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Recommendations on Generative Artificial Intelligence (AI) Systems and the Copyright Act in Canada in response to Innovation, Science and Economic Development's (ISED) Consultation on Copyright in the Age of Generative AI

The Canadian Chamber of Commerce is pleased to make this submission to Innovation, Science and Economic Development ("ISED") Consultation paper: [Consultation on Copyright in the Age of Generative Artificial Intelligence \(AI\)](#).

The Canadian Chamber of Commerce is the country's largest business association with an active network of nearly 400 chambers of commerce and boards of trade representing nearly 200,000 businesses of all sizes, in all sectors and regions of our country. As such, we consulted with members from a variety of sectors, including telecommunications, finance, manufacturing and the creative industries, represented on the Canadian Chamber's Digital Economy Committee, Privacy and Digital Trade Council, Cyber.Right.Now. Council and Future of AI Council.

Members of the Canadian Chamber's newly formed Future of AI Council are particularly focused on proactively supporting federal AI policy, and advocating for policies that will establish AI as a positive economic force through the responsible development, deployment, and use of AI in business.

Our members across sectors, Councils and Committees acknowledge that leveraging the significant power of AI in our economy and society is a complex challenge. Since AI can present both opportunities and risks, there is curiosity and contention about what the future development and deployment will look like. The Canadian Chamber of Commerce, made up of an inclusive cross-section of organizations operating in Canada, serves as a network and forum for businesses to collaborate and address this challenge together. We are committed to working with government to encourage Canadian-led innovation and to integrate AI into business in a responsible manner that profoundly increases economic productivity and growth, thus benefiting the lives of Canadians across the country.

AI will significantly impact all industry sectors, with reports estimating that generative AI could add more than \$4 trillion in value to the global economy¹. Given that generative AI will significantly impact the global economy and financial markets, the Chamber supports the government's action to review the Canadian Copyright Act² (the "Act") and how it applies to AI systems, and how text and data mining ("TDM") activity and the training of AI using copyright-protected works can legally function in Canada.

While our organization represents a variety of sectors and different sizes of companies from all of Canada, our intent with this letter is to underscore key principles ISED should prioritize as part of its review. Setting the right AI regulatory environment in Canada is essential to support

¹ McKinsey Digital Report, The economic potential of generative AI: The next productivity frontier, June 14, 2023.

² RSC, 1985, c C-42.



Canada's advancements in its ambition to be a global AI leader and to promote responsible use of TDM. As ISED reviews the Act, our members encourage the department to recognize:

- **The value responsibly developed AI systems activity can bring to Canada, both at an economic and individual level.** The potential of generative AI could bolster Canada's economy by \$210 billion – or an equivalent of 8% of Gross Value Added – and greatly boost Canadian workers' productivity. External research and R&D funding has funneled \$2.57 billion into Canadian AI R&D in 2022-23. Yet only 3.7 percent of Canadian firms have deployed AI in their business in any capacity³. An AI-fueled economy could drive innovation and bolster productivity gains across sectors by making advanced solutions widely available for Canadian businesses, which fosters economic growth and international competitiveness.
- **AI innovators and robust creative industries can coexist and drive each other's growth.** To help ensure that this occurs, Canada requires rules to ensure that when AI is employed, it is used in a constructive way that fosters economic activity including in the creative industries.
- **Regulatory certainty and predictability are a key driver of investment in AI technologies in Canada.** To achieve global leadership and competitiveness in this space, Canada will need to enable large-scale business AI adoption and innovation by creating significant commercial opportunities for Canadian companies. This will not happen if AI developers, deployers, and adopters face more uncertainty in Canada than in other comparable jurisdictions.
- **AI innovation is in its infancy and the pace of innovation is only accelerating, making it difficult to predict what the technological landscape will look like even in the near future.** Given the rapid state of evolution in AI technology, Canada should strive to adopt a regulatory framework that is sufficiently flexible to accommodate next generations of foreseeable AI models.
- **The copyright framework should adhere to the fundamental principle of technological neutrality.** This includes avoiding interpretation or application that discriminates against any particular form of technology.

The Canadian Chamber of Commerce supports the government's goals of protecting rightsholders while at the same time promoting innovation, Canada's international competitiveness, and fostering further AI research, adoption, and investment. The right policy environment will make Canada an attractive destination for AI growth and business investment.

Thank you for the opportunity to submit our recommendations. We gladly make ourselves available at your convenience to meet and discuss our recommendations further.

Kind regards,

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³ Deloitte, Impact and opportunities: Canada's AI ecosystem - 2023 (emphasis added)
<https://www2.deloitte.com/content/dam/Deloitte/ca/Documents/press-releases/ca-national-ai-report-2023-aoda-en.pdf>