

This document was produced following UNEQ’s Grand Consultation and the work of special committees and UNEQ’s board of directors. It contains the main elements that an eventual negotiations committee will bring to the table. It does not guarantee results, but rather, sets out the demands and guidelines for the results we hope to achieve.

“Once the list of demands has been finalized, adopted by the union council and presented at a general meeting, the bargaining committee will begin negotiations with the employer. Presenting the list of demands to the employer is a crucial step. At this meeting, the bargaining committee will present and explain each element of the union's proposal.¹”

Regarding the sector represented by UNEQ, artists working in the field of literature covered by the accreditation of the *S-32.1 Act respecting the professional status of artists in the visual arts, cinema, recording, literature, crafts, and the performing arts* are asking the negotiating committee to prioritize the following issues:

- 1. Freedom of practice and artists’ control over the exploitation of their rights;**
- 2. A regulatory framework for promotional activities;**
- 3. Remuneration.**

More comprehensively, these issues could be articulated and linked according to the following themes:

FIELDS OF APPLICATION

Professional artists in the field of literature covered by accreditation under S-32.1- *Act respecting the professional status of artists in the visual arts, film, the recording arts, literature, arts and crafts and the performing arts*.

Definitions

Cf. [*Lexique des termes usuels des contrats d’édition et reddition de comptes*](#)

Literature: *all written works of the same type= subject to a publishing contract*

Distinction for the purposes of understanding :

¹ ¹ CSN, *Savez-vous que...*, <https://www.sapscq.com/wp-content/uploads/2015/11/2015-10-05-savez-vous-que-5-processus-nego-2-.pdf>

- Work = the text or illustration produced prior to publication;
- Book = the published work.

NATURE OF CONTRACT

- Redefinition of the contract: professional contract and licence;
- Signature upon acceptance of the project to further define the concept of professional relationship;
- Divided into two parts:
 - Employment contract governing editorial process and editorial work (rights reserved but not yet granted – optioned);
 - License (option exercised): triggered at the end of the editorial process (upon approval of the final proofs by the artist);
- Clear and standardized definition.

TERM OF LICENCE

- Triggered at the end of the editorial process (upon approval of the final proofs by the artist);
- Limit the duration to a period of 5 years;
- Renewal:
 - No tacit renewal of the contract;
 - Specify that renewal will be negotiated between the parties upon notice sent by the publishing house within 3 to 6 months before the end of the term, to notify the artist of the term of the contract and the intention to renew it or not;
 - Renewal periods shall be shorter than the initial term;
 - Independent limitation periods: derivative rights and non-competition, right of first refusal.

RIGHTS GRANTED

Publishing rights

- Exclusive option upon signing the contract: 12-month term (extension or renewal of the option is subject to an additional fee proportional to the amount of the first option—for example, 50% for a 6-month extension; 100% for a 12-month extension);
- Edit, print, reproduce, distribute, and sell: exclusive licence granted upon approval of the final proofs by the artist;

- Limited to print or digital media.

Rights for related uses

- Possibility of granting an option on various related rights. For example: theatrical or audiovisual adaptation, translation, audiobook, public performance, derivative products;
- Exclusive option granted for a limited period, monetizable (e.g. advance payment for each related right granted, deductible from royalties receivable for the intended use, but non-refundable);
- The publisher must report on its efforts to exploit rights, in writing;
- The artist has the right to review negotiations, sales, or other matters (authorization from the artist is mandatory for sublicensing to a third party);
- If, despite the granting of rights, the artist participates in the steps or initiates the contact, they will receive remuneration proportional to their effort (e.g. 80-20);
- The artist retains right of representation in the event that the rights are used by the artist;
- Remuneration provided for additional tasks assigned to the artist: revision, meetings, interviews, consultations, etc.

MORAL RIGHTS, CREDITS, ATTRIBUTIONS

- Moral rights may not be waived;
- Name will appear on the cover;
- Credits: © *All rights reserved [name of publisher] and [name of artist], [year]*;
- Artists have the right to review data tables;
- UNEQ logo on the credits page.

PUBLICATION AND MARKETING

- Initial print run and retail price indicated in the contract (approximate);
- Permanent exploitation (the work must always be available for sale) with the possibility of limiting distribution to print format (i.e. the artist may request termination if the work is only available in digital format);
- Distribution plan attached to the contract;
- Export: information included in the contract, procedures included in the financial report;

- Promotion plan with minimum mandatory activities attached to the contract: launch, materials, attendance at trade shows, mentions on websites and social media;
- Minimum notice period given to the artist for activities: ten (10) business days
- The artist's right to review the production of promotional material;
- Responsibility and costs are to be borne by the publisher unless materials are requested by the artist: photos, summary, biographical note;
- Right of refusal;
- Framework with the duration, frequency, and deadlines for promotion effort;
- Non-competition limited to *disguised imitations* (works that are in direct competition), for a maximum period of three years from the date of publication.

REMUNERATION

Mandatory advance payment

- To be estimated based on retail price (approximate), royalty rate, and print run (approximate with a minimum requirement). For example: amount equivalent to royalties on 50% of the initial print run;
- Deductible exclusively on royalties for book sales (and not on sales of related rights or performance revenues);
- Non-refundable.

Progressive rate

- Progressive rate. For example: starting at 12% (mandatory minimum) with increments: 14% of the retail price starting with the 2,001th copy; 16% starting with the 5,001th copy sold (other increments depending on the type of work);
- Sales for all formats, from the same publisher, are combined to reach the progressive tiers;
- Sales of the same title are combined, regardless of reissues, the assignment of a new ISBN, formats, or other commercial elements;
- Mandatory minimum remuneration of 12% regardless of format (including paperbacks, club editions, deluxe editions, etc.) and for all sales (domestic and foreign);
- Rate of 12% applied to the retail price (no deductions applicable except for overpayments and advances);
- Equivalent remuneration for digital formats (if a royalty on the retail price is not possible: minimum of 25% of gross sales and not on net receipts).

Related rights

- Exclusive option – *with price list*;
- Distribution of net revenue: 50% for the publishing house and 50% for the artist if the exploitation results from steps taken by the publishing house (presentation of mandatory supporting documents required);
- Distribution of net revenue: set at 80% for the artist and 20% for the publisher, when the opportunity comes from a third party or is the result of steps taken by the artist;
- Promotion:
 - Remuneration for activities and services including book signings – *price list*;
 - Per diems, reimbursement of expenses incurred (accommodation, meals, transportation) – *price list*;
 - For services not included in the price list: contact the UNEQ (provide a letter of agreement or a waiver request form).

PAYMENT AND ACCOUNTABILITY

- Mandatory, uniform, clear, and legible template (ANEL-UNEQ template);
- Increase the frequency of reports and payments;
- Regulatory report: steps taken, results (promotion, related rights, export, distribution, inventory management);
- Financial report: centralize all revenues in a single financial statement;
- Accounting verification: provide for the accountability of verification costs to the publishing house if errors are found;
- Overpayment: deductible but non-refundable, prohibition of practice of taking royalties from one work to offset losses on another, limit reserve to 25% for the first two years of publication;
- Interest rate for late payment exceeding thirty (30) days;
- Compliance with tax receipt issuance dates.

TERMINATION OF THE CONTRACT AND RETURN OF RIGHTS

Before the option is exercised

Prior to publication, either party may request termination:

- Upon written notice from one of the parties, in the event of a conflict, disagreement, or irreconcilable difference (for reasonable and serious reasons); the option fee shall remain payable to the artist;
- Upon written notice from the artist, in the event of a major change in personnel that directly affects the working relationship (e.g. literary director, editor); the option fee shall remain the property of the artist;

- Upon legal notice received by the publishing house, which must be provided to the artist along with the notice of termination; the advance remains the property of the artist.

After option is exercised

After publication, the parties may request termination:

- If the publisher fails to comply with its obligation of continuous exploitation: inability to fulfill two orders (obligation to reprint within a maximum of six (6) months);
- If the publisher fails to fulfill its contractual obligations or commits an act contrary to the codes of ethics of representative associations (ANEL, AELAQ, UNEQ);
- If there is a major change in personnel that directly affects the working relationship (e.g. literary director, editor);
- If the artist notes in their reports that sales are low (less than 5% of inventory);
- If the publishing house commits an act of bankruptcy or is subject to a receivership order under the Bankruptcy and Insolvency Act (R.S.C. 1985, c. B-3), if its assets are taken possession of by operation of law or, in the case of a legal person, if it is subject to liquidation.

In all such cases, all amounts paid to the artist prior to termination shall remain the property of the artist.

In case of termination

- Binding agreement, including at least the following elements:
 - Rights returned to the artist;
 - Date of cessation of marketing;
 - Date of withdrawal from the market, if applicable;
 - Treatment of remaining inventory (e.g. donation to the artist);
 - Authorization for direct resale of copies returned to the artist;
 - Absolute release;
 - Copy of the notice sent to the distributor/outlet;
 - Maintenance of licences granted to third parties and transmission of related documents;
 - Final and cumulative report.

TRANSFER OF THE CONTRACT TO A THIRD PARTY

- Mandatory consent for transfer to a new publisher.

LEGAL WARRANTIES AND INDEMNIFICATION

- The artist is solely liable regarding the artist's rights, intellectual property, and contractual obligations to third parties.
- Risks relating to personality rights, defamation, and the Criminal Code are shared.
- The publisher is responsible for taking legal action in the event of infringement of rights to the work.

HEALTH AND SAFETY

- Policy on psychological or sexual harassment (complaint management procedures) appended to the contract;
- Extension of deadlines in the event of illness, accident, death, or other cases of force majeure (defined as any unforeseeable event beyond the control of the parties);
- Safety measures for promotional or public activities.

MANUSCRIPT CONFIDENTIALITY CLAUSE

- The artist AND the publishing house must keep the content of the manuscript or draft manuscript confidential until it is published.

PROVISIONS RELATING TO COLLECTIVE MANAGEMENT

- List of companies covered (e.g. Copibec, Access Copyright, SOFIA, etc.);
- Applicable terms and conditions: registration (registration fees covered by the publisher);
- Distribution and collection of royalties (50%).

ACCESSIBILITY POLICIES (FORMATTING AND DISTRIBUTION OF FORMATS PROVIDED FOR IN ARTICLE 32 OF THE COPYRIGHT ACT)

- Mandatory notification to the artist.