



Highlights of the Scale Agreement with the National Gallery of Canada

Generalities

- The scale agreement has a three-year term from its date of ratification by the parties (2015–18).
- A 1.5% annual increase will apply starting in the second year of application on all fees for professional services, except for those on Internet reproduction for archival purposes and on long-term contracts or licences.
- The agreement will come into effect on or around March 1, 2015.
- It sets out minimum conditions and fees that the artist may negotiate upward.
- The agreement applies to all living Canadian visual artists, whether or not they are members of RAAV or CARFAC, except, with regard to copyright, artist members of a collective management society such as CARCC or SODRAC.
- Artists whose work is exhibited at the gallery, or whose works are reproduced, must be members of RAAV or CARFAC or have obtained a certificate of licensee by permission, the cost of which is equivalent to the annual membership fee. Any payment totalling \$300 or less will not require a permit for non-members of CARFAC and RAAV.
- For the purpose of administration of the scale agreement, a deduction at source equivalent to 5% of the money received by the artist is remitted to RAAV or CARFAC, depending on the artist's place of residence.

Main monetary gains

1- Major increase in exhibition right royalties for temporary exhibitions, without regard to the size of the space used for the exhibition:

- \$8,250 for a solo exhibition (instead of \$3,600, which was divided by 2 depending on the size of the space)
- \$1,650 for a single artwork or a performance.
- For exhibitions involving groups of 12 or more artists, each artist receives at least \$650 (instead of \$360)
- Venice Biennale \$16,500 (instead of \$2,400).

2- Payment according to the RAAV-CARFAC 2015 fee schedule for all reproduction right royalties

- A fee of \$25 per image per use (ad, internet, etc.) related to a temporary exhibition applies when the minimum exhibition right royalty is paid.
- Payment to all artists not represented by a collective according to the 2015 RAAV-CARFAC fee schedule for any reproduction used outside of an exhibition project. Previously, the fees paid varied if the artist was not represented by a collective and sometimes no fee was paid.

3- Fair payment of reproduction right royalties for exhibition catalogues according to number of illustrations and print run

- A simplified calculation method for catalogues is established. The formula is as follows:
- 10% of the sale price multiplied by the number of copies printed = Y
Y is divided by the number of pages containing illustrations = T
T is multiplied by the number of pages containing reproductions of an artist's artworks = artist's royalty

Example: Sale price \$50 x 1,000 copies = \$50,000 x 10% = \$5,000 (Y)
120-page book, including 100 with reproductions: \$5,000/\$100 = \$50 per page (T)
20 artists with 5 pages each: \$50 x 5 = \$250 per artist.

4- Payment of communication rights on the Internet – Cybermuse

- a) For the database and online archiving of digital reproductions of artworks in the permanent collection, artists will receive \$10 per image per year. Other uses of digital reproductions will be payable on an individual basis according to the RAAV-CARFAC 2015 fee schedule.
- b) Previously, the NGC benefited from long term agreements with some artists. These agreements will not be renewed as they expire and come under the Scale Agreement. Future acquisition contracts will be drafted according to the scale agreement. Copyright royalties for the Internet will therefore be paid as for all other artists, as described in point a) above.
- c- The NGC hopes to put its entire permanent collection on line in the coming years.

5- Permanent collection

- a) Traditionally, long term agreements provided for a free 10-year licence for all non-commercial uses linked to reproductions or permanent collection installations.
- b) As mentioned above, the acquisition contract falls under this scale agreement, and old contracts will not be renewed as they expire. Copyright royalties for reproduction and the Internet will be paid as set out in points 2 and 3 above.

New acquisitions will benefit from an exhibition royalty that will be paid at acquisition (by purchase or donation). The sum added for the exhibition right will be calculated as follows:

- For works valued at less than \$5,000, 15% of the price of the work will be paid to the artist above the price of the work. In the case of acquisition by donation, the calculation will be made based on the true market value of the work at the time of the acquisition.
- For works valued from \$5,001 to \$10,000, 5% of the price of the work plus \$500.
- For works valued at \$10,001 or more: 4% of the price of the work plus \$600.
- The maximum payable is \$3,000 (work valued at \$60,000).
- This will enable the gallery to exhibit the work in the museum's rooms for the duration of its ownership of the work. For installations linked to a temporary exhibition, payments presented earlier in point 1 will apply. It should be noted that due to the spatial constraints of the Museum it may happen that a newly acquired work could be exhibited only once after its acquisition.
- When the Gallery's works are lent to other museums, these institutions are responsible for liberating the rights with the copyright holder or its representative and to negotiate professional fees, as applicable.

6- Professional services

Professional services are paid according to the following fee schedule:

Service	Fee for professional service	
	Full day	Basic fee (all included)
Preparation/production	\$300	More than 3 days
Consultation	\$300	More than 3 days
Installation	\$400	More than 3 days
Lecture/presentation		\$550
Guided tour		\$250
Meeting with media or vernissage		\$250

For over three days, the gallery negotiates with the artist for a lump-sum fee.

Conclusion

- The National Gallery of Canada ratified this scale agreement on December 8, 2014.
- The boards of directors of RAAV and CARFAC approved the draft agreement and are recommending that artists ratify it.
- The fact that this agreement is a first in our art field means that its application will be monitored by a joint committee formed of two representatives from the NGC and one representative each from CARFAC and RAAV. The committee will be responsible for finding solutions if there are problems in application of the agreement and to recommend modifications when it comes to term and is renegotiated.
- Major gains were obtained for artists in the course of this long negotiation. Aside from the new conditions offered to artists described above, the most important gain is the positive example that this agreement establishes for other museums and distribution organizations in general. This will eventually provide direct benefits to all artists.