

of a strong book publishing and distribution industry owned and controlled by Canadians, the government gave notice that it would review, under the Investment Canada Act, all proposed foreign investment in book publishing, whether direct or indirect, and it would favour proposals for new businesses where investment is made through joint ventures with Canadian control. Acquisitions by foreign-controlled businesses are possible only if control is divested to Canadians within two years at a fair market price. (See Section 15.6.1 for additional book publishing information.)

In 1986, the government announced a new set of direct financial support measures for the Canadian-controlled sector of the industry. These measures provide both cultural and industrial support, including a new Book Publishing Industry Development Program to enhance the viability of individual firms and increased funding for the Canada Council to support the publication of culturally significant titles which cannot be entirely financed by the marketplace. The total budget for these measures is \$13 million a year over five years. In the same year, the government established a \$3 million-per-year Public Lending Right Commission (PLR) within the Canada Council, responding to a long-standing request from Canadian writers to be compensated for use of their works in libraries. In 1987-88 Public Lending Rights were increased to \$3.8 million per year.

**Sound recording.** Canadians are among the world's highest per capita consumers of recordings and audio-cassettes. Sound recording is one of the most important cultural industries in Canada. In the mid-80s, the government took a major step to increase the production of records by Canadians. In response to the industry's concerns about production, marketing, distribution and development, the government designated a \$25 million, five-year development strategy. Approximately 60% will help the English-language sector and 40% will assist French-language recordings.

**Film.** The December 1985 report of the government's federal Task Force on the Film Industry analyzed the structural handicaps facing Canadian film producers and distributors. In 1986, the government announced a five-year program administered by Telefilm Canada to provide \$30 million annually for feature-film production and distribution and an additional \$3 million a year for dubbing or subtitling. The money will help the Canadian feature-film industry produce films and videos for exhibition in Canadian cinemas.

The Versioning Assistance Program provides financial support for dubbing and subtitling, to

increase the exchange of film and video productions between English and French Canada. This will lead to greater awareness of our film and video heritage, provide quicker access for French-speaking Canadians to productions and programming in their own language, and increase the number of Canadian films and videos available to television following theatrical release. Telefilm Canada administers the program.

In 1988, the federal government provided an additional \$200 million, over five years, to assist the Canadian film industry, including \$85 million for the establishment of a Film Distribution Fund, \$57 million added to the Feature Film Fund, \$15 million for the Versioning Assistance Program, \$25 million to the National Film Board for co-productions, \$10 million for non-theatrical film and video productions (to be administered by the Department of Supply and Services), \$3 million to the Canada Councils' Media Arts Section and \$5 million to establish a Film Products Importation Office in the Department of Communications.

The government also provides tax incentives to stimulate film and videotape production. The Department of Communications administers a 100% capital cost allowance, a tax deferral scheme, with about \$150 million invested in 1985 in Canadian film and videotape production. In January 1986, regulations for this program were altered to ensure greater conformity to the Canadian content regulations of the CRTC.

**Copyright protection**, which was governed by the Copyright Act (RSC 1970, c.C-30), in force since 1924, has been significantly revised with a new Copyright Act, enacted in 1988. Protection is automatic without any formality, but a system of voluntary registration is provided by Consumer and Corporate Affairs Canada. Copyright exists in Canada in every original literary, dramatic, musical and artistic work and in contrivances by means of which sounds may be mechanically reproduced. The term for which the copyright exists is, except as otherwise expressly provided by this Act, the life of the author and a period of 50 years after death.

The new law has made changes in several different areas: explicit protection is provided to computer programs; criminal sanctions against pirating of works protected by copyright is greatly increased; the relationship between industrial design and copyright protection is clarified; the collective exercise of copyright under the regulation of a new Copyright Board is encouraged; moral rights, which protect the honour and reputation of creators, are strengthened; explicit protection