National Survey on the Cultural Sector's Readiness for Artificial Intelligence

September 15, 2026

Ontario Chamber of Commerce

Purpose	Canadian Heritage is seeking public feedback via survey to better understand organizations' level of readiness for AI, identify challenges and opportunities related to its adoption, inform program development.
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Overview

Artificial intelligence is rapidly reshaping how businesses create, produce, and deliver value across the economy, including Canada's cultural and creative industries. As Canada's cultural and creative industries grow, AI presents new opportunities to enhance productivity, expand access to creative tools, and strengthen global competitiveness. Realizing these benefits, however, requires a policy environment that promotes innovation while maintaining public trust, protecting intellectual property (IP), and supporting responsible adoption.

Canada's cultural and creative economy contributes over $75 billion (2024) to national GDP, creating nearly 700,000 jobs, with Ontario accounting for almost $30 billion (2024) and nearly 280,000 jobs, making up 45 per cent of Canada's cultural GDP. Increasingly, AI and other emerging technologies are reshaping the sector, enabling new ways to create, produce, and deliver cultural content and services.

As adoption accelerates, AI should be viewed as a tool that complements human creativity rather than replaces it. When deployed responsibly, AI can help businesses, artists, organizations, and creators enhance productivity, streamline operations, and expand creative capacity. Realizing these benefits, however, requires a policy framework that promotes transparency, trust, privacy, and the protection of intellectual property. AI should complement human creativity, not displace it. Thus, accessible AI technology should help businesses, artists, organizations, and creators to strengthen their own work, improve productivity, support overall economic growth, and create opportunities. This includes provisions around transparency, trust, privacy, and protections.

To that end, the OCC has several recommendations to ensure policies, proposed programs, and funding streams support responsible adoption, which will inform responses to this survey.

Culture Sector Readiness Survey Responses

Please provide any comments or suggestions you may have regarding the proposed funding components (e.g., gaps, improvements, or priorities). When providing comment, we request that you do not include personal information about yourself or others.

Affordable Training, Supports, and AI Literacy

While a high percentage of businesses 42 per cent of businesses in the information and cultural industries were reported to most likely use AI to produce goods and deliver services, adoption remains uneven. Limited capacity and resource constraints are a primary barrier to AI adoption for creative businesses, particularly small-to-medium-sized enterprises (SMEs). Unlike larger organizations, many SMEs and artists lack the internal governance frameworks, staff resources,

and risk management processes needed to assess and adopt AI technologies effectively. Adoption challenges also vary across cultural and creative sub-sectors (e.g., music publishing, animation, film) and within different communities, reflecting different risk profiles, operational needs, and readiness levels.

Many organizations, particularly arts, culture and heritage organizations, also face knowledge and skills gaps that limit their ability to use AI confidently and responsibly, with leaders noting that almost none of the sector's organizations are meaningfully data-driven today. Without access to affordable training, practical guidance, and specialized expertise, businesses and creators may struggle to understand available tools, evaluate appropriate use cases, and navigate ethical, legal, and governance considerations.

Even where interest in AI exists, implementation can be resource intensive. Evaluating tools, redesigning workflows, training staff, and establishing quality assurance processes require significant time and investment, which SMEs and artists do not have. These activities come at the expense of core business activities and revenue-generating work.

Trust, Privacy, and Intellectual Property

Concerns around privacy, data security, and trust remain significant barriers to AI adoption in the culture and creative sectors. A recent report found that 57 per cent of respondents identified data privacy and security risks as a concern, while 50 per cent expressed general mistrust of AI tools. Many organizations remain uncertain about the growing unauthorized use, storage, and resharing of copyrighted materials to train generative AI models by third-party providers, creating hesitation around adoption, particularly in client-facing and commercially sensitive work (e.g., books, journals, magazines, newspapers, songs, and images).

Intellectual property and copyright remain among the sector's most significant concerns. Uncertainty surrounding the use of copyrighted works in AI training, combined with limited transparency around consent, attribution and remuneration, has contributed to hesitation and fear among businesses and creators. For Indigenous artists, for example, these concerns extend to protecting cultural knowledge and expressions, where AI systems may generate outputs that misrepresent or appropriate Indigenous content without consent or governance.

Governance and Policy Frameworks

As the federal government looks to catalyze Canada's AI innovation and increase adoption among businesses, the release of Canada's *National Artificial Intelligence Strategy: AI for All (2026)* is an important step toward establishing a national governance framework for AI. The strategy recognizes the need for a safe, trustworthy, and sovereign AI ecosystem that benefits all Canadians, while maintaining strong public trust and accountability. However, businesses, creators, and cultural organizations still face uncertainty about governance expectations, accountability measures, and how existing laws and regulations apply to AI technology.

Strong governance frameworks are essential to building trust and enabling responsible AI adoption. The *EU AI Act* demonstrates that governments can promote innovation while establishing clear expectations for transparency, accountability, human oversight, and risk

management. By adopting a principles-based, risk-proportionate approach, Canada can give businesses and creators greater certainty while ensuring appropriate safeguards protect the public interest and support responsible AI innovation.

Businesses in the sector are already taking steps to manage AI-related risks through internal governance frameworks. For example, Framestore, a visual effects company, uses a formal AI approval process with clear criteria for licensing and data sources, excluding models trained on non-commercial datasets, and deploying approved tools in secure environments to protect company and client materials. The company has seen increased workforce productivity, reduced administrative burdens, and increased staff AI knowledge and training.

Governance structures are central to AI adoption in the cultural and creative industries. A recent survey found that 88 per cent of Canadians would support stronger governance of AI systems. The federal government should build on its strategy by deploying a "trust first" human-centric framework that provides practical guidance, best practices, and implementation supports proportional to organizational size and capacity.

How could the program be designed or delivered to maximize its impact and accessibility? When providing comment, we request that you do not include personal information about yourself or others.

To maximize impact, pair funding components with a balanced regulatory framework focused on Authorization, Remuneration, and Transparency (ART). Artists, creators, and businesses are unlikely to adopt AI tools at scale without clear rules governing copyright (e.g., Canada's *Copyright Act*), consent, transparency, IP rights, and remuneration. By pairing funding with flexible and adaptable regulation, Canada can support innovation and competitiveness while fostering trust among creators, cultural and creative organizations, and businesses. AI should be positioned as a tool that strengthens Canada's capacity to create, monetize, and promote Canadian stories and cultural IP.

Recommendations:

- Collaborate with experts and stakeholders, including within the creative industries, to develop a national strategy for AI literacy and skills across all educational levels and professional sectors, including the creative industries.
- Continue to invest in funding programs for cultural creators, entrepreneurs and organizations, including those from underrepresented communities, to promote their participation in the development, use and governance of AI technologies in the creative sectors.
- Ensure the scope of the *Copyright Act* applies to AI-generated content in order to guarantee copyright protection. This includes:
    - Ensuring licensed use, consent provisions, and compensation for copyrighted works, reconsidering expanded text and data mining exceptions, and possible disclosure or labelling of AI training data.
    - Mandating greater transparency from AI developers regarding copyrighted works used to train their models.

Successful program delivery will depend on ensuring supports are practical, flexible, and responsive to the diverse needs of Canada's cultural and creative sectors. Funding should support AI skills development, technology assessments, workflow integration, and governance capacity, while remaining malleable to tailor to different sub-industries (e.g., music publishing, film, animation, media).

The program should also be designed and delivered to reduce barriers for Indigenous, Francophone, rural, remote, and equity-deserving businesses, organizations, and creators, through plain-language guidance, multilingual resources, flexible and comprehensible application requirements, and dedicated funding streams.

Program implementation should also be supported by clear expectations from the federal government regarding copyright, consent, privacy, and responsible AI use. To inform ongoing implementation, the federal government should establish a culture sector working group within the Advisory Council on Artificial Intelligence to monitor the impacts of AI on artistic and cultural ecosystems and advise on program and policy adjustments. The working group should include experts from francophone, Indigenous and broader Canadian cultural communities to ensure policies reflect Canada's linguistic, cultural, and regional diversity.

Recommendations:

- Create a dedicated working group, as part of the Advisory Council on Artificial Intelligence, to examine impacts and opportunities of AI technology for the culture sector in real-time and provide recommendations on potential adjustments to program delivery and AI policy frameworks.
    - As part of its mandate, develop sector-specific AI guidance for creative industries, informed by international best practices such as the EU AI Act, that provides clear expectations around transparency, data provenance, consent, licensing, and risk management while supporting innovation and adoption.
- Conduct frequent gap analyses to identify emerging and ongoing risks of AI use, especially from within the culture sector.
- Include funding criteria incentivizing proponents to embed informed consent, transparency, fair remuneration, and diversity and inclusion in AI adoption projects.