toronto, Ontario, for the reproduction and distribution of a book; and
- Wendy Mitchinson, Bright, Ontario, for the reproduction, communication to the public by telecommunication and distribution of three advertisements.

Results achieved

| Expected results | Performance indicators | Target | Date to achieve target | 2017-18 Actual results | 2016-17 Actual results | 2015-16 Actual results |
|-------------------------------------------|--------------------------------------------------|--------|------------------------|------------------------|------------------------|------------------------|
| Fair and Equitable Tariffs and Conditions | % of tariff decisions published within 12 months | 70% | End of fiscal year | 93% | 75% | 50% |
| | % of licences issued within 45 days | 70% | End of fiscal year | 0%* | 100% | 100% |

* The average number of days within which the licences were issued is 56, 11 days above the target of 45 days. This performance reflects a year where the Board was very active on other fronts and could not allocate the necessary resources to meet this particular performance objective.

Budgetary financial resources (dollars)

| 2017-18 Main Estimates | 2017-18 Planned spending | 2017-18 Total authorities available for use | 2017-18 Actual spending (authorities used) | 2017-18 Difference (actual minus planned spending) |
|------------------------|--------------------------|---------------------------------------------|--------------------------------------------|----------------------------------------------------|
| 2,490,530 | 2,722,144 | 2,722,144 | 2,617,110 | (105,034) |

Human resources (full-time equivalents)

| 2017-18 Planned Full-time Equivalents | 2017-18 Actual Full-time Equivalents | 2017-18 Difference (actual minus planned full-time equivalents) |
|---------------------------------------|--------------------------------------|-----------------------------------------------------------------|
| 16 | 14 | (2) |

Internal Services

Description

Internal Services are those groups of related activities and resources that the federal government considers to be services in support of programs and/or required to meet corporate obligations of an organization. Internal Services refers to the activities and resources of the 10 distinct service categories that support Program delivery in the organization, regardless of the Internal Services delivery model in a department. The 10 service categories are: Management and Oversight Services; Communications Services; Legal Services; Human Resources Management Services; Financial Management Services; Information Management Services; Information Technology Services; Real Property Services; Materiel Services; and Acquisition Services.

Results

Internal Services deals with financial and materiel management policies, systems, processes and standards. In implementing these policies, compliance with Parliament's requirements for financial stewardship and integrity is ensured. This activity also encompasses the responsibility of providing human resource services.

The Board receives timely support from the services mentioned above.

Budgetary financial resources (dollars)

| 2017-18 Main Estimates | 2017-18 Planned spending | 2017-18 Total authorities available for use | 2017-18 Actual spending (authorities used) | 2017-18 Difference (actual minus planned spending) |
|---------------------------|-----------------------------|---------------------------------------------------|--------------------------------------------------|----------------------------------------------------------------|
| 584,199 | 638,528 | 638,528 | 613,890 | (24,638) |

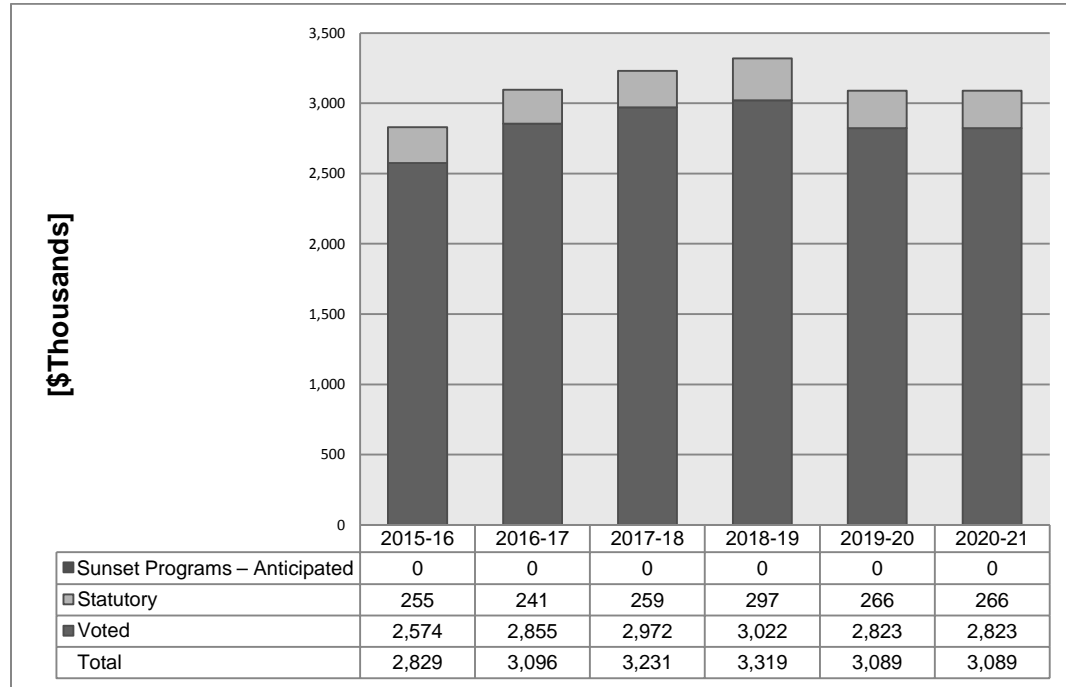
Human resources (full-time equivalents)

| 2017-18 Planned Full-time Equivalents | 2017-18 Actual Full-time Equivalents | 2017-18 Difference (actual minus planned full-time equivalents) |
|------------------------------------------|--------------------------------------------|--------------------------------------------------------------------------|
| 2 | 2 | 0 |

Analysis of trends in spending and human resources

Actual expenditures

Departmental spending trend graph



Actual spending for the year 2017-18 was about \$3.2 million, an increase of \$135,000 compared to last year. This mostly reflects an increase in salaries and employee benefits.

Budgetary performance summary for programs and Internal Services (dollars)

| Programs and Internal Services | 2017-18 Main Estimates | 2017-18 Planned spending | 2018-19 Planned spending | 2019-20 Planned spending | 2017-18 Total authorities available for use | 2017-18 Actual spending (authorities used) | 2016-17 Actual spending (authorities used) | 2015-16 Actual spending (authorities used) |
|---------------------------------------------------|------------------------|--------------------------|--------------------------|--------------------------|---------------------------------------------|--------------------------------------------|--------------------------------------------|--------------------------------------------|
| Copyright Tariff Setting and Issuance of Licences | 2,490,530 | 2,722,144 | 2,490,530 | 2,490,530 | 2,722,144 | 2,617,110 | 2,507,540 | 2,291,251 |
| Subtotal | 2,490,530 | 2,722,144 | 2,490,530 | 2,490,530 | 2,722,144 | 2,617,110 | 2,507,540 | 2,291,251 |
| Internal Services | 584,199 | 638,528 | 584,199 | 584,199 | 638,528 | 613,890 | 588,188 | 537,454 |
| Total | 3,074,729 | 3,360,672 | 3,074,729 | 3,074,729 | 3,360,672 | 3,231,000 | 3,095,728 | 2,828,705 |

Actual human resources

Human resources summary for programs and Internal Services
(full-time equivalents)

| Programs and Internal Services | 2015-16 Actual full-time equivalents | 2016-17 Actual full-time equivalents | 2017-18 Planned full-time equivalents | 2017-18 Actual full-time equivalents | 2018-19 Planned full-time equivalents | 2019-20 Planned full-time equivalents |
|---------------------------------------------------|--------------------------------------|--------------------------------------|---------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| Copyright Tariff Setting and Issuance of Licences | 12 | 16 | 16 | 14 | 16 | 16 |
| Subtotal | 12 | 16 | 16 | 14 | 16 | 16 |
| Internal Services | 2 | 2 | 2 | 2 | 2 | 2 |
| Total | 14 | 18 | 18 | 16 | 18 | 18 |

Expenditures by vote

For information on the Copyright Board's organizational voted and statutory expenditures, consult the [Public Accounts of Canada 2017-2018](#).ⁱ

Government of Canada Spending and Activities

Information on the alignment of the Copyright Board's spending with the Government of Canada's spending and activities is available in the [GC InfoBase](#).

Financial statements and financial statements highlights

Financial statements

The Copyright Board's financial statements [unaudited] for the year ended March 31, 2018, are available on the [Board's website](#).ⁱⁱ

Financial statements highlights

Condensed Statement of Operations (unaudited) for the year ended March 31, 2018 (dollars)

| Financial information | 2017-18 Planned results | 2017-18 Actual | 2016-17 Actual | Difference (2017-18 actual results minus 2017- 18 planned results) | Difference (2017-18 actual results minus 2016- 17 actual results) |
|----------------------------------------------------------------------|-------------------------------|-------------------|-------------------|-----------------------------------------------------------------------------------|----------------------------------------------------------------------------------|
| Total expenses | 3,525,827 | 3,638,078 | 3,382,577 | 112,251 | 255,521 |
| Total revenues | - | - | - | - | - |
| Net cost of operations before government funding and transfers | 3,525,827 | 3,638,078 | 3,382,577 | 112,251 | 255,521 |

For fiscal year 2017-18, the Board's total actual expenses are \$3.6 million, an increase of about \$255,000 from last year. This is mainly a reflection of the hiring of new employees.

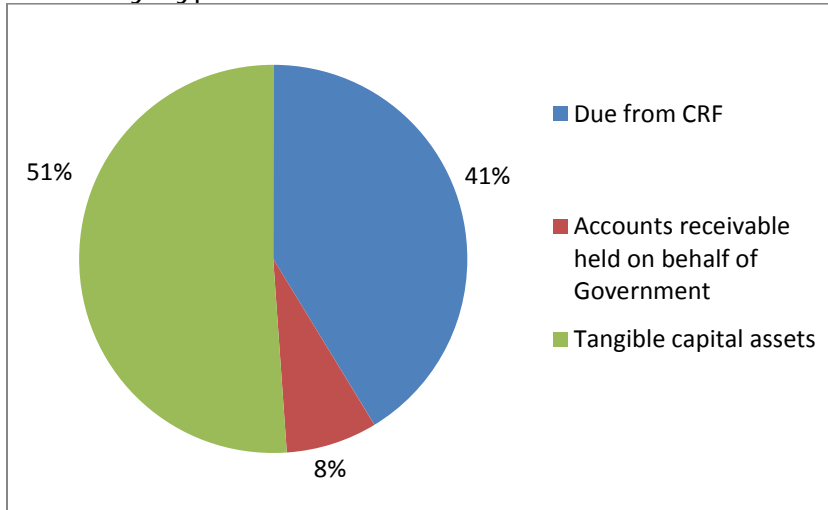
Condensed Statement of Financial Position (unaudited) as at March 31, 2018 (dollars)

| Financial Information | 2017-18 | 2016-17 | Difference (2016-17 minus 2015-16) |
|----------------------------------------|----------|-----------|------------------------------------------|
| Total net liabilities | 424,872 | 425,737 | (865) |
| Total net financial assets | 152,024 | 121,809 | 30,215 |
| Departmental net debt | 272,848 | 303,928 | (31,080) |
| Total non-financial assets | 188,320 | 140,674 | 47,646 |
| Departmental net financial position | (84,528) | (163,254) | 78,726 |

The Board's net financial position for fiscal year 2017-18 is at -\$85,000, compared to -\$163,000 for the year before. This is mainly the result of an increase in the Board's non-financial assets.

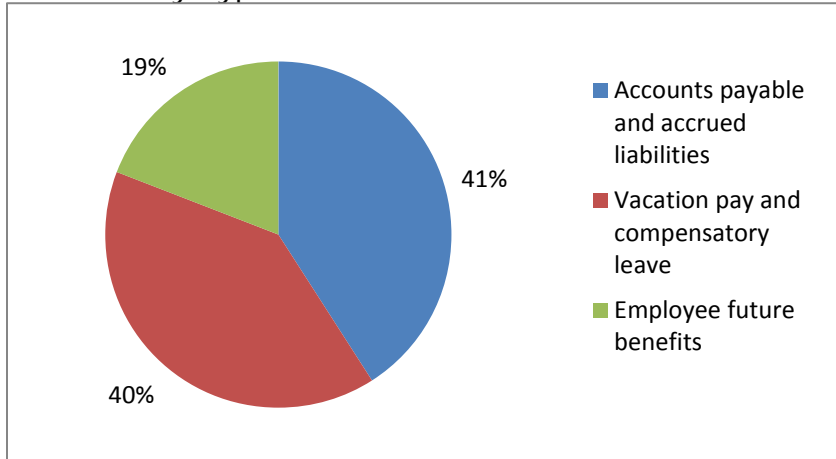
Financial Highlights Graphs

Assets by Type



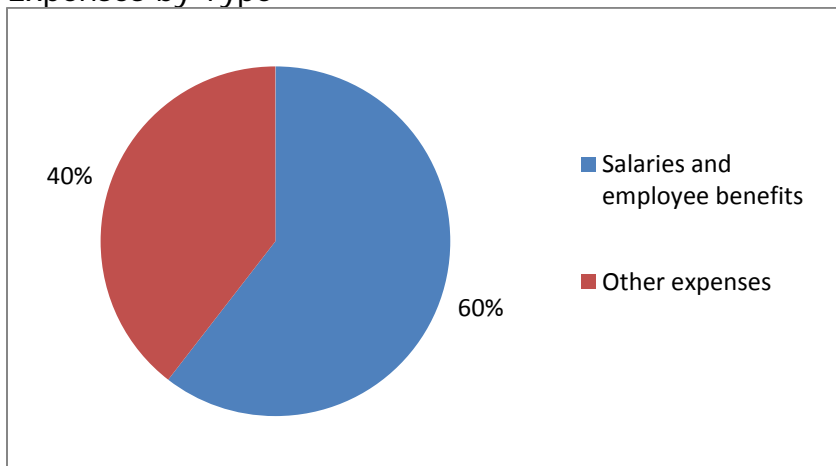
Total assets were valued at about \$368,000 in fiscal year 2017-18. This reflects amounts due from Consolidated Revenue Fund (41% or \$152,000), Accounts Receivable held on behalf of Government (8% or \$28,000) and Tangible Capital Assets (51% or \$188,000).

Liabilities by Type



Total liabilities were valued at about \$425,000 for fiscal year 2017-18. This is mostly made up of accounts payable and accrued liabilities (41% or \$174,000), vacation pay and compensatory leave (40% or \$170,000) and employee future benefits (19% or \$81,000).

Expenses by Type



For fiscal year 2017-18, total expenses were \$3.6 million. These expenses were made up of salaries and employee benefits (60% or \$2.2 million) and operating expenses (40% or \$1.4 million). The majority of these latter expenses were required for the Board's unique program activity. The balance was associated with internal services.

Supplementary information

Corporate information

Organizational Profile

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

Institutional Head: Claude Majeau, Vice-Chairman and CEO

Ministerial portfolio: Innovation, Science and Economic Development

Enabling Instrument: [Copyright Act](#)ⁱⁱⁱ

Year established: 1989

Reporting Framework

The Board's Strategic Outcome and Program Alignment Architecture of record for 2017-18 are shown below.

1. Strategic Outcome: Fair decision-making to provide proper incentives for the creation and use of copyrighted works

1.1 Program: Copyright Tariff Setting and Issuance of Licences
Internal Services

Federal Tax Expenditures

The tax system can be used to achieve public policy objectives through the application of special measures such as low tax rates, exemptions, deductions, deferrals and credits. The Department of Finance Canada publishes cost estimates and projections for these measures annually in the [Report of Federal Tax Expenditures](#).^{iv} This report also provides detailed background information on tax expenditures, including descriptions, objectives, historical information and references to related federal spending programs. The tax measures presented in this report are the responsibility of the Minister of Finance.

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Appendix: Definitions

appropriation (crédit)

Any authority of Parliament to pay money out of the Consolidated Revenue Fund.

budgetary expenditures (dépenses budgétaires)

Operating and capital expenditures; transfer payments to other levels of government, organizations or individuals; and payments to Crown corporations.

Programs (programme)

An enduring function or role performed by a department. The intentions of the department with respect to all Programs are reflected in one or more related Departmental Results that the department seeks to contribute to or influence.

Departmental Plan (plan ministériel)

A report on the plans and expected performance of an appropriated department over a three-year period. Departmental Plans are tabled in Parliament each spring.

Departmental Result (résultat ministériel)

A Departmental Result represents the change or changes that the department seeks to influence. A Departmental Result is often outside departments' immediate control, but it should be influenced by program-level outcomes.

Departmental Result Indicator (indicateur de résultat ministériel)

A factor or variable that provides a valid and reliable means to measure or describe progress on a Departmental Result.

Departmental Results Framework (cadre ministériel des résultats)

Consists of the department's programs, Departmental Results and Departmental Result Indicators.

Departmental Results Report (rapport sur les résultats ministériels)

A report on an appropriated department's actual accomplishments against the plans, priorities and expected results set out in the corresponding Departmental Plan.

evaluation (évaluation)

In the Government of Canada, the systematic and neutral collection and analysis of evidence to judge merit, worth or value. Evaluation informs decision making, improvements, innovation and accountability. Evaluations typically focus on programs, policies and priorities and examine questions related to relevance, effectiveness and efficiency. Depending on user needs, however, evaluations can also examine other units, themes and issues, including alternatives to existing interventions. Evaluations generally employ social science research methods.

experimentation (expérimentation)

Activities that seek to explore, test and compare the effects and impacts of policies, interventions and approaches, to inform evidence-based decision-making, by learning what works and what does not.

full-time equivalent (équivalent temps plein)

A measure of the extent to which an employee represents a full person-year charge against a departmental budget. Full-time equivalents are calculated as a ratio of assigned hours of work to scheduled hours of work. Scheduled hours of work are set out in collective agreements.

gender-based analysis plus (GBA+) (analyse comparative entre les sexes plus [ACS+])

An analytical approach used to assess how diverse groups of women, men and gender-diverse people may experience policies, programs and initiatives. The “plus” in GBA+ acknowledges that the gender-based analysis goes beyond biological (sex) and socio-cultural (gender) differences. We all have multiple identity factors that intersect to make us who we are; GBA+ considers many other identity factors, such as race, ethnicity, religion, age, and mental or physical disability. Examples of GBA+ processes include using data disaggregated by sex, gender and other intersecting identity factors in performance analysis, and identifying any impacts of the program on diverse groups of people, with a view to adjusting these initiatives to make them more inclusive.

government-wide priorities (priorités pangouvernementales)

For the purpose of the 2017–18 Departmental Results Report, those high-level themes outlining the government’s agenda in the 2015 Speech from the Throne, namely: Growth for the Middle Class; Open and Transparent Government; A Clean Environment and a Strong Economy; Diversity is Canada’s Strength; and Security and Opportunity.

horizontal initiative (initiative horizontale)

An initiative where two or more departments are given funding to pursue a shared outcome, often linked to a government priority.

Management, Resources and Results Structure (structure de gestion, des ressources et des résultats)

A comprehensive framework that consists of an organization’s inventory of programs, resources, results, performance indicators and governance information. Programs and results are depicted in their hierarchical relationship to each other and to the Strategic Outcome(s) to which they contribute. The Management, Resources and Results Structure is developed from the Program Alignment Architecture.

non-budgetary expenditures (dépenses non budgétaires)

Net outlays and receipts related to loans, investments and advances, which change the composition of the financial assets of the Government of Canada.

performance (rendement)

What an organization did with its resources to achieve its results, how well those results compare to what the organization intended to achieve, and how well lessons learned have been identified.

performance indicator (indicateur de rendement)

A qualitative or quantitative means of measuring an output or outcome, with the intention of gauging the performance of an organization, program, policy or initiative respecting expected results.

performance reporting (production de rapports sur le rendement)

The process of communicating evidence-based performance information. Performance reporting supports decision making, accountability and transparency.

plan (plan)

The articulation of strategic choices, which provides information on how an organization intends to achieve its priorities and associated results. Generally a plan will explain the logic behind the strategies chosen and tend to focus on actions that lead up to the expected result.

planned spending (dépenses prévues)

For Departmental Plans and Departmental Results Reports, planned spending refers to those amounts that receive Treasury Board approval by February 1. Therefore, planned spending may include amounts incremental to planned expenditures presented in the Main Estimates.

A department is expected to be aware of the authorities that it has sought and received. The determination of planned spending is a departmental responsibility, and departments must be able to defend the expenditure and accrual numbers presented in their Departmental Plans and Departmental Results Reports.

priority (priorité)

A plan or project that an organization has chosen to focus and report on during the planning period. Priorities represent the things that are most important or what must be done first to support the achievement of the desired Strategic Outcome(s) or Departmental Results.

program (programme) (applies to departments reporting using the Program Alignment Architecture)

A group of related resource inputs and activities that are managed to meet specific needs and to achieve intended results and that are treated as a budgetary unit.

Program (programme) (applies to departments reporting using the Departmental Results Framework)

Individual or groups of services, activities or combinations thereof that are managed together within the department and focus on a specific set of outputs, outcomes or service levels.

Program Alignment Architecture (architecture d’alignement des programmes)

A structured inventory of an organization’s programs depicting the hierarchical relationship between programs and the Strategic Outcome(s) to which they contribute.

Program Inventory (répertoire des programmes)

Identifies all of the department’s programs and describes how resources are organized to contribute to the department’s programs and Results.

result (résultat)

An external consequence attributed, in part, to an organization, policy, program or initiative. Results are not within the control of a single organization, policy, program or initiative; instead they are within the area of the organization’s influence.

statutory expenditures (dépenses législatives)

Expenditures that Parliament has approved through legislation other than appropriation acts. The legislation sets out the purpose of the expenditures and the terms and conditions under which they may be made.

Strategic Outcome (résultat stratégique)

A long-term and enduring benefit to Canadians that is linked to the organization’s mandate, vision and core functions.

sunset program (programme temporisé)

A time-limited program that does not have an ongoing funding and policy authority. When the program is set to expire, a decision must be made whether to continue the program. In the case of a renewal, the decision specifies the scope, funding level and duration.

target (cible)

A measurable performance or success level that an organization, program or initiative plans to achieve within a specified time period. Targets can be either quantitative or qualitative.

voted expenditures (dépenses votées)

Expenditures that Parliament approves annually through an Appropriation Act. The Vote wording becomes the governing conditions under which these expenditures may be made.

Endnotes

- i Public Accounts of Canada 2017-2018: <http://www.tpsgc-pwgsc.gc.ca/recgen/cpc-pac/index-eng.html>
- ii Board's Website: <http://cb-cda.gc.ca/home-accueil-e.html>
- iii *Copyright Act*: <http://laws-lois.justice.gc.ca/eng/acts/C-42/index.html>
- iv Report of Federal Tax Expenditures: <http://www.fin.gc.ca/purl/taxexp-eng.asp>