# THE ARTIST'S RESALE RIGHT

COPYRIGHT FOR VISUAL ARTISTS



PRESENTED BY CARFAC AND RAAV



In line with the Prime Minister's Mandate Letters to Ministers Rodriguez and Champagne, we urge the Government of Canada to amend the Copyright Act to include the Artist's Resale Right.



Unlike artists in other countries,
Canadian visual artists are not currently
paid for sales of their work in the
secondary market. The **Artist's Resale Right (ARR)**, as promised by the
government in an amended Copyright
Act, would entitle visual artists to
receive a royalty payment each time
their work is resold publicly.

The ARR is significant as artwork often grows in value over time, and artists currently have no legal right to receive income from this growth.

CARFAC and RAAV propose that 5% of all eligible secondary sales of artwork sold for at least \$1,000 should be paid back to the artist.



**The Enchanted Owl** Kenojuak Ashevak

Original selling price: **\$24**Resold in November 2018

Price: **\$185,500 5%** = **\$9,275** 





The ARR is a copyright royalty, not a tax.

The government would not be involved with collecting, distributing, or monitoring the payment of royalties. To simplify the administrative process, a copyright collective society would oversee the payment of royalties. CARFAC and RAAV recommend Copyright Visual Arts (COVA-DAAV), the only copyright management organization working exclusively for visual artists.

#### Impact of COVID-19 on Visual Artists

During the COVID-19 pandemic, businesses shut their doors and cultural events were cancelled.

In 2021, the overall labour force rebounded to pre-pandemic levels. However, this has not been the case for visual artists, who earned less than half of the average Canadian worker before 2020.

If the government were to fulfill its promise to implement ARR in the Copyright Act, it would offer a **long-term marketplace solution** that would help visual artists recover from the pandemic, and contribute to a more sustainable and resilient cultural workforce.



66% of visual artists are self-employed, and very few are able to earn a living from just one income source.

## **Impact on Indigenous Artists**



Nunavut's arts and crafts sector contributes \$33.4M to the territory's GDP and creates the equivalent of 1,068 full-time jobs.

Indigenous art is highly valued both in Canada and abroad. However, First Nations, Inuit, and Métis artists are often exploited in the secondary commercial market. It is common for art to be directly purchased from an artist at a low price, only to be resold at a much higher value.

The Copyright Act can help correct this imbalance through mechanisms such as the ARR, ensuring Indigenous artists may receive fair compensation for their work.

#### International Precedents



Since 2010, over \$13 Million (AUD) has been paid to more than 2,600 Australian artists, over 65% of whom are Indigenous. ARR exists in over 90 countries, including: Australia, United Kingdom (UK), all European Union (EU) members, Mexico, Korea, India, etc.

There is an opportunity for Canada to bring this royalty into alignment with our international partners.

The EU asked Canada to implement ARR while negotiating our trade agreement, and it was assumed that would happen in 2012. New Zealand recently passed ARR legislation through their trade agreement with the UK. We are expecting ARR to become a topic of discussion during upcoming free trade negotiations between the UK and Canada.

## Parliamentary support

In 2018, the Standing Committee on Canadian Heritage and the Standing Committee on Industry, Science, and Technology conducted consultations on the Copyright Act, and presented reports on their findings.

The Canadian Heritage Committee specifically recommended the Artist's Resale Right be established in Canada.



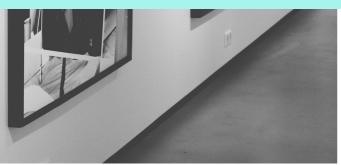
The Canadian
Heritage Committee
acknowledged ARR
will maximize
Canadian artists'
contributions to our
economic growth
and productivity.



# IN CONCLUSION

THE TIME TO ACT IS NOW

We ask that the federal government fulfill the Mandate Letter commitments and introduce a bill to amend the Copyright Act before the end of 2023, which includes the Artist's Resale Right.



#### ABOUT CARFAC AND RAAV

CARFAC and RAAV represent Canada's 21,000 visual artists.



# CANADIAN ARTISTS' REPRESENTATION / LE FRONT DES ARTISTES CANADIENS (CARFAC)

CARFAC is Canada's national professional membership association with 4,000 visual artist members. We believe that artists, like professionals in other fields, should be paid fairly for their work, and we educate the visual arts community about artists' economic and legal rights.



#### REGROUPEMENT DES ARTISTES EN ARTS VISUELS DU QUÉBEC (RAAV)

With over 1600 members, RAAV is the only association legally mandated to represent visual artists in Quebec. The main mission of RAAV is to work in the improvement of the living conditions and professional practices of artists in visual arts in Quebec.