

COPYRIGHT'S MAKING AVAILABLE RIGHT: DISTINGUISHING DOWNLOADS AND STREAMS UNDER THE WIPO INTERNET TREATIES

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In *SOCAN v ESA*, the Supreme Court of Canada carved out the making available of durable downloads from the scope of Canada's communication right, deeming the offering of downloads to be an authorisation of reproduction. Is this adequate protection of the WIPO Internet Treaties' communication right, which does not distinguish durable downloads from ephemeral streams? This article closely considers the Canadian position and highlights the importance of assessing the overall substantive level of protection afforded under national law, rather than relying on labels or focusing on particular protections. It concludes that Canada is likely meeting its obligations under the Internet Treaties, as authorisation in Canada is not dependent on proof of actual downloads and the standard of liability is not prescribed under the umbrella solution. The case is a reminder that the Internet Treaties call for minimum substantive levels of protection, not homogenous protection in form.

I. INTRODUCTION

When a work is posted online for members of the public to download, on one view this would be a communication to the public of the work, as a 'making available' of the work to the public. However, a concern is that this permits 'double dipping' by collecting societies, as it enables two fees to be collected for a single exploitative act: for reproducing the work and making it available. In response to this concern, in 2022, the Supreme Court of Canada in *Society of Composers, Authors and Music Publishers of Canada v Entertainment Software Association* ("*SOCAN v ESA*")¹ held that the provision of copyright content for download by members of the public constitutes an authorisation of the reproduction right, but this does not engage the right to communicate to the public. Does this interpretation satisfy the World Intellectual Property Organization ("WIPO") Internet Treaties, which require that copyright owners be granted the exclusive right to authorise "the making available to the public of their works in such a way that members of the public may access these works from a place and at a time individually chosen by them"?² This article

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¹ *Society of Composers, Authors and Music Publishers of Canada v Entertainment Software Association* 2022 SCC 30 ("*SOCAN v ESA*").

² WIPO Copyright Treaty (20 December 1996), S Treaty Doc No 105-17 (1997); 36 ILM 65 (1997) Art 8 (entered into force 6 March 2002) < https://www.wipo.int/export/sites/www/copyright/en/docs/wct_wppt.pdf > ("WCT"); WIPO Performances and Phonograms Treaty (20 December 1996), S Treaty

argues that it does, if we consider Canada's substantive level of protection in light of the flexibility afforded by the Internet Treaties and treaty interpretation principles generally.

The provisions of the treaties do not explicitly distinguish durable downloads from ephemeral streams. However, under the 'umbrella solution', they also do not prescribe the legal right to be applied under national law. Therefore, an assessment of the Canadian approach cannot be limited to interpretation of their communication right alone (even if the statutory provision as enacted closely mirrors that of the WIPO Copyright Treaty ("WCT")). Canada's compliance with the Internet Treaties relies on a combination of rights that afford substantive protection to the right to communicate to the public by 'making available', including the right to authorise reproductions.

The core question *SOCAN v ESA* raises is whether authorisation of an exclusive right (typically a 'secondary' form of infringement) sufficiently protects the 'making available' right. Two characteristics associated with secondary liability need to be assessed in this context:

- (1) Dependence on a subsequent download occurring; and
- (2) Proof of additional fault factors.

It is important to focus our analysis on the substantive level of protection, as opposed to the labels used.³ For example, despite common use of the term 'authorisation' in several countries, the Canadian approach differs from the Australian position.

Both characteristics identified affect the burden of proof of the plaintiff, and if the burden is substantively higher than that set out in the Internet Treaties, it could be challenged as contrary to an objective of the treaties to eliminate gaps in protection in access-based dissemination markets. This article finds the first characteristic less problematic, as authorisation is a distinct right of copyright owners in Canada; liability arises irrespective of whether a download occurs. However, the question of fault is not as straightforward. A potential argument is that Canada's authorisation right must be subject to a strict liability standard to satisfy the Internet Treaties. However, there is no clear consensus that exclusive rights must be protected under a strict liability standard. Furthermore, the line between strict and fault liability

Doc No 105-17; 36 ILM 76 (1997) Arts 10 and 14 (entered into force 20 May 2002) < https://www.wipo.int/export/sites/www/copyright/en/docs/wct_wppt.pdf > ("WPPT").

³ As Sam Ricketson explains, "[a]n interpretation of article 8 that would allow such a variety of means of implementation of its requirements [under the umbrella solution] is therefore a purely functional one that looks to the substance of what is to be protected rather than its form": Sam Ricketson, "Opinion on Article 8 of the WIPO Copyright Treaty" (14 June 2013) at 16, submitted by Bell Canada, Google, Rogers Communications, Shaw Communications, Quebecor Media, and Yahoo! in *SOCAN, CSI, SODRAC - Tariff for Online Music Services, 2010-2013 - Scope of section 24(11) of the Copyright Act - Making Available* No. CB-CDA 2017-085; [2017] C.B.D. No. 11 (QL); 2017 CarswellNat 4235 (WL) ("*Scope of Section 2.4(1.1) of the Copyright Act - Making Available*"). While it may be argued that the dividing line between primary infringement (ordinarily subject to strict liability) and secondary 'authorisation' of infringement (in most instances requiring fault) is of limited practical significance to a rightsholder (so long as liability can be found), the same cannot be said of countries seeking clarity on their obligations under the WIPO Internet Treaties.

in copyright law is not impermeable, as illustrated by contemporary United States (US) and European Union (EU) approaches to the communication right.

II. ELIMINATION OF GAPS UNDER THE WIPO INTERNET TREATIES

The WCT and WIPO Performances and Phonograms Treaty (“WPPT”), collectively known as the WIPO Internet Treaties, were devised to resolve ambiguities and gaps left by the Berne Convention for the Protection of Literary and Artistic Works (“Berne Convention”).⁴ The Berne Convention covered online communications incompletely and imperfectly, an issue that remained unaddressed by the Trade-Related Aspects of Intellectual Property Rights (“TRIPS”) agreement of 1994.⁵ The introduction of the ‘making available’ right through the Internet Treaties in 1996 extended copyright protection to acts which make the work accessible by the public, even if “members of the public still have to cause the system to make it actually available to them”.⁶

Understandably, there was disagreement among member states as to how this right should be formalised given the diverse forms of legal protection in various countries. By necessity, member states agreed to a compromise ‘umbrella solution’ which afforded flexibility to the form of national implementation, so long as the making available right was protected in substance.

A. The ‘Making Available’ Right

An explicit making available right was necessary as the Berne Convention left open a number of ambiguities: (1) at whose impetus the transmission must occur; and (2) whether “the public” to which the work is communicated must receive the work at the same time, or whether they may be separated in time.⁷ Under the Berne Convention, it was clear that ‘push’ communications such as cable transmissions

⁴ See Sam Ricketson & Jane C Ginsburg, *International Copyright and Neighbouring Rights: The Berne Convention and Beyond*, 2nd ed (Oxford, United Kingdom: Oxford University Press, 2006) at 741–742 and 744.

⁵ Jane C Ginsburg, “The (New?) Right of Making Available to the Public” in David Vaver & Lionel Bently, eds. *Property in the New Millennium: Essays in Honour of William R. Cornish* (Cambridge, United Kingdom: Cambridge University Press, 2004) at 234–247 [Ginsburg, “The (New?) Right of Making Available to the Public”]. See also International Bureau of WIPO, WCT and the WPPT, *supra* note 2; Mihály Ficsor, “Towards a Global Solution: The Digital Agenda of the Berne Protocol and the New Instrument: The Rorschach Test of Digital Transmissions” in P Bernt Hugenholtz, ed. *The Future of Copyright in a Digital Environment* (Kluwer, 1996) 111–21 [Ficsor, “Towards a Global Solution”].

⁶ WIPO, “Guide to the Copyright and Related Rights Treaties Administered by WIPO and Glossary of Copyright and Related Rights Terms” (2003) 208 at CT-8.6 <http://www.wipo.int/edocs/pubdocs/en/copyright/891/wipo_pub_891.pdf> (“Guide to the Copyright and Related Rights Treaties Administered by WIPO and Glossary of Copyright and Related Rights Terms (CT-8.6)”). See also Mihály Ficsor, *The Law of Copyright and the Internet: The 1996 WIPO Treaties, Their Interpretation and Implementation* (Oxford, United Kingdom: Oxford University Press, 2002) at 131 [Ficsor, *The Law of Copyright and the Internet*].

⁷ Ricketson & Ginsburg, *supra* note 4 at 742.

and broadcasts (*ie* communications of preselected programming to a passive public) must be protected acts of copyright owners, but the issue of on-demand (or 'pull') transmissions remained an open question.⁸

The Internet Treaties were concluded in 1996 through a diplomatic conference involving over 130 countries, following several years of "guided development" led by WIPO and preparations for a "possible protocol" to the Berne Convention.⁹ This new protocol was conceived as a "special agreement" within the meaning of Art 20 of the Berne Convention, which allowed governments to "enter into special agreements among themselves, in so far as such agreements grant to authors more extensive rights than those granted by the Convention, or contain other provisions not contrary to this Convention".¹⁰

The basic proposition was that transmissions of works on the internet and in similar networks should be the object of a copyright owner's exclusive right (subject to appropriate exceptions).¹¹ The resulting technology-neutral access right as set out in Art 8 has been described as the "[t]he centrepiece of the WCT, so far as the advent of the networked environment is concerned".¹² Stated as a sub-right to the communication right in the WCT, Art 8 provides that:

[A]uthors of literary and artistic works shall enjoy the exclusive right of authorizing any communication to the public of their works, by wire or wireless means, including the making available to the public of their works in such a way that members of the public may access these works from a place and at a time individually chosen by them.¹³

⁸ *Ibid* at 741–742. Ricketson and Ginsburg observe that the concept of "communication" does not explicitly exclude pull technologies and is arguably sufficiently open-ended to be neutral regarding the initiator of the communication (at 742).

⁹ Ficsor, *The Law of Copyright and the Internet*, *supra* note 6 at 414–415; Ficsor, "Towards a Global Solution", *supra* note 5 at 112–118. See "Diplomatic Conference on Certain Copyright and Neighboring Rights Questions" (CRNR/DC, 2–20 December 1996, Geneva, Switzerland), *WIPO* <http://www.wipo.int/meetings/en/details.jsp?meeting_id=3010>.

¹⁰ Berne Convention for the Protection of Literary and Artistic Works (9 September 1886), 828 UNTS 221, Art 20 (entered into force 5 December 1887) ("Berne Convention") <<https://www.wipo.int/wipolex/en/text/283693>>. See also WCT, *supra* note 2, Art 1(1) which provides that "[t]his treaty is a special agreement within the meaning of Article 20 of the Berne Convention...". See also Jorg Reinbothe & Silke von Lewinski, *The WIPO Treaties on Copyright: A Commentary on the WCT, the WPPT, and the BTAP*, 2nd ed (Oxford, United Kingdom: Oxford University Press, 2015) at 7. Ficsor notes that the legal nature of the so-called "protocol" was not precisely or conclusively determined in the terms of reference issued in 1989, but was later established by increasing agreement on the 'special-agreement' approach: Ficsor, *supra* note 6 at 18–19; see also Ricketson & Ginsburg, *supra* note 4 at 145. Ginsburg observes that it is not entirely clear whether the making available right may be considered a substantive enlargement of Berne Convention rights or a mere affirmation of the existing scope of rights, and prefers to describe it as clarification: Ginsburg, *supra* note 5.

¹¹ International Bureau of WIPO, *supra* note 5 at 5.

¹² Ricketson and Ginsburg, *supra* note 4 at 152.

¹³ WCT, *supra* note 2, Art 8 (Australia entry into force 26 July 2007; US entry into force 6 March 2002; EU entry into force 14 March 2010).

The WPPT provides that performers and phonogram producers hold the making available right as a stand-alone right in relation to their respective fixed performances/phonograms.¹⁴

This new making available right was revolutionary, as it would be irrelevant whether copies of a work were made available or whether the work was simply “made perceptible” to users.¹⁵ In essence, it significantly lowered copyright plaintiffs’ burden of proof. An action for infringement could be brought without having to prove that a work was actually perceived or received as a copy by a member of the public,¹⁶ providing members of the public with the ability to access the work would be sufficient to attract liability.

B. *The Umbrella Solution*

Under the ‘umbrella solution’ devised by Mihály Ficsor, former Assistant Director General of WIPO,¹⁷ the WIPO Internet Treaties did not prescribe the particular form of implementation.¹⁸ It resolved disagreements between delegates that preferred implementation via a distribution right (*eg* US) and those that preferred implementation via a performance or communication right (*eg* European Communities).¹⁹ As Ficsor explains, there were two categories of rights in terms of their coverage of “acts through which works are made available to the public”.²⁰ The first is copy-related rights (such as public distribution or right of rental) that cover “acts by means of which copies are made available to the public, typically for ‘deferred’ use” since the perception of the signs, images and sounds in which the work is expressed (*ie* the actual “use”) by members of the public occur at a later time.²¹ Non-copy-related

¹⁴ *WPPT*, *supra* note 2, Arts 10 and 14 (Australia entry into force 26 July 2007; US entry into force 20 May 2002; EU entry into force 14 March 2010).

¹⁵ WIPO, Diplomatic Conference on Certain Copyright and Neighboring Rights Questions, Summary Minutes, Main Committee I, WIPO Doc CRNR/DC/102 (held on 2–20 December 1996, Geneva) (“Summary Minutes”) at 40 <http://www.wipo.int/meetings/en/doc_details.jsp?doc_id=2472> (Chairman Jukka Liedes’s opening remarks on Art 10 of the WCT).

¹⁶ This point is well-illustrated in the context of peer-to-peer file-sharing, whereby the decentralised nature of the platforms makes it difficult to prove receipt of content: for example, see *Roadshow Films Pty Ltd v iiNet Ltd (No 2)* (2012) 248 CLR 42 at 52–53 (HC, Aust).

¹⁷ See Mihály Ficsor, “Expert Opinion on the International Norms on the Right of Making Available to the Public and on Its Application in Countries Where It Has Been Implemented” (6 March 2013), submitted by SOCAN in *Scope of Section 2.4(1.1) of the Copyright Act – Making Available* (*supra* note 3). Ficsor is recognised as having played a decisive role in the preparation, negotiation, completion and adoption of the WCT and the WPPT: Ficsor, *supra* note 6 at vii (Foreword by Dr. Kamil Idris, then Director General of WIPO).

¹⁸ See Ficsor, *The Law of Copyright and the Internet*, *supra* note 6 at 204–206.

¹⁹ See Mihály Ficsor, “Copyright in the Digital Environment: The WIPO Copyright Treaty (WCT) and the WIPO Performances and Phonograms Treaty (WPPT)” (Report for the *WIPO National Seminar on Copyright, Related Rights and Collective Management*, WIPO/KPT/CR/05/07, February 2005) at 12 <https://www.wipo.int/meetings/en/doc_details.jsp?doc_id=38602> (“Copyright in the Digital Environment”).

²⁰ Ficsor, *The Law of Copyright and the Internet*, *supra* note 6 at 498 [C8.08]. Ficsor notes that there is a third category – transformation rights such as the right of translation and the right of adaptation (which are not relevant in the context of the present discussion).

²¹ *Ibid* at 498–499 [C8.08].

rights (such as the right of public performance and right of communication to the public by wire), “on the other hand, cover acts through which works and objects of related rights are made available for direct use (perceiving, studying, watching, listening to) by members of the public”.²² The right of distribution (a copy-related right) and the right of communication to the public (a non-copy-related right) were the two basic alternative rights put forward in debates about how interactive transmission via digital delivery should be given effect.²³

The umbrella solution was a compromise “linked to a specific historical situation”, the main objective of which “was to eliminate the obstacles that the differing positions concerning the applicability of this or that existing right created to reaching agreement”.²⁴ The idea for the umbrella solution was said to stem from the US Delegation’s statement that it is “not the legal characterization which [is] truly important but rather that the acts involved be covered by appropriate exclusive rights”.²⁵ Under this ‘umbrella solution’, the act of digital transmission would be described in a neutral way, free from specific legal characterisation, and the actual choice of the right or rights to be applied would be left to national legislation.²⁶ In other words, a member state could introduce an explicit making available right, or provide effective coverage of the right through a combination of pre-existing rights (however these rights may take shape).

Therefore, in proceeding with our analysis of the Canadian approach, it is important to understand the relationship between:

- (1) The interpretation of the national law by national courts; and
- (2) The minimum standard of protection required by the WIPO Internet Treaties.

Under the umbrella solution, nation legislatures are not required to implement the communication right in the form stated in the Internet Treaties. Even if enacted in the same form, national courts are not required to interpret their communication right in the same manner as understood under the Internet Treaties. The relevant consideration is the substantive protection afforded to copyright owners *as a whole* in Canada and whether that meets the Internet Treaties’ requirements.²⁷ It would be inappropriate to analyse Canada’s communication right in isolation and measure it against the communication right as set out in the Internet Treaties.

²² *Ibid.*

²³ *Ibid* at 234.

²⁴ *Ibid* at 501.

²⁵ Ficsor, “Towards a Global Solution”, *supra* note 5 at 136, citing WIPO document BCP/CE/V/I-INR/CE/IV/8, § 20.

²⁶ Ficsor, *The Law of Copyright and the internet*, *supra* note 6 at 204–206.

²⁷ As Sam Ricketson notes, a decision of the Canadian Supreme Court on the communication right is “an interpretation of the Canadian copyright legislation within its own terms”, and this is not concerned with the issue of whether its interpretation is in conformity with the WCT: Ricketson, *supra* note 3.

III. THE CANADIAN APPROACH: *SOCAN v ESA*

As was envisaged and permitted by the ‘umbrella solution’, implementation of the making available right has varied across jurisdictions. For example, the EU explicitly introduced a right to communicate to the public in terms similar to the Internet Treaties via Art 3(1) of the InfoSoc Directive of 2001, while the US has relied on its existing suite of rights to give effect to the right.²⁸ In Australia, the *Copyright Amendment (Digital Agenda) Act 2000* (Cth) defined “communicate” to mean “make available online or electronically transmit” (that is, it did not follow the wording of the WCT).²⁹ Canada’s legislative recognition of the making available right was implemented relatively late in 2012 through the *Copyright Modernization Act*.³⁰ Section 2.4(1.1) of the Canadian *Copyright Act* provides that communication to the public by telecommunication includes making it available to the public “in a way that allows a member of the public to have access to it from a place and at a time individually chosen by [them]”, *ie* in terms almost mirroring the WCT.

Prior to the amendments, several decisions had interpreted the existing communication right, which was undefined legislatively and therefore did not explicitly cover ‘making available’. In 2008, the Federal Court in *Canadian Wireless Communications v SOCAN* held that downloads of ringtones over the internet constituted communications to the public, even if this resulted in royalties being paid for both the reproduction right and communication right.³¹ However, this position was reversed in *ESA v SOCAN* in 2012, where the Supreme Court held that, in accordance with the principle of technology neutrality, purchasing copies of video games online should not be treated differently from purchasing physical copies in store.³² On this view, the communication right would not extend to downloads of content, as this activity would already be covered by the reproduction right.³³

²⁸ Directive on the Harmonisation of Certain Aspects of Copyright and Related Rights in the Information Society, EU Parliament and EC Council Directive 2001/29/EC, [2001] OJ L 167 at 10; Copyright Act of 1976, 17 USC (US) § 106 (2016). See also Internet Policy Task Force, US Department of Commerce, *Copyright Policy, Creativity, and Innovation in the Digital Economy* (July 2013) <<http://www.uspto.gov/sites/default/files/news/publications/copyrightgreenpaper.pdf>>; US Copyright Office, *The Making Available Right in the United States: A Report of the Register of Copyrights* (February 2016) <http://copyright.gov/docs/making_available/>.

²⁹ Copyright Act 1968 (Cth) s 10(1).

³⁰ Copyright Act, RSC 1985, c C-43 (Can), s 2.4 (I.I), as amended by the Copyright Modernization Act, S.C. 2012 c 20 (Can), s 3. See also paras 15(1.1)(d) with respect to sound recordings of performers’ performances and 18(1.1)(a) with respect to sound recordings. Note that a number of reform bills were produced from 2005 to 2012, but only Bill C-11, also known as the *Copyright Modernization Act* (“CMA”), made it through and took effect on 7 November 2012: Yaxi Wang, *Filling the Gap: How Should ESA vs. SOCAN Interact with the New Making Available Right* (2013) at 18–19 (unpublished LLM thesis, University of Toronto Faculty of Law, archived at University of Toronto TSpace).

³¹ *Canadian Wireless Telecommunications Association v Society of Composers, Authors and Music Publishers of Canada* [2008] 3 FCR 539 (FC, Aust) (leave to appeal to the Supreme Court refused, [2008] 2 SCR vi).

³² *Entertainment Software Association v Society of Composers, Authors and Music Publishers of Canada* [2012] 2 SCR 231 at 239 (SC, Can).

³³ It is worth noting that another decision of the Supreme Court in 2012, *Rogers Communications v Society of Composers, Authors and Music Publishers of Canada* [2012] 2 SCR 283 (“*Rogers v SOCAN*”) confirmed that individualised streams of content could constitute ‘public’ communications (in line with the broad nature of the communication right under the Internet Treaties).

Following legislative implementation of an explicit 'making available' right as part of the Canadian communication right, the Society of Composers, Authors and Music Publishers of Canada ("SOCAN") performing right society, sought to change this position through an online music services tariff-setting decision before the Copyright Board. It argued that explicit implementation of Art 8 of the WCT effectively overturned the Supreme Court's 2012 *ESA v SOCAN* finding on the communication right. The Copyright Board found in SOCAN's favour, and held that making a work available to the public, whether as a download or a stream, would "remain distinct from any subsequent act of transmission".³⁴ Such a finding would make separate royalties payable for the following activities that take place at different times: (1) when the work is made available online; and (2) when the work is actually streamed or downloaded.

The Federal Court of Appeal overturned the Board's decision, holding that downloads and streams should not be subject to two royalties.³⁵ The Supreme Court upheld this decision, finding that the making available right was not a new compensable right, but a mere clarification that the performance right covers making a performance accessible for on-demand streaming.³⁶ As the eventual stream would form "part of one continuous act of performance" that began when the work was first made available, a separate royalty could not be sought for each instance.³⁷

The majority judgment of the Supreme Court, delivered by Rowe J, further explained that a separate physical activity does not necessarily give rise to the exercise of a distinct remunerable right:

[W]hile I agree that the act of 'making a work available' is a separate physical activity from a download or stream, I disagree with the view that the act of 'making a work available' gives rise to distinct communications to the public (i.e., distinct performances). The making available of a stream and a stream are both protected as a single communication to the public, while the making available of a download is protected as an authorization to reproduce, and the download is protected as a reproduction.³⁸

This finding in relation to streaming is uncontroversial, as it accords with 'making available' being characterised as a sub-right of the communication right in the WCT. However, the position in regard to the reproduction right is less clear.³⁹ In 2022,

³⁴ *Scope of Section 2.4(1.1) of the Copyright Act – Making Available*, *supra* note 3 at [15]-[16].

³⁵ *Entertainment Software Association v Society of Composers, Authors and Music Publishers of Canada* [2021] 1 FCR 374 (FC, Aust). One could argue that the result is more accurately described as a royalty split between performing right holders and mechanical rights holders, where there are joint licensing practices in place. Such arrangements are described by Mihaly Ficsor in his expert opinion to the initial Copyright Board decision: Ficsor, *supra* note 17 at 4. On the other hand, it could also be argued that this layering of rights is unnecessary and perpetuates complexity in copyright licensing in the online environment.

³⁶ *SOCAN v ESA*, *supra* note 1 at [17] and [20].

³⁷ *Ibid* at [20].

³⁸ *Ibid* at [75].

³⁹ It should be noted that 'authorisation' of the reproduction right is substantively different from exercise of the reproduction right itself. The reproduction right would be inadequate to protect the making available right in instances where the source copy of a work has already been created by a third party, and

according to the Canadian Supreme Court in *SOCAN v ESA*, a “person implicitly authorizes the work’s reproduction” by making a work available for downloading.⁴⁰

The Supreme Court justified this distinction between the reproduction right and communication right based on how rights are presented and structured in the *Copyright Act*. The opening paragraph of s 3(1) of the Act is said to exhaustively set out the three fundamental copyright interests of copyright owners, that is to (1) produce or reproduce in any material form, (2) perform in public and (3) publish an unpublished work.⁴¹ What follows this is a list of activities set out in subparagraphs (a) to (j), and finally, a statement that the owner also has the right “to authorize any such acts”. According to the Supreme Court, the list of activities in ss 3(1)(a) to (j) are merely illustrative of the activities that fall within these three interests to reproduce, perform and publish.⁴² The Court explains that these three interests are distinct, and “a single activity can only engage one of the three copyright interests”.⁴³

Consideration of whether the approach in *SOCAN v ESA* meets Canada’s obligations to protect copyright owners’ right to communicate to the public by ‘making available’ raises two issues. The first issue is whether this right to authorise reproductions is dependent on proof of subsequent downloads. The second is whether liability that is fault-based and not subject to a strict liability standard meets the requirements of the Internet Treaties. The first issue can be addressed without great difficulty once we understand the unique nature of Canada’s authorisation right. However, the second issue requires a more in-depth analysis of the nature of property rights and whether strict liability is an inherent part of property protection.

IV. A DISTINCT AUTHORISATION RIGHT

Under Canadian copyright law, authorisation occurs when one grants or purports to grant, “either expressly or by implication, the right to do the act complained of”.⁴⁴ The authoriser must also “have some degree of actual or apparent right to control the actions” of the primary infringer.⁴⁵ The term ‘authorise’ has been interpreted by Canadian courts to mean “sanction, approve, or countenance”.⁴⁶ Furthermore,

the defendant is taking the final step of making that copy available to the public. In such an instance, the defendant has not made any copies but simply made an existing copy accessible: Jane C Ginsburg, “Opinion on Article 8 of the WIPO Copyright Treaty” (10 September 2013) at 5, submitted by Society of Composers, Authors and Music Publishers of Canada (SOCAN) in *Scope of Section 2.4(1.1) of the Copyright Act – Making Available*.

⁴⁰ *SOCAN v ESA*, *supra* note 1 at [106], citing *Apple Computer Inc v Mackintosh Computers Ltd* [1988] 1 FC 673 at 697 (CA, Can), affirmed by *Apple Computer Inc v Mackintosh Computers Ltd* [1990] 2 SCR 209 (SC, Can) (*per* Hugessen J). Note that this point is *obiter dicta* by a single judge (Hugessen J), as the majority including Hugessen J had held that the reproduction right had been exercised.

⁴¹ *SOCAN v ESA*, *supra* note 1 at [54].

⁴² *Ibid.*

⁴³ *Ibid* at [55].

⁴⁴ Barry B Sookman, Steven Mason & Carys Craig, *Copyright: Cases and Commentary on the Canadian and International Law*, 2nd ed (Toronto, Canada: Carswell, 2013) at 1001.

⁴⁵ *Ibid.*

⁴⁶ *CCH Canadian Ltd v Law Society of Upper Canada* [2004] 1 SCR 339 at 361 (SC, Can). Note that this interpretation has also been adopted in Australia, though it has been interpreted and applied more

'countenance' in the context of authorisation of copyright infringement is to "be understood in its strongest dictionary meaning", that is to "give approval to, sanction, permit, favour or encourage".⁴⁷

In many common law countries, including Australia and the US, a third party who facilitates, enables or encourages infringement is seen as a secondary infringer of copyright.⁴⁸ Such liability is secondary to and dependent upon proof that a primary infringement has taken place.⁴⁹ The Canadian law on authorisation of infringement departs from this approach in that liability of the authoriser is distinct from liability of the initial infringer. This position was not always clear cut prior to the 2022 *SOCAN v ESA* decision.⁵⁰

In the 1980 decision of *Compo v Blue Crest*, the Supreme Court of Canada held that infringement by reproduction and infringement by authorisation "are separate and distinct violations of the statute and hence separate and distinct infringements rendering each wrongdoer liable to the holder of the copyright without reference to the actions and responsibilities of the wrongdoer".⁵¹ However, the issue being discussed in this case was whether the primary infringer could be exonerated from liability by reason of the secondary infringer's liability; this was not an instance where primary infringement was absent. *Compo v Blue Crest* was cited in 2004 in the seminal Supreme Court case on authorisation liability of internet intermediaries, *SOCAN v Canadian Association of Internet Providers*, as support for the point that authorisation "is a discrete infringement of s. 3(1)" of the Canadian *Copyright Act*.⁵² Again, this may be characterised as *obiter* on the question of whether primary infringement was required, as infringements by internet users were clearly taking place.

Uncertainty remained, and in the 2017 tariff decision on the making available right that was ultimately appealed to the Supreme Court, the Copyright Board held that "for an 'authorization' to be an infringement under the *Act*, a subsequent infringing act must actually occur".⁵³ On appeal in 2022, *SOCAN v ESA* unequivocally confirmed that the authorisation right under Canadian law is a distinct right. The Supreme Court explained that "[a] user who unlawfully authorizes a reproduction or performance of a work may be held liable for infringement of that right, regardless of whether the work is ultimately reproduced or performed [emphasis

broadly in Australia, leading to a different outcome: see *Moorhouse v University of New South Wales* (1974) 23 FLR 112 (SC, NSW).

⁴⁷ *CCH Canadian Ltd v Law Society of Upper Canada*, *supra* note 46 at 361; Sookman, Mason & Craig, *supra* note 44 at 1001.

⁴⁸ Jane C Ginsburg & Sam Ricketson, "Inducers and Authorisers: A Comparison of the US Supreme Court's Grokster Decision and the Australian Federal Court's KaZaa Ruling" (2006) 11 MALR 1.

⁴⁹ *Ibid* at 5.

⁵⁰ See *eg*, Neal Armstrong, Roger T Hughes & Susan J Peacock, *Hughes on Copyright and Industrial Design*, 2nd ed (LexisNexis Butterworths, 2005) Part 9 - § 65 Authorization (accessed 29 September 2022).

⁵¹ *Compo Co Ltd v Blue Crest Music Inc* [1980] 1 SCR 357 at 373 (SC, Can).

⁵² *Society of Composers, Authors and Music Publishers of Canada v Canadian Association of Internet Providers* [2004] 2 SCR 427 at 474 (SC, Can).

⁵³ *Scope of Section 2.4(1.1) of the Copyright Act – Making Available*, *supra* note 3 at [172].

added]”.⁵⁴ The Court does not refer to these categories, and the right to authorise seems to be treated as a stand-alone, primary infringement.

On the face of it, the WIPO Internet Treaties do not carve out the provision of a downloadable copy of a work from the notion of ‘making available’. However, if we consider Canada’s treatment of authorisation as a distinct right of the owner, irrespective of whether a reproduction occurs, *in substance* the right to communication to the public by making available is sufficiently protected.⁵⁵ The mere provision of access would be sufficient to render one liable for authorising potential reproductions of copyright content, whether or not those reproductions take place. Therefore, this aspect of copyright plaintiffs’ evidentiary burden cannot be challenged as contrary to the Internet Treaties. There remains the issue of fault and whether this renders Canada’s authorisation right inadequate to satisfy Art 8 of the WCT.

V. AUTHORISATION WITHOUT PROOF OF FAULT

Canada’s reliance on authorisation of the reproduction right to protect copyright owners’ right to ‘make available’ to the public, as required by the Internet Treaties, raises these questions:

- (1) Do the Internet Treaties mandate a strict liability standard for effective protection of the making available right?
- (2) If so, is the Canadian authorisation right as applied to downloads subject to a fault liability standard and therefore contrary to this requirement?

The Internet Treaties are silent on the standard of liability applicable, and therefore one could argue that there is no clear mandate. Even if one were to interpret Art 8 expansively to require protection under a strict liability standard, Canada’s authorisation right does not necessarily require proof of fault. Indeed, authorisation of infringement has been applied broadly to online intermediaries that facilitate infringing conduct on their services and fault is relevant to ‘authorisation’ premised upon knowledge and control of third-party conduct. However, where the defendant’s act of making content available for download is seen as an invitation to infringe the reproduction right, fault does not appear to be relevant. Again, this is a question of substance over form. The term ‘authorisation’ is used, but the acts that satisfy the

⁵⁴ *SOCAN v ESA*, *supra* note 1 at [105], citing *CCH Canadian Ltd v Law Society of Upper Canada* 2002 FCA 187 at [112]-[113]; *Society of Composers, Authors and Music Publishers of Canada v Canadian Association of Internet Providers* [2004] 2 SCR 427 at [120] (SC, Can); Sookman, Mason and Craig, *supra* note 44 at 1001. The Court reiterates this point at [107]: “If a person makes a work available for downloading without authorization, that person infringes the copyright owner’s right to authorize reproductions. That is so regardless of whether the works are ultimately downloaded.”

⁵⁵ It is arguable that this conception of ‘authorisation’ as a distinct right of the copyright owner could re-create the problem of duplication that the Supreme Court was seeking to avoid. For commentary on this point, see Abraham Drassinower, “Authorizing Two Royalties: A Comment on *Society of Composers, Authors and Music Publishers of Canada v Entertainment Software Association*” (2023) 67 Can Bus LJ 384. However, this is an issue separate from the question of whether the interpretation meets the minimum standards of the Internet Treaties.

elements of infringement do not differ in substance from the threshold set by the Internet Treaties. Even if we insist that Canada's authorisation right incorporates fault into the equation, it would not be the first jurisdiction to do so. To an extent, courts in the EU and US already consider fault factors when assessing primary infringement of the public communication or performance right.

A. *Distinguishing Strict Liability and Fault Liability*

It is worth outlining the differences between strict and fault liability before proceeding to consider these distinctions in the context of the communication right. Primary infringement of copyright owners' exclusive rights has conventionally been categorised as a strict liability tort.⁵⁶ It is strict in the sense that no intention to infringe is required.⁵⁷ For example, innocent infringers, *ie* those who infringe copyright without knowledge that they are infringing and without intent to do so, are liable for infringement.⁵⁸ Kenneth Abraham provides a concise explanation of strict liability in law, *ie* "strict liability is the imposition of liability even when reasonable care has been exercised".⁵⁹ An alternative is to define strict liability as liability imposed "regardless of fault".⁶⁰

If we take these two definitions together, 'fault' could be taken to mean a lack of reasonable care. However, Patrick Goold explains that there are two kinds of fault: state of mind fault and standard of conduct fault.⁶¹ State of mind fault occurs where the defendant acts with a "blameworthy state of mind", *ie* they acted intentionally with the aim of causing the harmful outcome.⁶² In this context, intentional conduct is distinguished from volitional conduct, in that volitional conduct is voluntary as opposed to intended to cause a particular outcome.⁶³ In addition to intent, less

⁵⁶ William F Patry, *Copyright Law and Practice* (Westport, Connecticut, United States: Greenwood Press, 1994) at 1142.

⁵⁷ See, *eg* *Buck v Jewell-LaSalle Realty Co* 283 U.S. 191 (1931) at 198 ("Intention to infringe is not essential under the Act"); Melville B Nimmer & David Nimmer, *Nimmer on Copyright* (Matthew Bender, 2016) § 13.08[A] ("[T]he general proposition is that innocent intent is no defense to copyright infringement").

⁵⁸ See, *eg*, *Fitzgerald Publishing Co v Baylor Publishing Co* 807 F 2d 1110 (2nd Cir, 1986) at 1113, and *Haas v Leo Feist Inc* 234 F 105 (Dist Ct, Southern District of New York, 1916) at 107, cited in Dane S Ciolino and Erin Ann Donelon, "Questioning Strict Liability in Copyright" (2002) 54 Rutgers L Rev 351 at 352. Note that wilful infringement may have an impact on the quantum of damages awarded (in the form of exemplary or punitive damages), but this assessment would be undertaken *after* prima facie infringement has been established: see, *eg*, *2424508 Ontario Ltd v RallySport Direct LLC* 2022 FCA 24 (FCA, Can).

⁵⁹ Kenneth S Abraham, "Strict Liability in Negligence" (2012) 61 DePaul L Rev 271 at 274.

⁶⁰ Patrick Russell Goold, "Is Copyright Infringement a Strict Liability Tort?" (2015) 30(1) Berkeley Technology Law Journal 305 at 312 (n18) [Goold, Copyright Infringement], citing Peter Cane, *Responsibility in Law and Morality* (Oxford, United Kingdom: Hart Publishing, 2002) at 82.

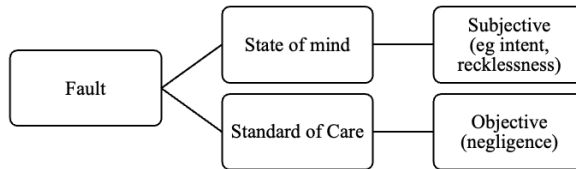
⁶¹ Goold, Copyright Infringement, *supra* note 60 at 314, citing Cane, *supra* note 60 at 78.

⁶² Goold, Copyright Infringement, *supra* note 60 at 314–315, citing Jules L Coleman, *Risks And Wrongs*, 2nd ed (Oxford, United Kingdom: Oxford University Press, 2002) at 217–218, and Cane, *supra* note 60 at 32–33.

⁶³ Goold, Copyright Infringement, *supra* note 60 at 315. As discussed further in Part V.C.2, the volition requirement in US copyright law has expanded beyond voluntary conduct to encompass notions of choice or intent regarding an outcome.

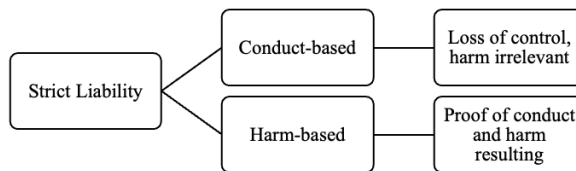
common blameworthy states of mind for the purposes of assessing liability include acting recklessly, fraudulently or maliciously.⁶⁴ The second category, standard of conduct fault, refers to negligence, *ie* the defendant failed to meet the expected standard of reasonable conduct.⁶⁵ Therefore, lack of reasonable care constitutes a type of fault. While negligence may appear to overlap with recklessness (state of mind fault), they may nevertheless be distinguished. Standard of conduct fault refers to an objective assessment of the defendant's external actions, while state of mind fault lies in the internal subjective mental state of the defendant.⁶⁶

Figure 1: Types of Fault



Just as there are different kinds of fault, there are different types of strict liability rules. Depending on the character of the legal right being asserted, it could be conduct-based strict liability or harm-based strict liability.⁶⁷ The former attaches liability to a defendant who engages in a form of proscribed conduct (regardless of whether harm occurred), while the latter attaches liability to a defendant only if their proscribed conduct causes a harmful consequence.⁶⁸ Conduct-based strict liability rules are grounded in protecting autonomy rights or broad powers of control over an object, and infringement occurs where there is a loss of power to control, regardless of harm.⁶⁹

Figure 2: Types of Strict Liability



Primary infringement of copyright is arguably subject to a conduct-based strict liability standard, as it is not necessary to prove harm when asserting liability.⁷⁰

⁶⁴ *Ibid*, citing Cane, *supra* note 60 at 33–36.

⁶⁵ Goold, Copyright Infringement, *supra* note 60 at 315.

⁶⁶ *Ibid* at 318, citing Coleman, *supra* note 62 at 217, 225, 228.

⁶⁷ Goold, Copyright Infringement, *supra* note 60 at 312.

⁶⁸ *Ibid* at 313.

⁶⁹ *Ibid*.

⁷⁰ Note that there is disagreement on the type of strict liability standard that applies in copyright. Goold describes copyright infringement as a “strange form of harm-based strict liability”, with its strangeness stemming from the absence of an analysis of harm when assessing the *prima facie* case: *ibid* at 334. Goold’s characterisation draws from Balganesch’s observations that copyright liability does not require a showing of harm but does require proof of some result-through-conduct (*ie* proof that a substantially

Alternatively, harm is assumed, *ie* the standard is based on an expansive view that any encroachment upon the copyright owner's exclusive rights necessarily harms the value of their property right.⁷¹ Different standards of liability can be applied to copyright infringement but terms such as strict and fault liability are merely labels indicative of the types of factors that need or need not be proven. It bears repeating that the key question is one of substance rather than form. How is access to downloads protected under Canadian copyright law, and does this level of protection meet the minimum requirements of the Internet Treaties?

B. Authorisation and Fault under the Internet Treaties

The Supreme Court of Canada held that "there is nothing novel about relying on a combination of rights to give effect to obligations under art. 8", citing US law as an example.⁷² There is arguably a difference between relying on a combination of various primary acts of infringement and relying on the right to authorise reproductions, and this may depend on how broadly the umbrella solution is construed. One would need to interpret the meaning of an "exclusive right of authorizing" as stated in Art 8 of the WCT, and consider whether the terms 'exclusive right' and 'authorizing' carry specific meaning in this context. As Sam Ricketson observes, the notion of 'authorisation' has extended beyond acts of primary or direct liability.⁷³ However, in Ricketson's view "[i]t is unclear whether the use of 'authorizing' in Berne was ever intended to have this wider operation, and certainly the various revision conferences do not indicate that delegates were ever thinking of wider issues of intermediate, rather than direct, liability here."⁷⁴

Indeed, the meaning of 'authorisation' has been interpreted beyond its plain meaning to cover a range of services offered by online intermediaries and to ascribe responsibility for third party conduct to these intermediaries.⁷⁵ Under broader interpretations, facilitation of third-party infringing conduct can constitute 'authorisation'. These interpretations stretch the plain meaning of the term 'authorise' and are satisfied through proof of further fault elements such as the defendant's knowledge that this conduct is occurring and their power to prevent that conduct.

Unlike broader connotations of authorisation, an invitation to infringe copyright aligns with the narrower, ordinary reading of the term 'authorise', *ie* sanctioning or approving of infringing conduct. The mere act of making content available for

similar copy has been created): Shyamkrishna Balganes, "The Obligatory Structure of Copyright Law: Unbundling the Wrong of Copying" (2012) 125 Harv L Rev 1664 at 1682.

⁷¹ It should be noted that conduct-based strict liability is not equivalent to 'absolute' liability: see Keith N Hylton, "Property Rules, Liability Rules, and Immunity: An Application to Cyberspace" (2007) 87(1) BUL Rev 1 at 6. Hylton explains that there "are few, if any, examples of absolute liability in the law" and most cases of strict liability involve the injurer making a choice whether to impose harms on the victim (a choice that the law seek to control through strict liability).

⁷² *SOCAN v ESA*, *supra* note 1 at [109].

⁷³ Sam Ricketson, "The International Framework for the Protection of Authors: Bendable Boundaries and Immovable Obstacles" (2018) 41 Colum J L & Arts 341 at 361 (n70).

⁷⁴ *Ibid.*

⁷⁵ See *eg*, *Cooper v Universal Music Australia Pty Ltd* (2006) 237 ALR 714 (FC, Aust) (permitting third parties to post links to infringing content).

download (without proof of any mental element) would satisfy this narrower form of ‘authorisation’ liability, as was the case in *SOCAN v ESA*. There would be no additional need to prove fault accompanying the act of making content accessible for download. As the defendant is the source of the content, there is no further knowledge or control of third-party conduct to be proven.

In *SOCAN v ESA*, the Supreme Court quoted the explanatory text accompanying Art 8, which emphasised that the “extent of liability” shall be matters for “national legislation and case law according to the legal traditions of each Contracting Party” (in response to *SOCAN*’s assertion that the WCT requires strict liability).⁷⁶ As Ricketson observes, “[o]ther than indirectly, none of the convention provisions with respect to exclusive rights deals with the issue of secondary or intermediary liability”.⁷⁷ The WCT’s indirect reference to intermediary liability is found in the agreed statement concerning Art 8, “that the mere provision of physical facilities for enabling or making a communication does not in itself amount to communication within the meaning of this Treaty or the Berne Convention...”. The agreed statement does not indicate what more is needed to give rise to intermediary liability for facilitating communications and leaves the question to member states. It merely clarifies that the treaty is silent on the standard of liability potentially applicable to intermediaries; it does not dictate the standard liability that must be applied nationally to protect the making available right.

Likewise, Ricketson finds that the issue of the “state of mind of the infringer [is] left unanswered” in the international treaties, but goes on to note that “an argument for strict liability would be easier to sustain if one interprets Berne to implicitly characterise the exclusive rights to be granted as property rights”.⁷⁸ Indeed, one could make the case that certain member state delegates shared a view common among copyright lawyers “that property has an ‘essence’ ... and that strict liability is a necessary part of that essence”.⁷⁹ While some delegates may have carried that assumption, it would be a stretch to impute this assumption more broadly. Furthermore, Goold pushes back against such an assumption on the basis that “at least some property violations are remedied via negligence liability rules”.⁸⁰

One could potentially still argue that it is an *implied* requirement under the Internet Treaties that exclusive rights be protected under a strict standard of liability. Richard Gardiner observes that if a treaty is silent on a matter, this could mean that it is simply not regulated, but this would depend on the nature of the treaty.⁸¹ One could look to the “the holy grail” of treaty interpretation⁸² – the Vienna Convention

⁷⁶ *Scope of Section 2.4(1.1) of the Copyright Act – Making Available*, *supra* note 3 at [171]; *SOCAN v ESA*, *supra* note 1 at [88].

⁷⁷ Ricketson, *supra* note 73 at 361.

⁷⁸ *Ibid* at 360 (n66).

⁷⁹ Patrick R Goold, “Moral Reflections on Strict Liability in Copyright” (2021) 44(2) *Colum J L & Arts* 123 at 147 (referring to the common assumption among copyright lawyers, not specifically in the international treaty context) [Goold, Moral Reflections].

⁸⁰ *Ibid* at 148.

⁸¹ Richard K Gardiner, *Treaty Interpretation*, 2nd ed (Oxford, United Kingdom: Oxford University Press, 2012) at 166 [Gardiner]. Gardiner contrasts the constitution of an international organisation with a treaty created to fix a boundary, with the former having more leeway for implied powers and the latter requiring precision in interpretation.

⁸² Michael Waibel, “Demystifying the Art of Interpretation” (2011) 22(2) *Eur J Intl L* 571 at 572.

on the Law of Treaties of 1968 (“Vienna Convention”) – for guidance.⁸³ The starting point for treaty interpretation under the Vienna Convention is the ordinary meaning of the treaty text in context and “in light of its object and purpose”.⁸⁴ It does not provide explicit guidance on terms that are absent, but allows for reference to the preparatory works (or *travaux préparatoires* — the official records of negotiations), in the event of ambiguity of terms present.⁸⁵ Expanding on this consideration of object and purpose, one could look further to the principle of effectiveness, stemming from the general framework of the object and purpose of a treaty (in Art 31), that “[a]n interpreter is not free to adopt a reading that would result in reducing whole clauses or paragraphs of a treaty to redundancy or inutility”.⁸⁶

In light of these principles of treaty interpretation, a question is whether Canada’s reliance upon the right to authorise reproductions to protect access to downloads renders Art 8 of the WCT ineffective. If we look to the preparatory works again, it is clear that one objective was to lower the burden of proof of copyright owners – instead of having to prove actual downloads, they merely need to prove accessibility.⁸⁷ A substantive fault requirement, if applied to the making available right, could impact the effectiveness of Art 8. Authorisation in its broadest sense could require proof of fault. However, as discussed, in Canada the mere act of making a copy available for download *prima facie* constitutes an invitation to infringe the reproduction right.⁸⁸ This satisfies the ‘authorisation’ requirement, without requiring proof of additional mental factors or intent regarding an outcome. Therefore, if we focus on what must substantively be proven under Canadian copyright law, then the conduct that satisfies authorisation of the reproduction right is arguably no different from strict liability for communicating works to the public by ‘making available’ in other jurisdictions.

C. Fault Considerations under Primary Infringement

While the discussion so far has been a positive account of what is required under the Internet Treaties, the literature prompts us to consider the normative dimensions. Some scholars argue that intellectual property regimes should be subject to negligence principles, and it should be recognised that to an extent, fault-based principles

⁸³ Vienna Convention on the Law of Treaties (23 May 1969), 1155 UNTS 331 (entered into force 27 January 1980) <https://legal.un.org/ilc/texts/instruments/english/conventions/1_1_1969.pdf> (“Vienna Convention”).

⁸⁴ *Ibid.*, Art 31(1).

⁸⁵ *Ibid.*, Art 32; Susy Frankel, “The WTO’s Application of “The Customary Rules of Interpretation of Public International Law” to Intellectual Property” (2006) 46 Va J Intl L 365 at 387.

⁸⁶ WTO, Report of the Appellate Body, *Korea — Definitive Safeguard Measure on Imports of Certain Dairy Products* AB-1999-8, WT/DS98/AB/R (1999) of 14 December 1999 at [80]-[81] (emphasis in original, footnotes omitted), cited in Gardiner, *supra* note 81 at 180 <<https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=Q:/WT/DS/98ABR.pdf&Open=True>>.

⁸⁷ See the discussion at Part II.A of this article.

⁸⁸ *SOCAN v ESA*, *supra* note 1 at [106], quoting *SOCAN Statement of Royalties, Public Performance of Musical Works 1996, 1997, 1998 (Tariff 22, Internet) (Re)* (1999) 1 C.P.R. (4th) 417 at 455-57 (Copyright Board, Can) (“[I]t is the act of posting that constitutes authorization. By doing so, a person invites anyone with Internet access to have the work communicated to them”).

are already being incorporated into primary infringement of copyright in certain jurisdictions.

1. *Should copyright infringement require fault?*

An argument for applying a negligence standard to copyright infringement is that avoiding copyright infringement is a relatively onerous task.⁸⁹ This may be contrasted with property that has reasonably clear boundaries, where ownership is easily and inexpensively ascertainable by owners and potential users. In this latter instance, scholars such as Patrick Goold and Stewart Sterk respectively argue that strict liability is more clearly justified.⁹⁰ Sterk observes that negligence principles tend to apply to claims for physical damage to property interests but “are curiously absent from discussion of other claims for infringement of, or encroachment, of property interests”.⁹¹ Sterk argues further that “in cases where ascertaining the scope of boundaries is costly, property law should, and sometimes does, make use of negligence principles”.⁹² However, these negligence principles are not an explicit part of property law but are incorporated through what Sterk describes as “surrogates for negligence-based liability rules”.⁹³ As will be discussed, this trend is also found in some copyright contexts.⁹⁴

A preference for strict liability may be attributed to the conventional wisdom that (a strict liability) property rule “has the upper hand in securing the conditions of efficient transactions and in sustaining self-determination through property rights”, as recognised by Avihay Dorfman and Assaf Jacob.⁹⁵ In copyright, application of this conventional wisdom tends to be driven by a concern for preserving incentives to invest in authorship.⁹⁶ Nevertheless, Dorfman and Jacob assert that “[a]nalytically, there is no relationship of entailment between the very idea of ownership

⁸⁹ Goold, *supra* note 79 at 149. See also Stewart Sterk’s description of IP as “a candidate for negligence-based rules” in light of the higher costs of determining the scope and title of IP rights, relative to real property: Stewart E Sterk, “Strict Liability and Negligence in Property Theory” (2012) 160(7) *U Pa L Rev* 2129 at 2150 [Sterk].

⁹⁰ Sterk, *supra* note 89 at 2132, Goold, *Moral Reflections*, *supra* note 79 at 149.

⁹¹ Sterk, *supra* note 89 at 2131.

⁹² *Ibid* at 2133.

⁹³ *Ibid*.

⁹⁴ *Cf* Sterk’s view that this strategy of incorporating negligence surrogates is not apparent in intellectual property doctrine: *ibid* at 2153–2154.

⁹⁵ Avihay Dorfman and Assaf Jacob, “Copyright as Tort” (2011) 12(1) *Theor Inq L* 59 at 69 (citations omitted). ‘Entitlements’ can be protected by law under property rules that necessitate voluntary transactions or liability rules that merely require compensation. The relevance of these rules towards economic efficiency have been discussed in the seminal article of Guido Calabresi and Douglas A Melamed, “Property Rules, Liability Rules and Inalienability: One View of the Cathedral” (1972) 85(6) *Harv L Rev* 1089.

⁹⁶ As this author has argued, copyright has dual authorship and dissemination functions, but copyright’s dissemination function is not given sufficient prominence in copyright discourse: Cheryl Foong, *The Making Available Right: Realizing the Potential of Copyright’s Dissemination Function in the Digital Age* (Edward Elgar Publishing, 2019) at 37–38, 253–55.

and its extent or reach. In other words, [the degree of liability] is an open question, conceptually speaking”.⁹⁷

In sum, it is not established that property rights must be protected under a strict liability standard. Furthermore, certain normative accounts of copyright assert that fault should play a more dominant role in infringement, mirroring the shift towards a fault standard in tort more generally.⁹⁸ A closer look at US and EU copyright law indicates that this shift is already happening, albeit in an *ad hoc* and opaque manner.⁹⁹

2. Emerging Trends in the United States and European Union

The dividing line between strict and fault liability in the context of online communications to the public is fuzzier than debates about property rights tend to convey. In jurisdictions purporting to apply a strict liability standard to primary infringement of the communication right or public performance right, notions of fault have seeped into the analysis.

In the US context, the Supreme Court decision in *ABC v Aereo* (“*Aereo*”) sparked debate on the notion of volition when Scalia J relied heavily on this principle in his dissent.¹⁰⁰ Volition in copyright has expanded well beyond mere voluntary conduct as understood under tort law to encompass fault considerations, with volition conceived as ‘choice’ around which copyright work is communicated. *Aereo* involved time-shifting of free-to-air broadcasts and a question was whether the defendant, Aereo, by designing an automated system facilitating recording and streaming of recorded programs and making this system available to users, had infringed the public performance right. Initially conceived as a limitation of service providers’ liability for hosting content online, the principle was that “[a]lthough copyright is a strict liability statute, there should still be some element of volition or causation which is lacking where a defendant’s system is merely used to create a copy by a third party”.¹⁰¹ While the majority in *Aereo* ignored the notion of volition, lower

⁹⁷ Dorfman and Jacob, *supra* note 95 at 67.

⁹⁸ Steven Hetcher, “The Kids Are Alright: Applying a Fault Liability Standard to Amateur Digital Remix” (2010) 62(5) Fla L Rev 1275 at 1288. Hetcher laments the disconnect between tort and copyright discussion (at 1284-1285), and begs the question (at 1288): “Given that the fault standard is most pervasive in tort law generally, other things equal, should we not expect to see the same in the domain of copyright infringement as well, and if not, why not?”

⁹⁹ Several US scholars have argued that copyright infringement is a fault-based tort, but the weight of their arguments relies upon a US-centric fair use analysis (and as will be discussed, consideration of fault in copyright is not limited to fair use): see *eg*, Goold, *supra* note 60; Steven Hetcher, “The Fault Liability Standard in Copyright” in Shyamkrishna Balganes (ed), *Intellectual Property and the Common Law* (Cambridge, United Kingdom: Cambridge University Press, 2013) 431; Apostolos G Chronopoulos, “Strict Liability and Negligence in Copyright Law: Fair Use as Regulation of Activity Levels” (2018) 97 Neb L Rev 384.

¹⁰⁰ *American Broadcasting Companies, Inc, et al, v Aereo, Inc* 134 S. Ct. 2498 at 2512 (2014) (“*Aereo*”) (*per* Scalia J, dissenting). See also the case of *Cartoon Network, LP v CSC Holdings, Inc* 536 F 3d 121 (2nd Cir, 2008) that preceded *Aereo*.

¹⁰¹ *Religious Technology Center v Netcom On-Line Communication Services, Inc* 907 F Supp 1361 at 1370 (Dist Ct, Northern District of California, 1995).

courts have since turned what was initially conceived as a ‘shield’ against liability into a ‘sword’ to support copyright infringement claims.¹⁰²

Post-*Aereo*, volition has been used to incorporate fault factors into analysis of primary infringement. The District Court for the Southern District of New York in *Goldman v Breitbart News*,¹⁰³ which considered whether ‘embedding’ an image constituted primary infringement of the display right, is an illustration of this.¹⁰⁴ The defendants, proprietors of online news blogs, had embedded the plaintiff’s image in their blog posts.¹⁰⁵ The hyperlinked image had been posted by third parties on social media without authorisation. Relying upon and distinguishing Scalia J’s dissenting assertion that *Aereo* was not primarily liable “for the sole and simple reason that it does not make the choice of content”, the District Court in this instance held that “here, defendants are choosing the content which will be displayed, that they would indeed be displaying”.¹⁰⁶ The District Court placed weight on mental factors akin to fault, *ie* the choice and conscious steps taken by the defendant to enable the display of the photo.¹⁰⁷

Therefore, while volition in the tort context is conceived as voluntary human actions, volition in copyright has taken on broader connotations of choice and intent about the outcome (in this instance the outcome being communication of particular copyright works to the public). The line of reasoning in post-*Aereo* US decisions mirror the approach taken by the Court of Justice of the European Union (“CJEU”) in *Nils Svensson v Retriever Sverige AB* (“*Svensson*”),¹⁰⁸ *GS Media v Sanoma and Playboy* (“*Sanoma*”)¹⁰⁹ and the cases that followed in their wake.¹¹⁰ Although different statutory wording or legal tests are utilised, primary liability in these cases fall upon the defendant’s conscious step of enabling their intended audience to access particular content or types of content, with limited consideration of the relevant ‘act’ or technical means utilised.¹¹¹

¹⁰² See Cheryl Foong, “Volition and the ‘New Public’: A Convergence of US and EU Judicial Approaches to Communications to the Public” (2020) 42(4) Eur IP Rev 230 at 231 [Foong, Volition and the New Public].

¹⁰³ *Goldman v Breitbart News Network, LLC* 302 F Supp 3d 585 (Dist Ct, Southern District of New York, 1995).

¹⁰⁴ Another case that similarly rejects the application of the server test outside of the search engine context and considers that embedding an image posted by a third party without permission on a news site could constitute direct copyright infringement is *Free Speech Sys, LLC v Menzel* F. Supp 3d 1162 (Dist Ct, Northern District of California, 2019). However, the Court in this decision did not refer to *Aereo* in support.

¹⁰⁵ *Goldman v Breitbart News Network, LLC*, *supra* note 103 at 587.

¹⁰⁶ *Ibid* at 595.

¹⁰⁷ *Ibid* at 594–595.

¹⁰⁸ *Nils Svensson, Sten Sjögren, Madelaine Sahlman, Pia Gadd v Retriever Sverige AB* Case C-466/12, EU:C:2014:76; [2014] Bus LR 259 (“*Svensson*”).

¹⁰⁹ *GS Media BV v Sanoma Media Netherlands BV, Playboy Enterprises International Inc, Britt Geertruida Dekker* Case C-160/15, EU:C:2016:644; [2016] Bus LR 1231.

¹¹⁰ This is so despite the lack of a formal system of binding precedent for the CJEU: see Eleonora Rosati, *Copyright and the Court of Justice of the European Union* (Oxford, United Kingdom: Oxford University Press, 2019) at 21. Subsequent cases include *Stichting Brein v Jack Frederik Willems* Case C-527/15, EU:C:2017:300; [2017] Bus LR 1816 (“*Filmspeler*”), and *Stichting Brein v Ziggo BV, XS4ALL Internet BV* Case C-610/15, EU:C:2017:456; [2017] Bus LR 1899 (“*Pirate Bay*”).

¹¹¹ See the reference above to the indispensable role of the defendant, the deliberate nature of their intervention, and their intervention with “full knowledge of the consequences” of their action: *GS Media*

In the seminal *Svensson* case,¹¹² the CJEU held that linking (or aggregating a series of links) to press articles posted online by rightsholders constituted an 'act' of communication. However, the CJEU also held that where the defendant uses the same technical means as the rightsholder to communicate the same content, such a communication must be directed to a 'new public'.¹¹³ A new public is "a public that was not taken into account by the copyright holders when they authorized the initial communication to the public".¹¹⁴ When linking to publicly available material, this would be communicated to the same public and therefore not be an infringement of the communication right. Fault of the defendant was subsequently brought into the equation by the *Sanoma* case.¹¹⁵ A material factor distinguishing *Sanoma* from *Svensson* was that the source content in *Sanoma* was posted without the authority of the rightsholder.¹¹⁶ The *Sanoma* Court held that where one links to content posted online without permission and is aware of this illegality (*eg.* due to notification by rightsholders), then one is primarily liable for infringing the right to communicate to the public.¹¹⁷ The Court further established a rebuttable presumption of knowledge where links are posted "for profit". It held that in instances where links are posted for "the pursuit of financial gain", then "it can be expected that the person who posted such a link carries out the necessary checks to ensure that the work concerned is not illegally published on the website to which those hyperlinks lead".¹¹⁸

The CJEU *Sanoma* decision introduced fault elements into primary infringement of copyright.¹¹⁹ The fault factors taken into account are the knowledge of the defendant, and the commercial benefit that they may derive from their conduct, perhaps as an indication of intent to infringe or recklessness about infringement.¹²⁰ It should be recognised that ordinarily, additional fault factors that must be proven over and

BV v Sanoma Media Netherlands BV, Playboy Enterprises International Inc., Britt Geertruida Dekker, *supra* note 109 at [35]. This seems to accord with Bruce Boyden's argument in the US context that choice as to the type of source content being utilised, if accompanied by an 'entertainment' purpose, ought to give rise to liability: Bruce E Boyden, "Aereo and the Problem of Machine Volition" (2015) 2 Michigan State Law Review 485.

¹¹² *Svensson*, *supra* note 108.

¹¹³ For a case involving "different technical means" of communication, see *ITV et al v TVCatchup* Case C-607/11 EU:C:2013:147; [2013] Bus LR 1020 (streaming of content online distinguished from terrestrial broadcasts).

¹¹⁴ *Svensson*, *supra* note 108 at [24].

¹¹⁵ *GS Media BV v Sanoma Media Netherlands BV, Playboy Enterprises International Inc., Britt Geertruida Dekker*, *supra* note 109.

¹¹⁶ See *Ibid* at [41], where the CJEU distinguishes *Svensson* (and associated decisions) and asserts that "the reasoning of those decisions [were] intended to refer only to the posting of hyperlinks to works which have been made freely available on another website with the consent of the rightsholder". The CJEU further states that the decisions "confirm the importance of such consent under [Article 3(1) of the InfoSoc Directive, as it] specifically provides that every act of communication of a work to the public is to be authorized by the copyright holder" (at [43]).

¹¹⁷ *Ibid* at [49].

¹¹⁸ *Ibid* at [51]. See also [55].

¹¹⁹ See Tatiana Eleni Synodinou, "Decoding the Kodi Box: To Link or Not to Link?" (2017) 39(12) Eur IP Rev 733.

¹²⁰ Subsequent preliminary rulings of the CJEU confirm the breadth of the *Sanoma* fault factors: see *eg.* *Stichting Brein v Jack Frederik Wullems* Case C-527/15, EU:C:2017:300; [2017] Bus LR 1816 ("Filmspeler"); *Pirate Bay*, *supra* note 110.

above the infringing act makes the plaintiff's task more onerous. However, considerations of fault in the EU and US broaden the scope of primary liability as fault takes the place of clear analysis of the 'act' of communication.¹²¹

D. Flexibility in International Treaty Interpretation

The preceding discussion has shown that the line between strict liability and fault liability is increasingly blurred in decisions on the making available right. How does this tie in with the umbrella solution and compliance with the WIPO Internet Treaties? At this juncture, we may again consider the nature of the umbrella solution and approaches to treaty interpretation principles in light of this discussion, to clarify their connection.

The international framework is not as inflexible as it might appear, and as Ricketson observes, “[m]any of its boundaries are bendable”, providing space for a variety of treaty-compliant decisions that achieve the goals and objectives of contracting countries.¹²² Likewise, Susy Frankel reminds us that the international IP instruments can be complied with in different ways because they set out minimum standards, not harmonised rules.¹²³ Importantly, the umbrella solution accords with established international norms of treaty implementation. Unless a treaty prescribes a particular mode of implementation, “states are free to use whatever methods their constitutions afford” provided they comply with the provisions of customary law as stated in the Vienna Convention.¹²⁴ As Jane Ginsburg explains, “[w]hat matters is not the label any national law confers, but rather its actual coverage.” This practice is prevalent in the intellectual property agreements preceding the WIPO Internet Treaties.¹²⁵

However, a caveat is that this level of flexibility does not apply to treaty standards that are clear and unequivocal. Minimum terms of protection as stated in the treaties, an example described by Ricketson as an “immovable obstacle”, are not open

¹²¹ Foong, Volition and the New Public, *supra* note 102 at 235–236. These approaches may be contrasted with the decision of the Court of Appeal of the Supreme Court of Singapore (Singapore's highest court) in *RecordTV Pte Ltd v MediaCorp TV Singapore Pte Ltd* [2011] 1 SLR 830 (SGCA), which involved the recording and streaming of free-to-air broadcasts (similar to the service in *Aereo*). The Court of Appeal held that the communications to individual users were not “to the public” (at [28]) and the “communicator” in each instance was the user who chose the programs and initiated the recording process (at [41]).

¹²² Ricketson, *supra* note 73 at 367.

¹²³ Susy Frankel, “The Interpretation of International Intellectual Property Instruments in National, Regional and International Courts and Tribunals” in Christophe Geiger, Craig A Nard and Xavier Seuba (eds), *Intellectual Property and the Judiciary* (Edward Elgar Publishing, 2018) 441 at 441.

¹²⁴ Richard K Gardiner, *Treaty Interpretation* (Oxford, United Kingdom: Oxford University Press, 2008) at 126, citing the Vienna Convention, *supra* note 83, Arts 26 (every treaty which is in force must be performed by the parties in good faith) and 27 (a party may not invoke the provisions of its internal law as justification for its failure to perform a treaty).

¹²⁵ Ginsburg, *supra* note 39, cited with approval in *Scope of Section 2.4(1.1) of the Copyright Act – Making Available*, *supra* note 3 at [159]. Frankel explains that “TRIPS does not prescribe the exact form or modality of implementation, but rather that is matter of national autonomy”. She further describes this as “an important aspect of the structure of a minimum standards agreement” that is also found in the Berne Convention and Paris Convention: Frankel, *supra* note 123 at 453.

to a range of interpretations.¹²⁶ Canada previously attempted to apply a different measure for the duration of patent protection through an argument of equivalence before the World Trade Organisation (WTO). Canada's position was that 17 years from grant would effectively be the same as 20 years from filing, as prescribed under Art 33 of the TRIPS Agreement.¹²⁷ This was rejected by the WTO Dispute Settlement Appellate Body in its report as being contrary to the clear and specific language of Art 33.¹²⁸

Indeed, treaties have varying levels of flexibility and some may prescribe standards of liability. If we look beyond the IP framework, an example is the 1963 Vienna Convention on Civil Liability for Nuclear Damage, which provides that an operator of a nuclear installation is subject to absolute liability for nuclear damage (subject to certain exceptions such as gross negligence by the person who suffers damage).¹²⁹ This accords with the risk of significant harms to persons and the environment that could immediately and perceivably flow from such damage. This may be contrasted with the broad standard in the European Convention on Human Rights, which is subject to a "margin of appreciation" doctrine that recognises states' "measure of diversity" in how they interpret their obligations under the Convention.¹³⁰ It is a doctrine of judicial deference which "allows a certain latitude for differential human rights protection across states".¹³¹ The standard of liability, being unspecified in the WIPO Internet Treaties, would likewise seem more open to interpretation when contrasted with treaties such as the 1963 Vienna Convention on Civil Liability for Nuclear Damage.

The point, in essence, is that the umbrella solution is in line with general approaches to treaty interpretation. Furthermore, when contrasted with treaty provisions that provide clear measurable standards, the degree of flexibility afforded to national implementation of the making available right becomes even more apparent. Moreover, there is increasing appreciation that domestic courts have an important role to play in interpreting international treaties and in the process, they contribute to international principles of treaty interpretation.¹³² The lack of prescriptive rules

¹²⁶ Ricketson, *supra* note 73 at 364–365.

¹²⁷ WTO, Report of the Appellate Body, *Canada—Term of Patent Protection*, WT/DS170/AB/R (18 September 2000), < https://www.wto.org/english/tratop_e/dispu_e/170abr_e.pdf > at [20].

¹²⁸ *Ibid* at [85].

¹²⁹ Vienna Convention on Civil Liability for Nuclear Damage (adopted on 21 May 1963), 1063 UNTS 265, Art 4 (entered into force on 12 November 1977) < <https://treaties.un.org/doc/Publication/UNTS/Volume%201063/volume-1063-I-16197-English.pdf> >. See also the Montreal Convention which provides for air carrier liability to passengers, and the International Convention on Civil Liability for Oil Pollution Damage on ship owners' liability for oil pollution: Convention for the Unification of Certain Rules for International Carriage by Air (28 May 1999), OJ L 194, 18.7.2001, pp. 39–49, Art 17 (effective 4 November 2003) < <https://www.icao.int/Meetings/AirCargoDevelopmentForum-Togo/Documents/9740.pdf> > ("Montreal Convention 1999"); International Convention on Civil Liability for Oil Pollution Damage (29 November 1969), UNTS 973, Art 3 (entered into force on 19 June 1975) < <https://cil.nus.edu.sg/wp-content/uploads/2019/02/1969-CLC.pdf> >.

¹³⁰ Andrew Legg, *The Margin of Appreciation in International Human Rights Law: Deference and Proportionality* (Oxford, United Kingdom: Oxford University Press, 2012) at 7.

¹³¹ *Ibid*.

¹³² See Helmut Philipp Aust and Georg Nolte (eds), *The Interpretation of International Law by Domestic Courts: Uniformity, Diversity, Convergence* (Oxford, United Kingdom: Oxford University Press, 2016); Michael Waibel, "Demystifying the Art of Interpretation" (2011) 22(2) Eur J Intl L 571 at 583–584

on implementation facilitates a degree of diversity and experimentation such that international norms can develop through adoption of models that work better than others.

VI. CONCLUSION

In light of *SOCAN v ESA*, one may question whether there is a misalignment between Canadian copyright law and the obligation to protect the making available right as required under the WIPO Internet Treaties. However, closer consideration of the Canadian authorisation right indicates that Canada is meeting its obligation. First, unlike authorisation liability in other jurisdictions, the right to authorise reproductions in Canada is a distinct right of the copyright owner; it is not dependent on downloads actually occurring. Therefore, mere access would be sufficient to trigger liability in line with Art 8 of the WCT. A second, more complex issue is whether a primary act of infringement must be subject to a strict liability standard, and would authorisation (ordinarily a secondary form of liability requiring proof of fault factors) be considered sufficient to protect the making available right in accordance with the Internet Treaties.

In Canada, the mere act of making a work available for download appears sufficient to constitute authorisation by invitation. This may be contrasted with authorisation premised on knowledge or control as a facilitator of third-party infringement. In the former instance (making downloads available), a plaintiff is not required to prove fault on the part of the defendant, despite liability being based on authorisation of the reproduction right. The relevant infringing act that must be proven is no different in substance to acts of primary infringement for the communication right or performance right in other jurisdictions.

Even if fault were taken into account to prove liability for making downloads available in Canada, this would not be entirely inconsistent with interpretations of the making available right developing in other jurisdictions. EU and US courts are increasingly taking fault factors into account in decisions on primary infringement of the making available right. The distinction between strict and fault liability is tenuous in this context due to the broad nature of the right. Therefore, it cannot be said that any *potential* consideration of fault under authorisation liability principles renders Canada's approach inconsistent with the Internet Treaties.

Treaties have "bendable boundaries" (to again borrow Ricketson's terminology)¹³³ and the scope of the making available right is one such boundary. The Internet Treaties may not distinguish downloads or streams from the making available right, but member states nevertheless have the freedom to determine how downloads or streams are protected nationally, either under a communication right or a combination of protections, so long as the right to make available to the public is protected in substance. Coherence in form is not required – it is the antithesis of the umbrella solution. Laws protecting the 'making available' right will continue to

(noting the shared interpretive authority of states, and positing that states are, "at least in part, the masters of their legal obligations").

¹³³ See Ricketson, *supra* note 73.

evolve alongside technologies for dissemination of content, and this is permissible so long as the right is protected in substance as envisaged by the umbrella solution. The flexibility afforded by the umbrella solution, a necessity at its inception, allows various forms of protection to develop internationally. This permits space for experimentation and preserves copyright law's ability to adapt to suit national contexts.