Cassels

Supreme Court Confirms Copyright Protection for All Acts of Making Available

Casey Chisick, Eric Mayzel, Jessica Zagar, Andrew Stavros

July 28, 2022

On July 15, 2022, the Supreme Court of Canada released its highly-anticipated decision in *Society of Composers, Authors and Music Publishers of Canada v. Entertainment Software Association.*[1] The decision recognizes the right of copyright owners to control the making available of their works on demand over the internet — whether the work is subsequently transmitted as a stream, as a download, or not at all — through a combination of the communication right and the right to authorize reproductions. In reaching that conclusion, the Supreme Court confirmed that Canada has fully implemented its "making available" obligations under the *WIPO Copyright Treaty*. It also emphasized that an international treaty should be considered when interpreting a statute that purports to implement the treaty, in whole or in part.

Background

SOCAN v. ESA considered the proper interpretation of section 2.4(1.1) of the *Copyright Act*, sometimes known as the making available provision.[2] That section provides that the communication of a work or other subject matter by telecommunication includes making it available to the public in a way that it can be accessed on-demand—that is, from a place and at a time chosen by each individual user.

The making available provision was introduced in 2012, through the *Copyright Modernization Act*,[3] to implement Canada's obligations under the *WIPO Copyright Treaty* (WCT). The WCT was negotiated in 1996, together with the *WIPO Performances and Phonograms Treaty*, for the purpose of updating international copyright norms for the digital age. As part of that modernization, these WIPO Internet Treaties required state parties to provide copyright protection for the act of making works and other subject matter available on demand.[4] Canada signed both treaties in 1997, but did not ratify them until after the *Copyright Modernization Act* was enacted.

In 2013, the Copyright Board initiated a special proceeding to consider the impact of section 2.4(1.1). It ultimately concluded that the provision expanded the existing communication right in the *Copyright Act* by deeming the initial act of making a work available for on-demand access to be a distinct act of communication to the public by telecommunication, regardless of whether the work is later transmitted as a stream, as a download, or not at all.

The Federal Court of Appeal overturned the Copyright Board's decision. In that decision, the court chose

not to opine on the correct interpretation of section 2.4(1.1). It did hold, however, that the meaning of the provision was constrained by the Supreme Court's 2012 decision in *ESA v. SOCAN*,[5] which held that a download was not a communication to the public by telecommunication, and therefore that the Copyright Board had erred by concluding that section 2.4(1.1) could cover the act of making a work available for download. The court also held that the Copyright Board had erred in the way it used the WIPO Internet Treaties in interpreting section 2.4(1.1).

The Supreme Court Decision

1. **All Acts of "Making Available" are Protected**

The Supreme Court confirmed that Article 8 of the WCT "requires that member countries give authors the right to control when and how their work is made available for downloading or streaming," and that it is the "initial act" of providing on-demand access to the work—whether or not an actual transmission follows—that attracts protection. However, under the WCT's "umbrella solution," member countries are free to protect the act of making available in their domestic legislation through various means, including a combination of exclusive rights.

With that context in mind, the Supreme Court held that the effect of section 2.4(1.1) is to clarify that (1) the communication right in section 3(1)(f) applies to on-demand streams, even though they are transmitted to individual members of the public rather than to the public generally, and (2) a work is performed as soon as it is made available for on-demand streaming, whether or not it is ever actually streamed. Making a work available for download, by contrast, does not engage the communication right; instead, it is protected by the authorization right—in this case, the right to authorize the reproduction of the work as a download—while the subsequent download, if any, is protected by the reproduction right.

The Supreme Court held that this interpretation accords with Canada's obligations under Article 8 of the WCT and leaves no gaps in protection. Copyright protection applies to all acts of making works available for on-demand access, as soon as the act takes place, and regardless of whether the works are subsequently accessed. In addition, any unauthorized act of making a work available, and any subsequent unauthorized streaming or downloading of the work, are infringing.

2. **Authorization is a Distinct Right**

In reaching its conclusions, the Supreme Court provided new clarity on the operation of the authorization right. It confirmed that authorization "is a distinct right granted to copyright owners. A user who unlawfully authorizes a reproduction or a performance of a work may be held liable for infringement of that right, *regardless of whether the work is ultimately reproduced or performed*" (emphasis added).[6] That settles any previous uncertainty as to whether an infringing act must actually occur for the act of authorizing it to be

actionable.

3. **The Role of Treaties in Interpreting the *Copyright Act***

Unlike the Federal Court of Appeal, the Supreme Court confirmed that a treaty should be considered when interpreting a statute that purports to implement it in whole or in part. The treaty is relevant at the *context* stage of the statutory interpretation exercise. There is no need to find textual ambiguity in a statute before considering the treaty. Indeed, whenever the text permits, the presumption of conformity requires that legislation be interpreted so as to comply with Canada's treaty obligations.

That said, the task of a court remains to give effect to legislative intent. Accordingly, while a treaty can be highly relevant to statutory interpretation, it cannot overwhelm clear legislative intent. Put differently, international law cannot be used to support an interpretation that is not permitted by the words of the statute.

This aspect of the decision is of particular importance in relation to the *Copyright Act*, which was based on and designed to implement Canada's obligations under a number of international treaties and conventions. Developments at the international level are often implemented through amendments to the *Copyright Act*, such as the amendments introduced through the *Copyright Modernization Act* in 2012. As a result, the decision reaffirms the importance of international treaties in the interpretation of the *Copyright Act*.

4. **Standard of Review**

Traditionally, decisions of the Copyright Board on questions of law have been reviewed on the standard of correctness, rather than reasonableness, because the Copyright Board and the courts share concurrent first-instance jurisdiction over such questions under the *Copyright Act*. That approach, however, was cast in doubt by the 2019 decision in *Canada (Minister of Citizenship and Immigration) v. Vavilov*, in which the Supreme Court recognized just five situations in which an administrative decision will be reviewed on the standard of correctness. Concurrent jurisdiction was not one of those situations.

In *SOCAN*, the Supreme Court confirmed that Copyright Board decisions on questions of law continue to be reviewable on the standard of correctness. In doing so, the Court held that concurrent first-instance jurisdiction between courts and administrative decision makers should be recognized as an additional "correctness category."

Concluding Comments

The Supreme Court's decision provides important clarification and confirmation of an author's right to control the making available of their works on demand, including the ability to enforce that right to help

combat digital piracy and other unauthorized use over the internet.

Despite dismissing the appeal, the Supreme Court disagreed with the decision of the Federal Court of Appeal, which had left the meaning of section 2.4(1.1) unresolved. It also affirmed a number of the Copyright Board's original conclusions, including that, in accordance with Canada's international treaty obligations, copyright protection must apply as soon as a work is made available and regardless of whether the work is subsequently accessed. While the Supreme Court disagreed that s. 2.4(1.1) deemed making available for download to be a communication to the public, its conclusion that all acts of making available are protected, through a combination of the communication, reproduction, and authorization rights, still provides welcome clarity as to the nature and scope of protection when content is made available for on-demand distribution online.

Casey Chisick, Eric Mayzel, and Michael Osborne were co-counsel to SOCAN, one of two appellants before the Supreme Court. Jessica Zagar was counsel to a coalition of music industry associations: Music Publishers Canada and the Professional Music Publishers Association (APEM).

---

[1] *Society of Composers, Authors and Music Publishers of Canada v. Entertainment Software Association*, 2022 SCC 30 [*SOCAN*].

[2] *Copyright Act*, RSC 1985, c C-42, s 2.4(1.1).

[3] *Copyright Modernization Act*, SC 2012, c 20.

[4] WCT, Article 8. The *WIPO Performances and Phonograms Treaty* requires similar "making available" protection for sound recordings and performers' performances.

[5] *Entertainment Software Association v. Society of Composers, Authors and Music Publishers of Canada*, 2012 SCC 34.

[6] *SOCAN*, para. 105.
